

FISCAL OPERATIONS ADVISORY COUNCIL | 10.09.2018



# Budget Principles Discussion

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# FY 19 Tuition Setting Goals



## Guiding Principles

- Consider long-term factors when recommending the single year decisions (important to have a forward looking vision)
- Recognize the importance of affordability for students
- Tuition levels should be developed using data and information, including internal budget, comparator institutions, and external cost indices.
- Ensure we maintain the current service level, quality and support that Oregon Tech provides to students.

## Process Framework

- Communicate openly and transparently with all stakeholders
- The committee will utilize data and information throughout the process
- Communicate respectfully and ask questions

# Board's One-Time Funding Budget Philosophy



1. Generate increased revenue through creation of new or expanding existing applied-degree programs and/or university revenue producing functions that are affordable while being responsive to industry and student demand.
2. Generate recurring cost savings for both financial and human capital.
3. Contribute to the strategic mission of Oregon Tech.
4. Address unmet needs that do not necessarily result in increased revenue and/or generate recurring cost savings, especially where the nature of unrestricted funds can be used.

# FY 19 Budget Planning Goals



- Balance the operating budget before strategic investment and contingencies
- Create fiscal space for investments aligned with the 11 Short-Term Action Plan Goals
- Ensure stability and continuity into FY 2019 to sustain forward momentum

# Ongoing Investments



- Emergency Reserve Fund was increased to ensure adequate liquid loss reserves in case of insurable or non-insurable losses during the normal course of business
- ITS was funded to replace 25% of classroom computing resources next fiscal year (25% will be replaced using this fiscal year's budget)
- Campus beautification funding was increased to fund ongoing grounds maintenance and improvements
- Various minor adjustments to budgets where necessary to support ongoing operations



# President's Strategic Fund



- **Contingency Funds** – a contingency fund was established to fund unforeseen expenditures that arise through the normal course of business
- **Strategic Fund and Salary Pool** – the strategic fund was funded to support investments aligned with the 11 Short Term Action Goals and the BOT's one time investment criteria as well as to fund possible salary increases
- **Positions** – 12.0 additional FTE are slated for next year focused on immediate growth potential, operating effectiveness, and long-term growth opportunities

# Short-Term Action Plan Goals



1. Increase Reputational Capital
2. Increase Enrollment
3. Grow Student and Campus Diversity
4. Extend Academic Planning I (Essential Studies)
5. Extend Academic Planning II (Classroom Technology)
6. Invest in Talent
7. Grow Our Culture of Pride
8. Organizational Improvement I (Business Processes)
9. Organizational Improvement II (Entrepreneurial Culture)
10. Build Alumni Relations and Philanthropy
11. Leverage Academic and Industry Partnerships

**During the next decade, Oregon Tech will become an established global leader among polytechnic institutions and enjoy a reputation as the '*industry's university*' that nurtures the best of professionals for engineering, health, business, and technology fields, emphasizing hands-on undergraduate and graduate education and applied research.**



# What could we look like in 10 years?



## 7,500 Students

More freshmen in Klamath Falls, more capacity in Portland-Metro, converting dual-enrolled, industry programs like Boeing model

## Grow Endowment

Grow Oregon Tech Foundation endowment.

Oregon TECH

2028

## Extend Industry Partnerships

Degree programs, more internships; at least 3 established innovation centers linked to industry

## Grow Town-Gown Integration

Explore and implement new ways to connect and engage with our local communities.

## Build on Reputational Capital

Establish among the global leaders in polytechnic education and innovation.

2018

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# Prompts:



- What are the major issues confronting the institution?
- What principles should investing resources be scored against?
- What principles should any budget reductions be scored against?