

TUITION RECOMMENDATION COMMITTEE |

2.27.2019



Tuition Recommendation Committee

Johnathan Nguyen | ASOIT President

Oswaldo Capistran-Perez | ASOIT Vice-President

Brian Fox | VP Finance & Admin

TRC Membership



Richard Bailey	Department of Business Management, ETM	Klamath Falls
Osvaldo Capistran-Perez	ASOIT Vice President	Portland-Metro
Erin Foley	Vice President for Student Affairs and Dean of Students	Klamath Falls
Brian Fox, Chair	Vice President for Finance and Administration	Klamath Falls
Ernesto Hernandez	Student Representative	Klamath Falls
Erik Johnson	Director of Admissions	Klamath Falls
Taylor Kimura	Student Representative	Klamath Falls
Gary Kuleck	Provost and Vice President for Academic Affairs	Klamath Falls
Faith Lee	Student Representative	Klamath Falls
Anne Malinowski	Assistant Registrar	Portland-Metro
Kathryn (Katie) Mura	Student Representative	Klamath Falls
Johnathan Nguyen	ASOIT President	Portland-Metro
Rosanna Overholser	Department of Mathematics, HAS	Klamath Falls
Junmin Yee	ASOIT President	Klamath Falls

TRC Charter



*The Tuition Recommendation Committee is responsible for **recommending the tuition and mandatory fee rates to the President** who must in turn report and recommend mandatory tuition and fee to the Board of Trustees in accordance with ORS 352.102. The **Board of Trustees shall request that the President transmit to the Board the joint tuition recommendation** of the President and the recognized student government.*

*This committee is comprised of **six students representing both campuses and appointed by the ASOIT president(s)**, two of which represent ASOIT and two of which represent historically underserved students of the university, as defined by the university; the **Fiscal Operations Advisory Council (FOAC) chair** and at least **two administrators**. Any changes to the Committee structure required by ORS 352.102, subsequent controlling statutes or Board Policy may be made without notification. The President shall designate one member to chair the committee.*

*Before making any recommendation to increase tuition and mandatory fees but especially when the proposed increase is more than five percent annually, the Committee must **document its consideration of the impact on students**, and the **necessity of the increase in achieving the mission of the University**. The Committee shall provide **meaningful opportunities** for members of the student government and students at large **to participate** in the process and deliberations.*

The committee will meet at least twice during January – February. Its meetings shall be open to the public and broad notification of the meetings shall be made to the university community. The committee will consider the guidelines provided by the Board, information provided by the Administration, and such other matters as shall seem appropriate.

How the TRC Works



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

Tuition Changes: Stability Focused

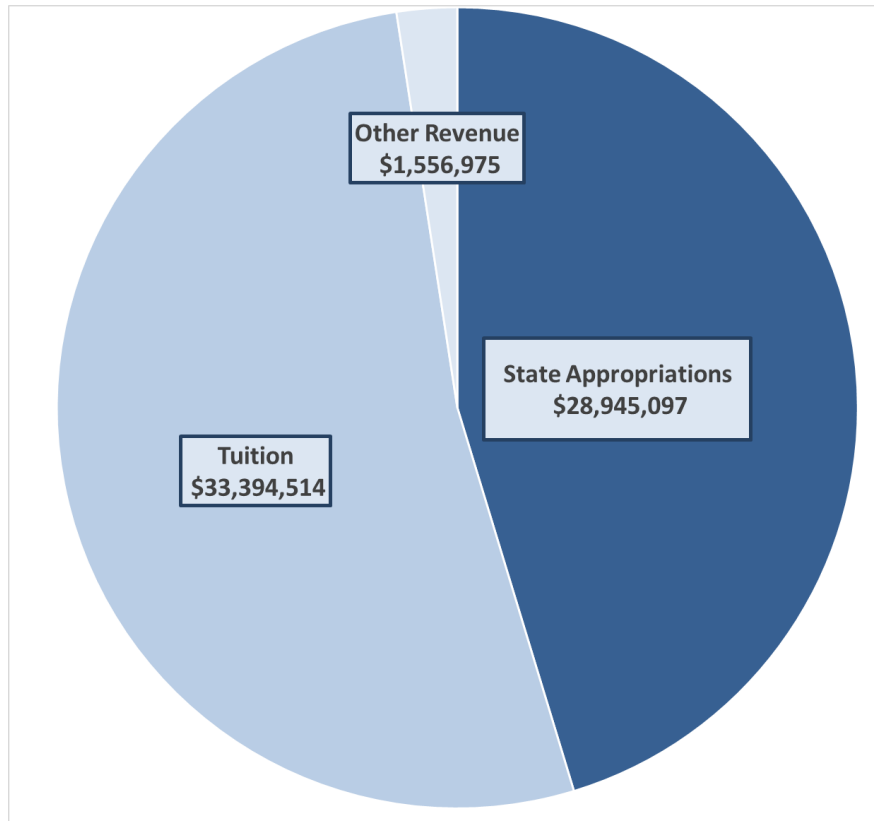


Tuition History	
Academic Year 2013-14	2.5%
Academic Year 2014-15	-0.5%
Academic Year 2015-16	5.0%
Academic Year 2016-17	3.0%
Academic Year 2017-18	5.0%
Academic Year 2018-19	4.5%

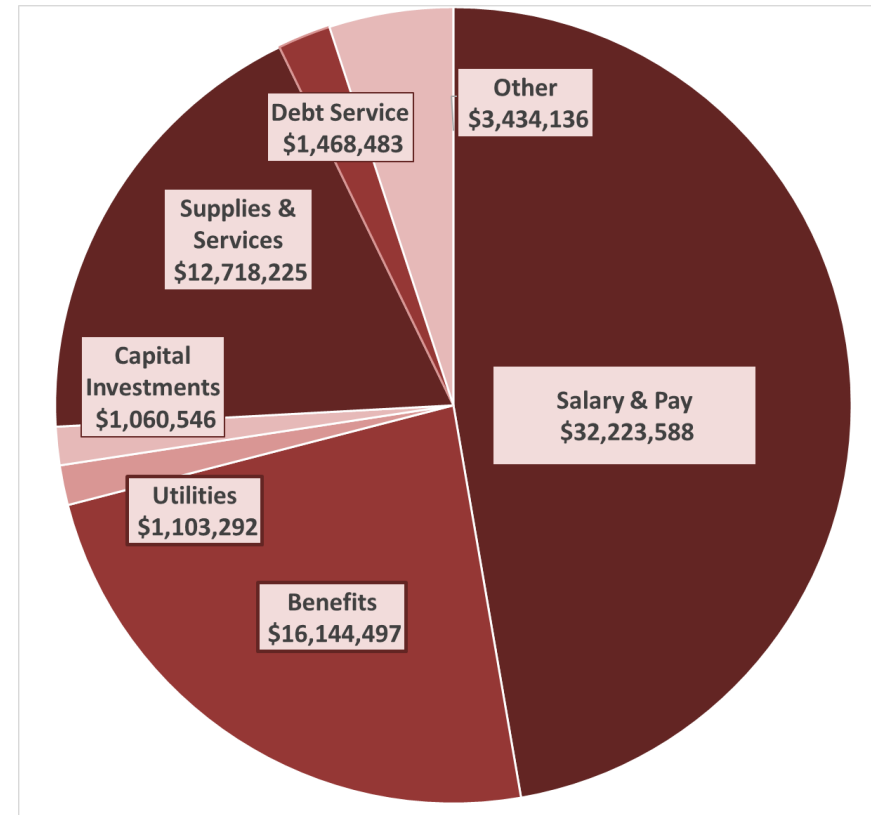
Where Does Tuition Go?



Revenue



Expenses



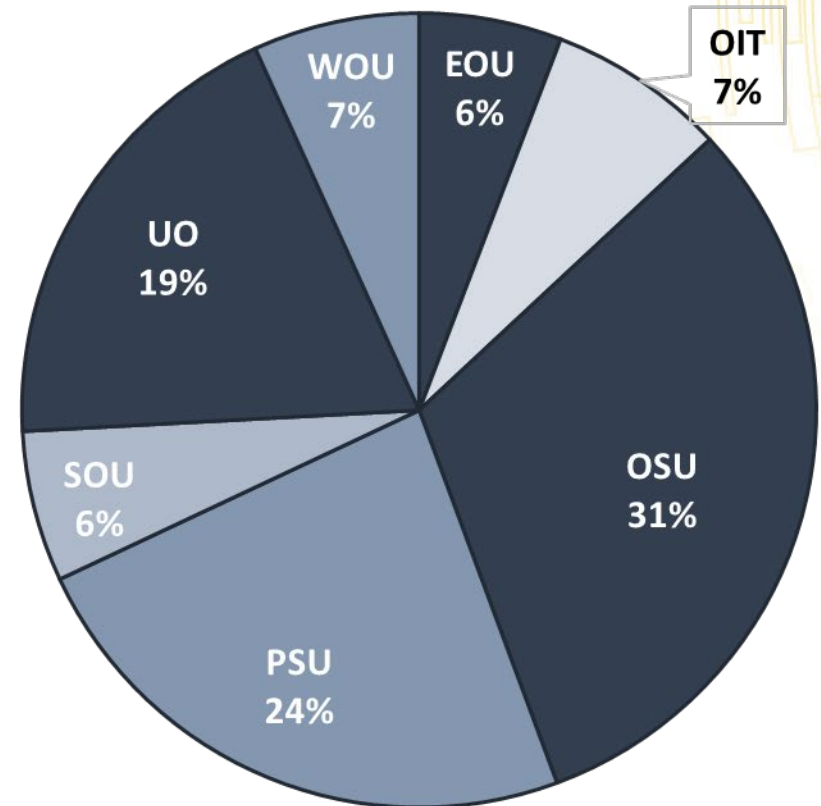
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Public University Support Fund



- The Legislature funds the Public University Support Fund (PUSF) which is split between all seven public universities
- The PUSF splits funding through a funding formula, which includes:
 - # of resident degrees granted
 - # of student credit hours
 - Set asides for engineering, technology and health care programs
 - Support for general operations

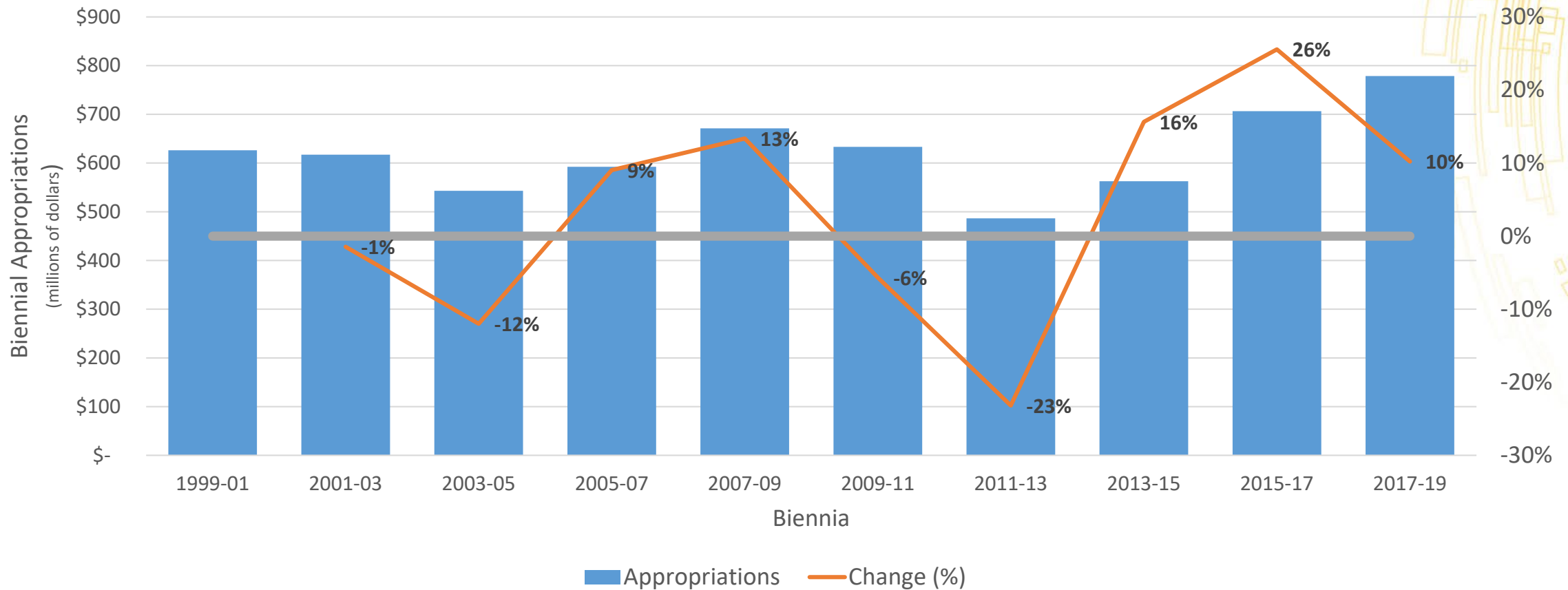
Public University Support Fund Distribution



State Appropriations: Unstable Path



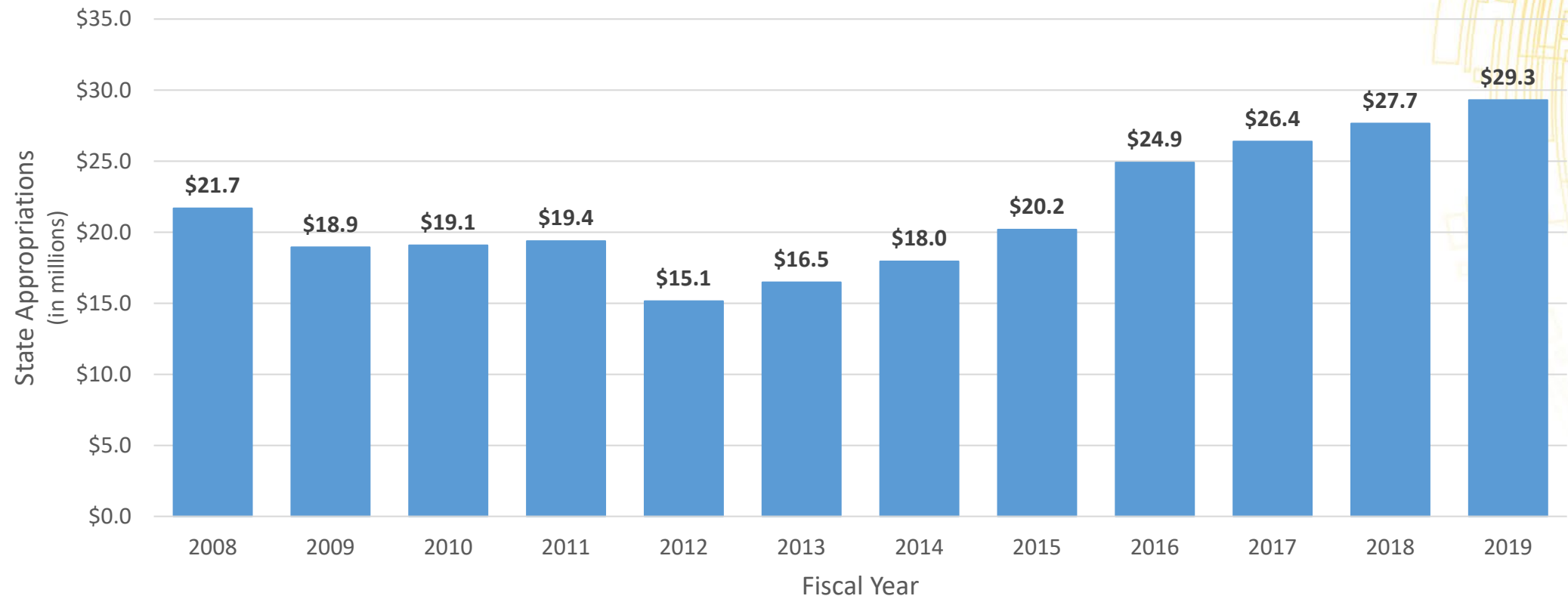
Oregon Biennial Higher Education Appropriations



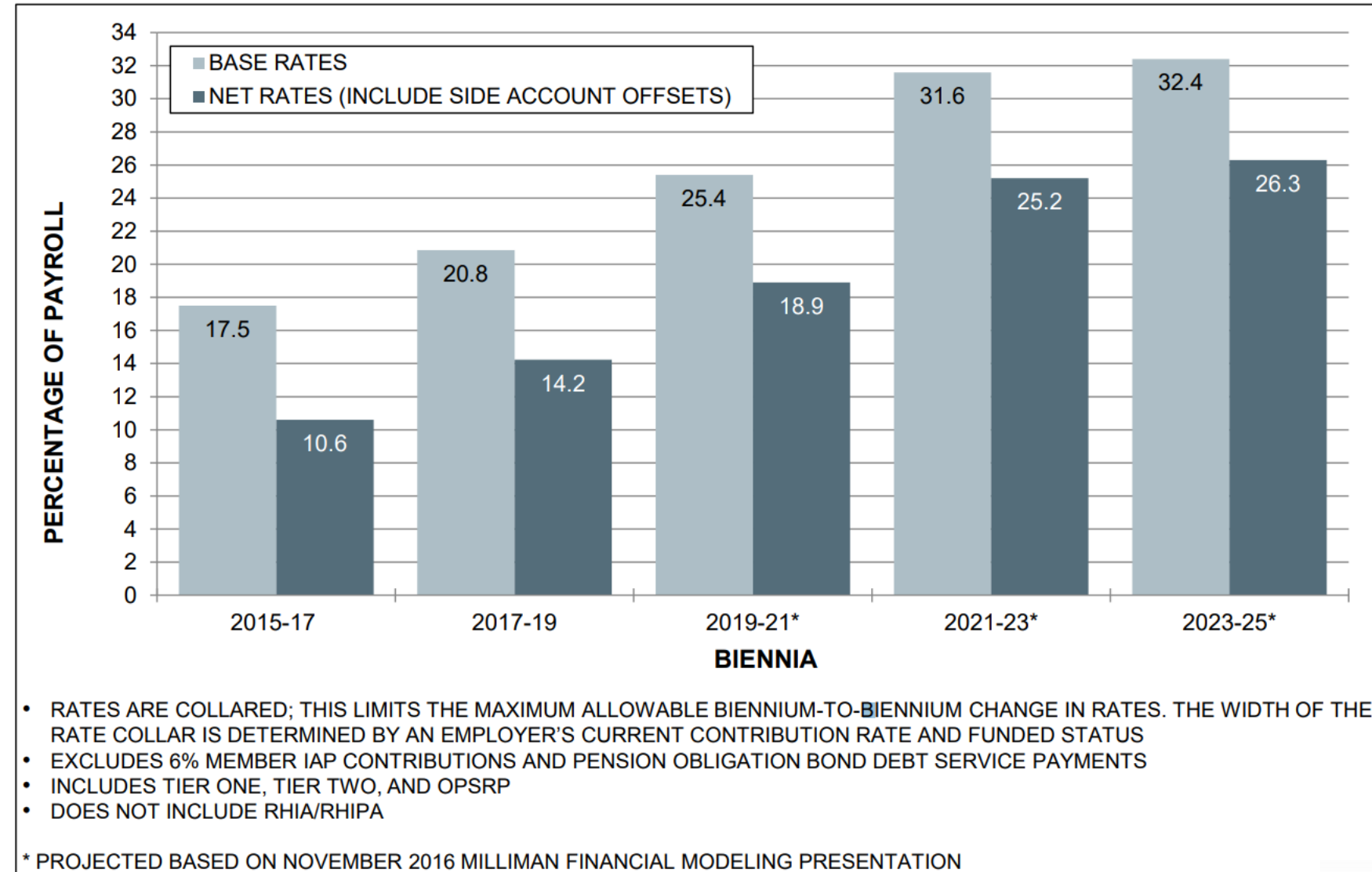
State Appropriations: Institutional Funding History



Oregon Tech State Appropriations



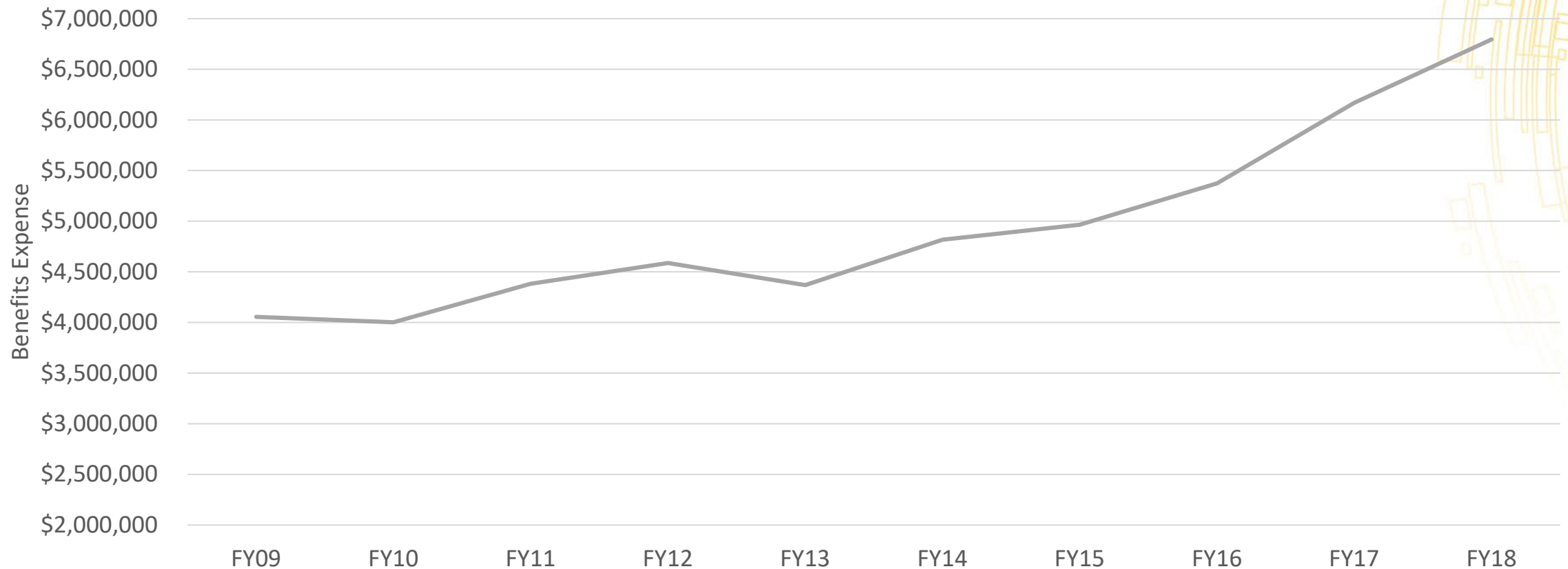
Benefits: Retirement Cost Increases



Benefits: Healthcare Cost Curve



Oregon Tech Healthcare Expenses



Equipment: Replacement Planning



Inventory and Cost						
Klamath Falls		Portland-Metro		Cost per Unit (Low)		Cost per Unit (High)
PC Laptop	118	45	\$	1,073	\$	1,732
PC Desktop	889	399	\$	768	\$	1,459
Mac Laptop	7	8	\$	1,285	\$	2,158
Mac Desktop	15	3	\$	1,012	\$	2,586
Replacement Range				Total Annual Budget Requirement (4 yr laptop, 5 yr desktop, network and servers)		
Low		High		Low		High
PC Laptop	\$ 174,899	\$ 282,316	\$ 43,737	\$ 70,576		
PC Desktop	\$ 989,184	\$ 1,879,192	\$ 197,837	\$ 375,838		
Mac Laptop	\$ 19,275	\$ 32,370	\$ 4,819	\$ 8,093		
Mac Desktop	\$ 18,216	\$ 46,548	\$ 3,643	\$ 9,310		
Total	\$ 1,201,574	\$ 2,240,426	\$ 250,036	\$ 463,817		

Budget Examples



Expense Estimates	
1.0 FTE Employee	
Salary	\$67,000
OPE	\$43,000
Total	\$110,000
Academic Equipment Budget	\$840,000
Increase Scholarships (1% of Tuition)	\$334,000
Save on Supplies & Services (1%)	\$127,000
Reduce Utilities (1%)	\$10,000

State Budget: Scenarios



- Governor Recommends Budget (GRB)
 - + \$0M for the PUSF
- Governor Recommends Budget (GRB) Investment Scenario
 - + \$120M for the PUSF
- Current Service Level
 - + \$40.5M
- Co-Chairs Budget
 - ???
- Higher Education Coordinating Commission (HECC) Investment Budget
 - + \$186M

State Budgeting & Tuition Scenarios



Scenario	PUSF Funding	Change in Fund Balance	All Tuition	Credit Hour Cost Change		
				Res	WUE	Non-Res
GRB	\$ +0M	\$ -7.6M	30%	\$55.18	\$82.77	\$175.64
CSL	+ \$40M	\$-4.9M	17%	\$31.27	\$46.90	\$99.53
GRB Investment	+ \$120M	\$-2.6M	9%	\$16.55	\$24.83	\$52.69
HECC Investment	+ \$186M	\$-1.4M	4%	\$7.36	\$11.04	\$23.42

Discussion



- What considerations or information would be useful?
- What do you want to see?
- Can't we just keep tuition the same as it is now – why an increase?

TRC Calendar



- | | |
|--|---|
| 1. Dec 27 th | First Meeting – Discuss Committee Charter |
| 2. Jan 11 th | Establish Tuition Setting Principles |
| 3. Jan 25 th | Budget and Tuition Comparisons |
| 4. Feb 8 th | Tuition Scenarios |
| 5. Feb 22 nd | Tuition Forum Prep |
| 6. Feb 25 th /27 th | First Campus Forum KF/PM |
| 7. Mar 8 th | Forum Recap & Draft Recommendation |
| ----- Break for Dead Week, Finals and Spring Break ----- | |
| 8. Apr 8 th /10 th | Final Campus Forum KF/PM |
| 9. Apr 12 th | Final TRC Meeting – Tuition Recommendation |
| 10. Apr 19 th | ASOIT Submits Tuition Recommendation |
| 11. May 10 th | President’s Recommendation to Board of Trustees |
| 12. May 30 th | Board of Trustees Adopt Tuition |

Follow Our Efforts



- All TRC material and future meetings are posted online at:

www.oit.edu/trc

