

TUITION RECOMMENDATION COMMITTEE | 4.18.2019



# Oregon Tech 2019-20 Tuition Forum

Johnathan Nguyen | ASOIT President

Brian Fox | VP Finance & Admin

# Agenda



1. Overview of the TRC & the tuition setting process
2. Deliberation calendar
3. Budget overview
4. Tuition scenarios
5. Discussion
6. What students can do

# TRC Membership



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

# How the TRC works



## TRC's Role

- TRC analyzes budget, legislative, scholarship, programmatic information and collects feedback on tuition scenarios and options
- TRC weighs different options and input from campus stakeholders and develops a tuition recommendation for ASOIT and the President who in turn recommends tuition to the Board

## 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.

# TRC Calendar

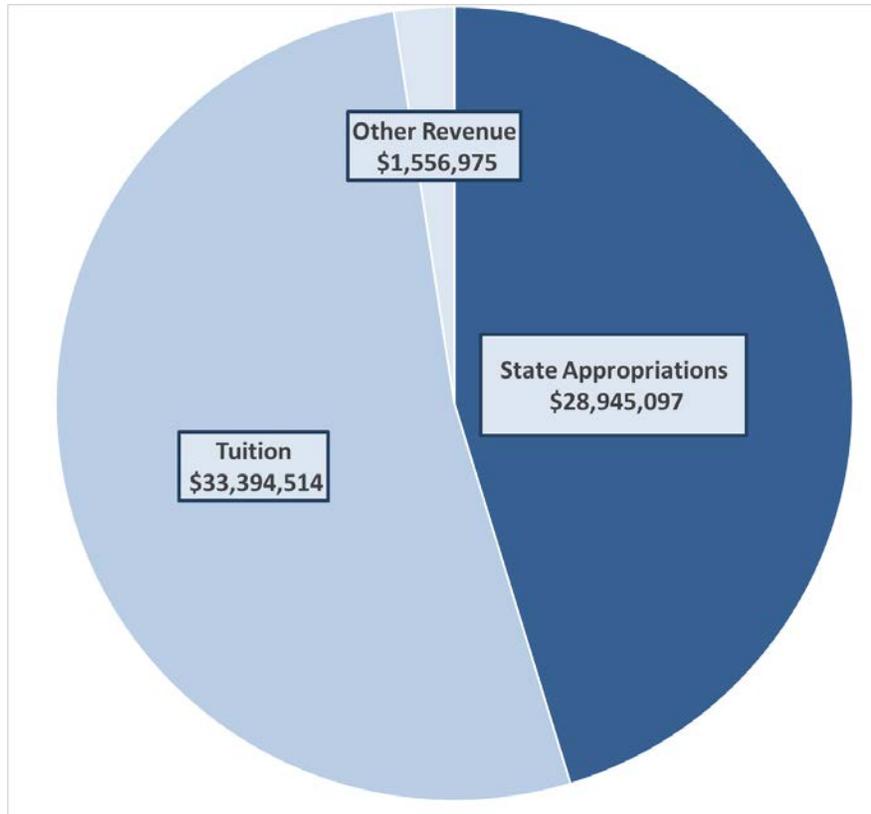


- Dec – Jan Set committee principles, evaluate budgets and state funding levels
- Feb – Mar Set draft tuition scenarios, hold first set of tuition forums to collect student feedback
- Break for Dead Week, Finals and Spring Break -----
- Apr 8<sup>th</sup> Campus open forum prep
- Apr 18<sup>th</sup>/22<sup>nd</sup> Campus forums & draft tuition recommendation
- Apr 23<sup>th</sup> Set tuition recommendation
- May 3<sup>rd</sup> ASOIT submits tuition recommendation
- May President makes tuition recommendation, Board of Trustees adopts tuition

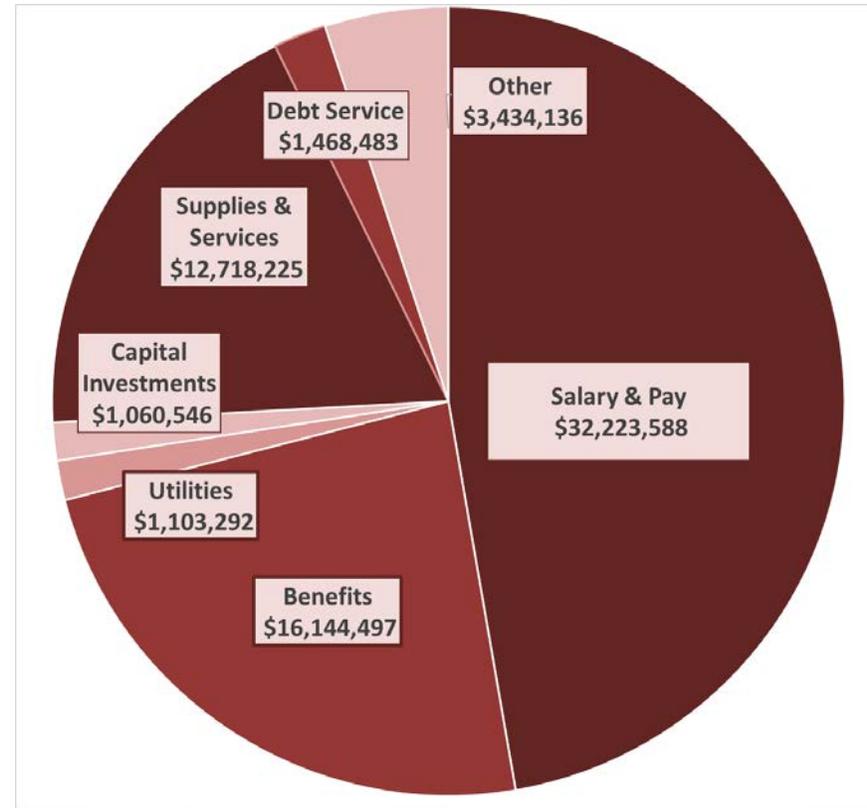
# Where Does Tuition Go?



## Revenue



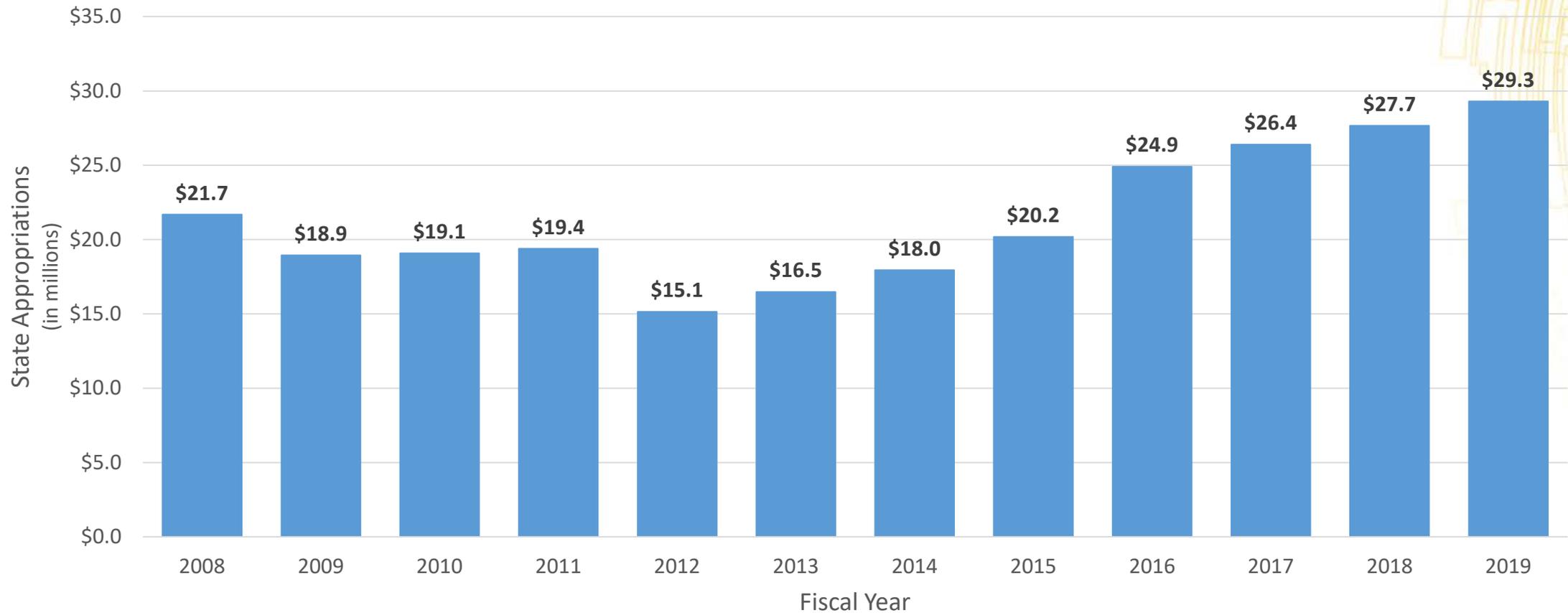
## Expenses



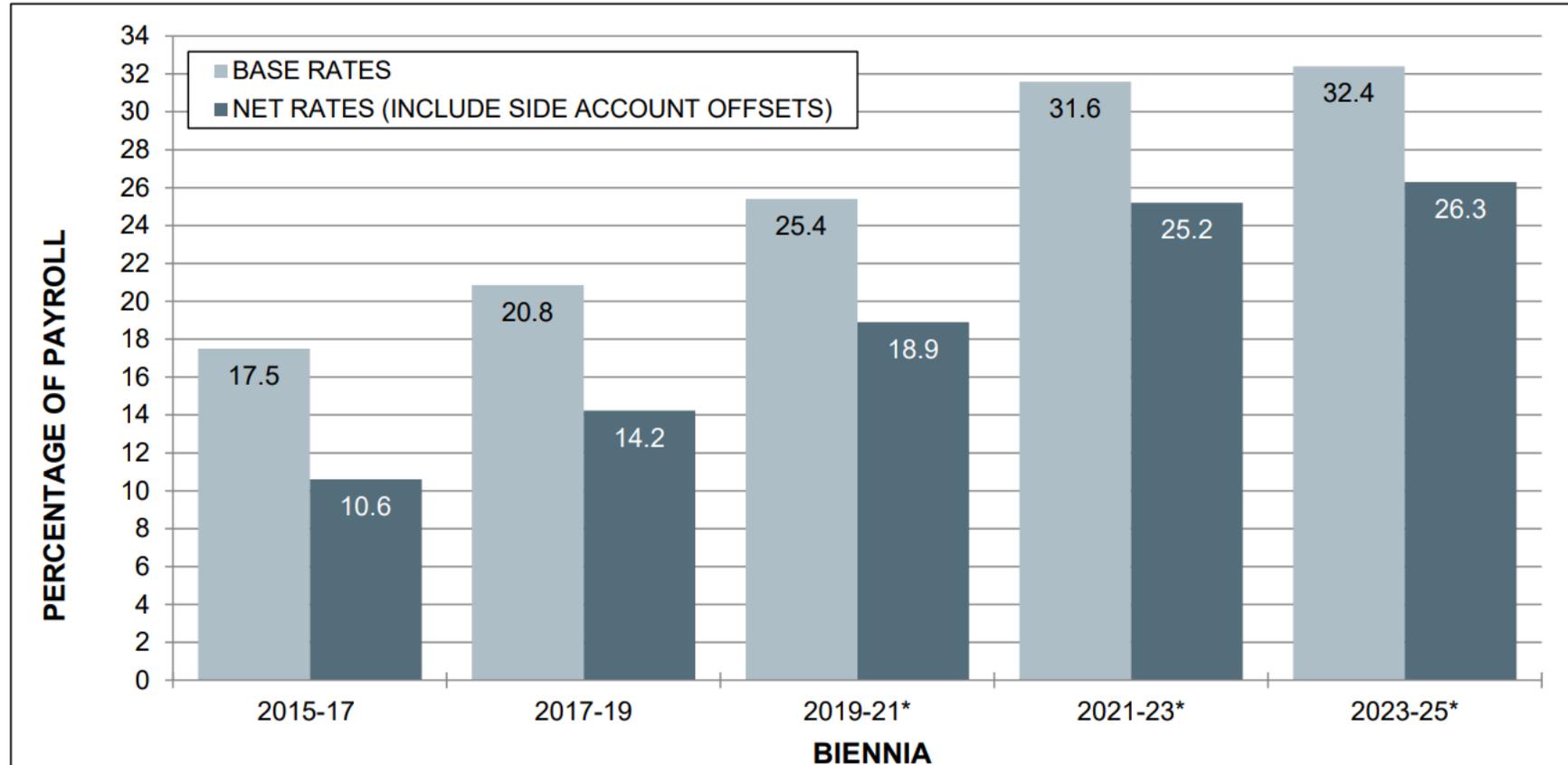
# State Appropriations: Institutional Funding History



Oregon Tech State Appropriations



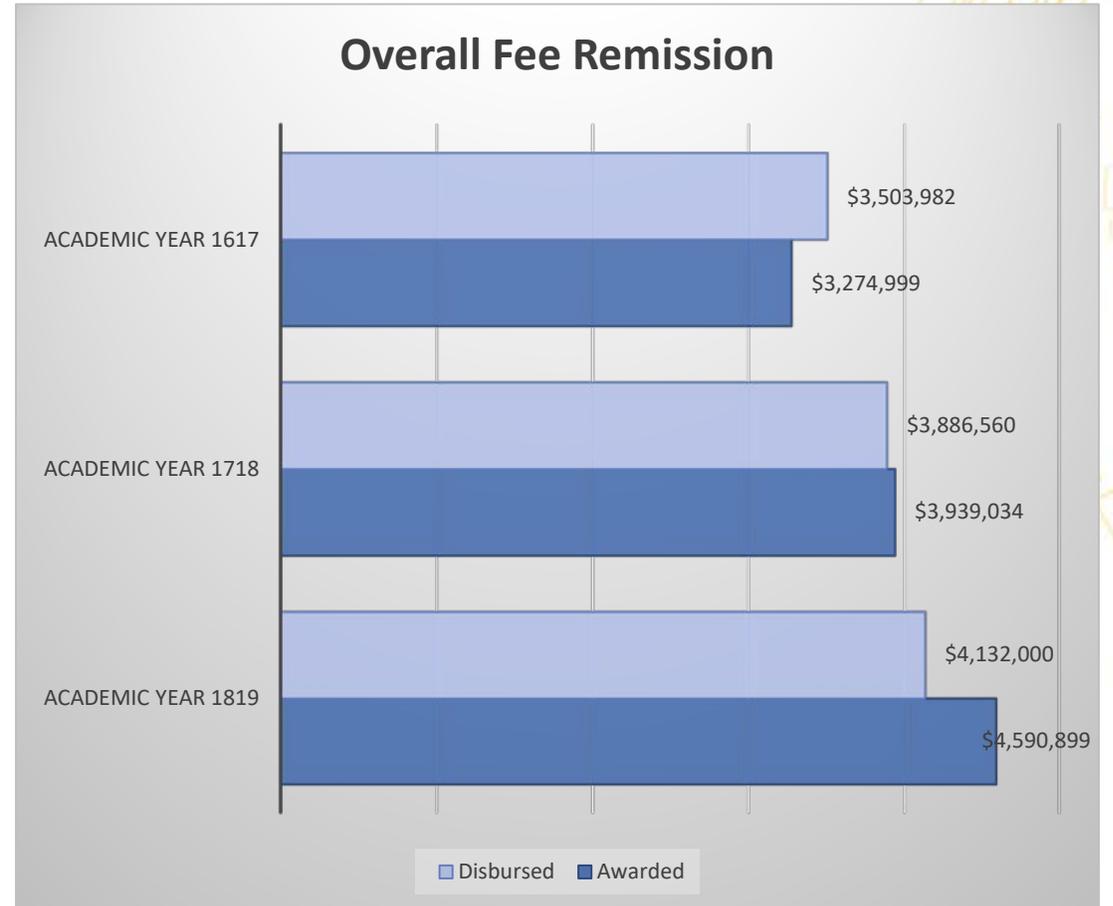
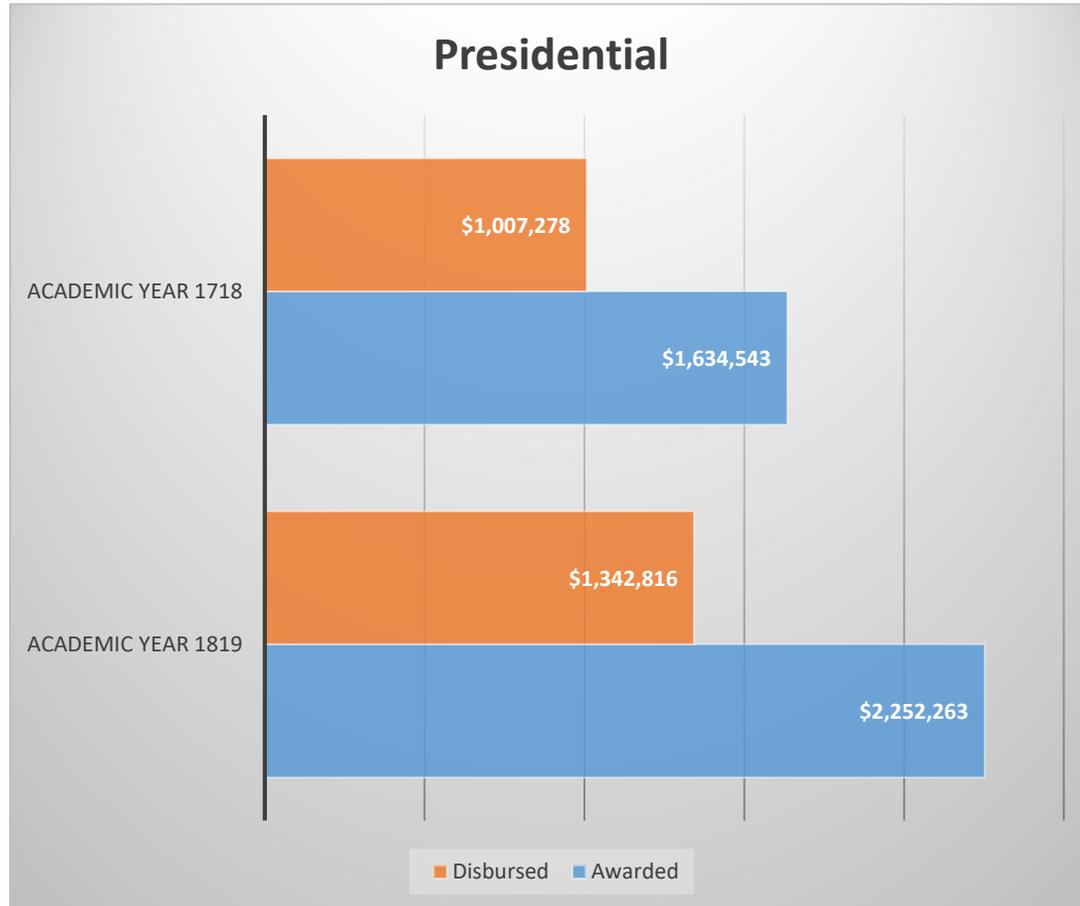
# Benefits: Retirement Cost Increases



- RATES ARE COLLARED; THIS LIMITS THE MAXIMUM ALLOWABLE BIENNIUM-TO-BIENNIUM CHANGE IN RATES. THE WIDTH OF THE RATE COLLAR IS DETERMINED BY AN EMPLOYER'S CURRENT CONTRIBUTION RATE AND FUNDED STATUS
- EXCLUDES 6% MEMBER IAP CONTRIBUTIONS AND PENSION OBLIGATION BOND DEBT SERVICE PAYMENTS
- INCLUDES TIER ONE, TIER TWO, AND OPSRP
- DOES NOT INCLUDE RHIA/RHIPA

\* PROJECTED BASED ON NOVEMBER 2016 MILLIMAN FINANCIAL MODELING PRESENTATION

# Presidential Scholarship & Overall Fee Remissions

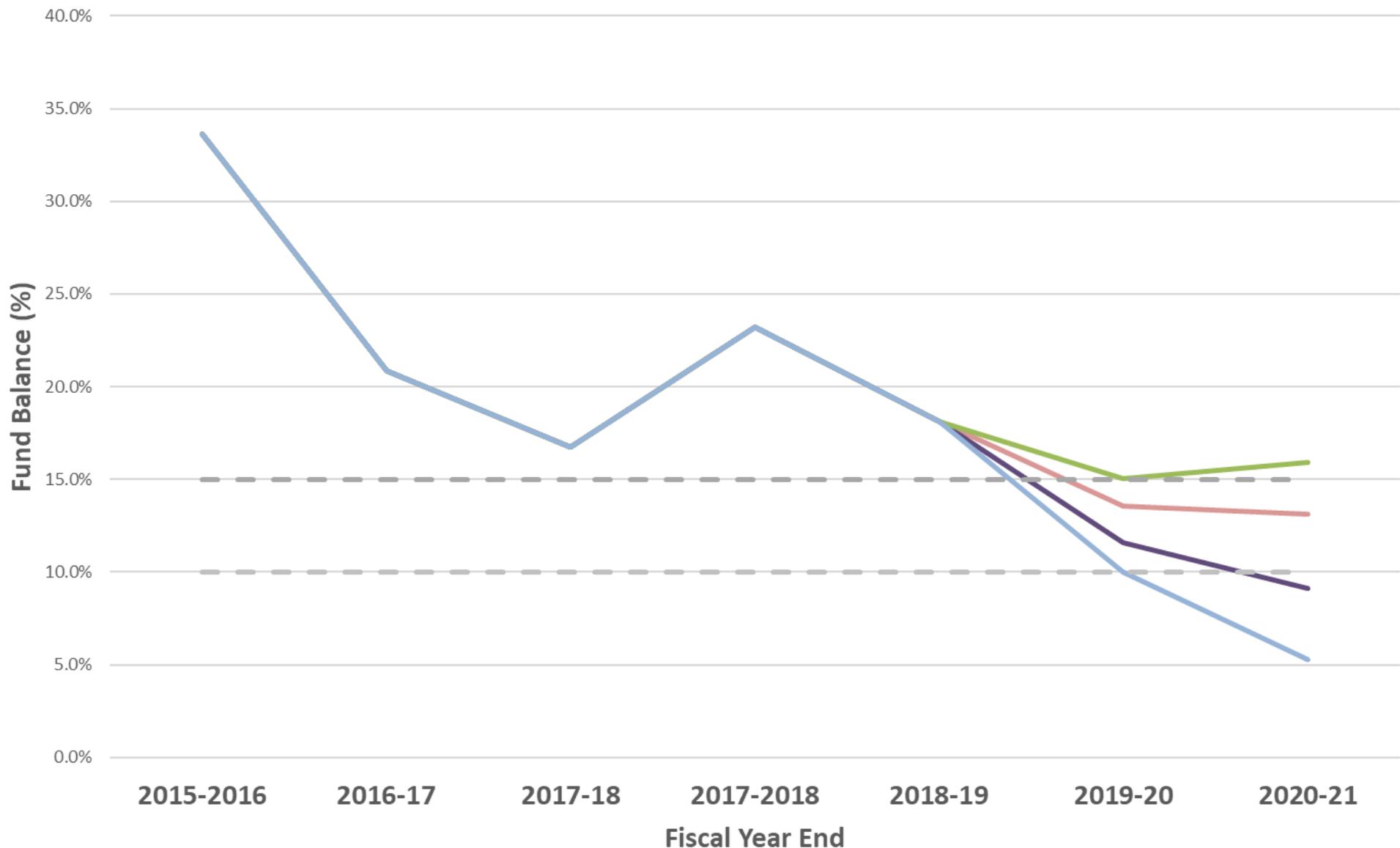


# Where We Started



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

# OREGON TECH | ENDING FUND BALANCE FORECAST SCENARIOS



- +9% Tuition
- Flat Tuition
- Scenario II less ETSF/OREC
- Fund Balance Target Range
- Scenario II: +9% Tuition & Cuts

# Tuition Scenario Ranges



	Scenario I	Scenario II	Scenario III
Tuition	+7%	+9%	+15%
Remissions	+\$355K	+\$355K	+\$670K
Budget Cuts	-\$1.6M	-\$1.0M	-\$100K
Use of Reserves	-\$1.2M/+\$1.2M	-\$1.4M/+\$1.4M	-\$1.7M/+\$1.7M



	Scenario I Low Tuition/High Cuts	Scenario II Middle Tuition/Budget Savings	Scenario III High Tuition/High Aid/Low Reductions
Overview	<ul style="list-style-type: none"> <li>- Moderate tuition increases with tuition scholarships</li> <li>- Significant ongoing cuts impacting academic quality</li> </ul>	<ul style="list-style-type: none"> <li>- Middle path on tuition increases and scholarships</li> <li>- Moderate budget savings and reductions</li> <li>- Balanced looking forward</li> </ul>	<ul style="list-style-type: none"> <li>- Very high tuition increases, with additional targeting scholarships</li> <li>- Limited budget cuts</li> <li>- Large use of reserves, but balanced over biennium</li> </ul>
Possible Examples:	<ul style="list-style-type: none"> <li>- Noticeable reduction in course offerings and larger class sections</li> <li>- Reduced equipment replacements</li> <li>- Hiring freezes</li> <li>- Student services/janitorial impacts</li> </ul>	<ul style="list-style-type: none"> <li>- Limited pruning of course offerings</li> <li>- Managed equipment replacements</li> <li>- Selective hiring reductions and vacancy savings</li> </ul>	<ul style="list-style-type: none"> <li>- Limited reduction in low-enrollment sections only</li> <li>- Continued investment in equipment replacements</li> <li>- Hiring in key faculty, student services and strategic positions</li> </ul>

# Tuition Changes – Scenario I

## 7% Tuition Increase / \$1.6M Cuts



Student Type	Rate	Current Tuition	Scenario I	Scenario II	Scenario III
Resident	Per Credit	\$ 183.93	\$ 12.88	\$ 16.55	\$ 27.59
	15 Credits (term)	\$ 2,758.95	\$ 193.13	\$ 248.31	\$ 413.84
	45 Credits (year)	\$ 8,276.85	\$ 579.38	\$ 744.92	\$ 1,241.53
	Differential (cr/yr)	\$ 45.98	\$13.06/ \$587	\$14.17/ \$638	\$17.48/ \$787
WUE	Per Credit	\$ 275.90	\$ 19.31	\$ 24.83	\$ 41.39
	15 Credits (term)	\$ 4,138.50	\$ 289.70	\$ 372.47	\$ 620.78
	45 Credits (year)	\$ 12,415.50	\$ 869.09	\$ 1,117.40	\$ 1,862.33
	Differential (cr/yr)	\$ 68.97	\$19.59/ \$882	\$21.25/ \$956	\$26.22/ \$1,180
Non-Resident	Per Credit	\$ 585.45	\$ 40.98	\$ 52.69	\$ 87.82
	15 Credits (term)	\$ 8,781.75	\$ 614.72	\$ 790.36	\$ 1,317.26
	45 Credits (year)	\$ 26,345.25	\$ 1,844.17	\$ 2,371.07	\$ 3,951.79
	Differential (cr/yr)	\$ 146.36	\$41.57/ \$1,871	\$45.08/ \$2,029	\$55.62/ \$2,503

# Additional Investment



Base Case				
State Funding	Tuition Increase	Scholarships	Cuts	Use of Reserves
Base Case	7%/9%/15%	+\$355K	-\$100K/\$1.0M/\$1.6M	-\$1.2M/\$1.4M/\$1.7M
Additional Investment				
State Funding	Change in Tuition Increase	Scholarships	Reduction in Cuts	Use of Reserves
Co-Chairs +\$20M	-1%	+\$600K	+\$0	-\$1.2M/\$1.4M/\$1.7M
Co-Chairs +\$40M	-2%	+\$600K	+\$400K	-\$1.2M/\$1.4M/\$1.7M
Co-Chairs +\$60M	-3%	+\$600K	+\$600K	-\$1.2M/\$1.4M/\$1.7M
Co-Chairs +\$80M	-4%	+\$600K	+\$800K	-\$1.2M/\$1.4M/\$1.7M



# Discussion

# What You Can Do?



- Provide feedback to TRC
  - [www.oit.edu/trc](http://www.oit.edu/trc) for Qualtrics survey
- Lobby with students from across the state at TRU Day
  - May 14<sup>th</sup> - @ the Capitol
  - Contact: ASOIT Reps or Dana Onorato [dana.onorato@oit.edu](mailto:dana.onorato@oit.edu)
- Attend ASOIT General Meeting for TRU Day Training
  - April 29<sup>th</sup> at 12:00 pm with Brittany Miles
- Write Letters & call your Legislators!
  - See [www.oit.edu/trc](http://www.oit.edu/trc) for “find your legislator” link and draft letters

# Follow Our Efforts & Comment



- Today's Presentation and Feedback form are posted online at [www.oit.edu/trc](http://www.oit.edu/trc)

## Tuition Recommendation Committee (TRC)

(2018–2019) Tuition Recommendation Committee Open Forum Presentation

[PowerPoint Presentation](#)

A screenshot of a web form titled 'STUDENT FEEDBACK to the Tuition Recommendation Committee'. The form features the Oregon TECH logo at the top. Below the title, there is a horizontal line and a text prompt: 'Please provide your comments and thoughts to be shared with the TRC Committee:'. A large, empty rectangular box is provided for the user to enter their feedback.

**Oregon TECH**

**STUDENT FEEDBACK**  
to the  
*Tuition Recommendation Committee*

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Please provide your comments and thoughts to be shared with the TRC Committee:

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# Questions

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# Tuition Changes – Scenario I

## 7% Tuition Increase / \$1.6M Cuts



Student Type	Rate	Current Tuition	Scenario I	Change
Resident	Per Credit	\$ 183.93	\$ 196.81	\$ 12.88
	15 Credits (term)	\$ 2,758.95	\$ 2,952.08	\$ 193.13
	45 Credits (year)	\$ 8,276.85	\$ 8,856.23	\$ 579.38
	Differential	\$ 45.98	\$ 59.04	\$ 13.06
WUE	Per Credit	\$ 275.90	\$ 295.21	\$ 19.31
	15 Credits (term)	\$ 4,138.50	\$ 4,428.20	\$ 289.70
	45 Credits (year)	\$ 12,415.50	\$ 13,284.59	\$ 869.09
	Differential	\$ 68.97	\$ 88.56	\$ 19.59
Non-Resident	Per Credit	\$ 585.45	\$ 626.43	\$ 40.98
	15 Credits (term)	\$ 8,781.75	\$ 9,396.47	\$ 614.72
	45 Credits (year)	\$ 26,345.25	\$ 28,189.42	\$ 1,844.17
	Differential	\$ 146.36	\$ 187.93	\$ 41.57

# Tuition Changes – Scenario II

## 9% Tuition Increase / \$1.0M Cuts



Student Type	Rate	Current Tuition	Scenario II	Change
Resident	Per Credit	\$ 183.93	\$ 200.48	\$ 16.55
	15 Credits (term)	\$ 2,758.95	\$ 3,007.26	\$ 248.31
	45 Credits (year)	\$ 8,276.85	\$ 9,021.77	\$ 744.92
	Differential	\$ 45.98	\$ 60.15	\$ 14.17
WUE	Per Credit	\$ 275.90	\$ 300.73	\$ 24.83
	15 Credits (term)	\$ 4,138.50	\$ 4,510.97	\$ 372.47
	45 Credits (year)	\$ 12,415.50	\$ 13,532.90	\$ 1,117.40
	Differential	\$ 68.97	\$ 90.22	\$ 21.25
Non-Resident	Per Credit	\$ 585.45	\$ 638.14	\$ 52.69
	15 Credits (term)	\$ 8,781.75	\$ 9,572.11	\$ 790.36
	45 Credits (year)	\$ 26,345.25	\$ 28,716.32	\$ 2,371.07
	Differential	\$ 146.36	\$ 191.44	\$ 45.08

# Tuition Changes – Scenario III

## 15% Tuition Increase / \$100K Cuts



Student Type	Rate	Current Tuition	Scenario III	Change
Resident	Per Credit	\$ 183.93	\$ 211.52	\$ 27.59
	15 Credits (term)	\$ 2,758.95	\$ 3,172.79	\$ 413.84
	45 Credits (year)	\$ 8,276.85	\$ 9,518.38	\$ 1,241.53
	Differential	\$ 45.98	\$ 63.46	\$ 17.48
WUE	Per Credit	\$ 275.90	\$ 317.29	\$ 41.39
	15 Credits (term)	\$ 4,138.50	\$ 4,759.28	\$ 620.78
	45 Credits (year)	\$ 12,415.50	\$ 14,277.83	\$ 1,862.33
	Differential	\$ 68.97	\$ 95.19	\$ 26.22
Non-Resident	Per Credit	\$ 585.45	\$ 673.27	\$ 87.82
	15 Credits (term)	\$ 8,781.75	\$ 10,099.01	\$ 1,317.26
	45 Credits (year)	\$ 26,345.25	\$ 30,297.04	\$ 3,951.79
	Differential	\$ 146.36	\$ 201.98	\$ 55.62