

POSITION	TERM	NAME	DEPARTMENT/DIVISION
Chair	2021-22	John Harman	Finance and Administration
Co-Chair	2021-22	Anna Clark	Budget and Planning Office
Administrator 1	2021-22	Joanna Mott	Academic Affairs
Administrator 2	2021-22	Erin Foley	Student Affairs
University Registrar	2021-22	Kendal Marks	Academic Affairs
FOAC Chair	2021-24	Don DaSaro	Business Management
Faculty Representative	2021-24	Feng Shi	Electrical Engineering and Renewable Energy Technology
Klamath Falls ASOIT Representative	2021-22	Sasha Rabich	ASOIT
Portland-Metro ASOIT Representative	2021-22	Billy Kimmel	ASOIT
Klamath Falls Student 1	2021-22	Mason Wichmann	Student
Klamath Falls Student 2	2021-22	Graeme Wilttrout	Student
Portland-Metro Student 1	2021-22	Jamie Penner	Student
Graduate Student	2021-22	Justin Echternacht	Student
Ex Officio Member	2021-22	Maria Depuy	Budget and Planning Office
Administrative Support	2021-22	Celia Green	Finance and Administration

Minutes

Meeting Called to order- Chair Harman at 4:03 pm

1. In attendance: Chair Harman, Anna Clark, Maria Depuy, Billy Kimmel, Celia Green, Dr. Foley, Dr. Feng Shi, Graeme Wilttrout, Justin Echternacht, Karissa Sultan, Kendal Marks, Mason Wichmann, Dr. Mott and Jamie Penner
2. There were no questions from the last meeting or the ASOIT Open Forums.
3. Slides were presented.
 - a. Graeme Wilttrout, Klamath Falls student, asked what the break-even tuition increase would be.
 - i. Co-Chair Anna Clark said a little over 9%.
 - b. Jamie Penner, Portland-Metro student, asked if there were slides showing how much the raise in base tuition would be in relation to the amount of federal student loans.
 - c. Slides from the previous week were revisited that showed tuition totals under 2%, 5%, and 8% increase scenarios. Jamie shared that federal student loans are around \$9k per year. Jamie Penner also asked if there are any other measures that can be taken to balance the budget other than raising tuition.
 - i. Chair Harman indicated that a tuition increase is only one element in a balanced approach to closing the FY 2023 budget gap. He explained that the university is also expecting to use a portion of one-time funds or reserve funds to address the issue.

- ii. Chair Harman also indicated that expense reductions could not be ruled out and explained that since that since 70% of expenditures are payroll and related benefits, that expense reductions could impact people. OT already has a number of unfilled positions, some dating back to before the pandemic. Hours and services could be reduced with an expense reduction. Campus hasn't fully recovered from the last round of cuts related to COVID.
 - iii. Co-Chair Anna Clark said that \$3.5M million was cut in FY21. Cuts have been challenging already.
- d. Jamie Penner stated with a 5% tuition increase may put tuition above the amount covered by student loans. Increasing tuition could affect admissions.
 - i. Chair Harman said we are sensitive to keeping our tuition competitive, but remember, many of our programs are more expensive to maintain than those of traditional 4-year liberal arts universities. He went on to reference the base tuition array Table shared in an earlier session, indicating that Oregon Tech is in the middle of the pack compared to its peers.
- e. Jamie Penner said that it's difficult to attend school with a full-time job and savings with only a federal student loan. Private loans generally have a higher interest rate.
 - i. Co-Chair Anna Clark said that college affordability in general is difficult, and that individual institutions have to balance overall affordability with the ability to provide quality education. Federal student aid is the same for all schools.
- f. Chair Harman added that a recent news article indicated the University of Oregon will be increasing tuition by 4.5% next year. Even with UO receiving over \$20M in additional funding for the biennium through the revised formula and increase to the PUSF last year, they still find it necessary to raise tuition. We have to continue to make our case to the HECC that the revised SSCM formula resulted in an inequitable outcome uniquely impacting OT. Chair Harman conveyed that both he and President Naganathan have made public presentations to the HECC related to the funding changes. Harman went on to say, there is no doubt that a big part of the reason we are having to pursue a significant tuition increase is because Oregon Tech was reduced in the formula revision. Additionally, like all other state funded institutions OT has increasing labor and benefits costs. If we had received an additional \$7.5M or \$8.4M for the biennium as some of the regional universities did, it would be a very different situation for OT.
- g. Graeme Wilttrout, Klamath Falls student, asked if OT can ask for supplemental funds or approach the Foundation for additional funding.
 - i. Chair Harman said we will continue to work with our legislators, but even if successful, any additional funding would not be available in time for FY 2023. The Foundation provides support for the OT mission but does not generally help fund operations.
- h. Billy Kimmel, Portland-Metro ASOIT Representative, asked if capital construction comes out of E & G.
 - i. Chair Harman said that in most cases matching funds come out of reserve. The rest is from state bond funds that we don't pay back if they are Series G or Q bonds. Projects score better for consideration by the HECC with an institutional match. It's a good return on investment. OT matched \$1.1M for \$23M in bonds related to the Boivin renovation, which we do not have to pay back.
 - ii. Graeme Wilttrout, Klamath Falls student, asked if the matching funds come from reserves and not tuition. Chair Harman confirmed that it comes from reserves, which is a mix of revenue sources that accumulate over many years if the university has a surplus at yearend.

- i. Billy Kimmel, Portland-Metro ASOIT Representative, asked if there are any projects that can be put on hold and the money used for other things.
 - i. Chair Harman said not really. Capital projects with matches are already funded and underway. The Board may limit us in what we can spend from reserves to balance the FY 2023 budget. We will need to provide a compelling case for using reserve funds when presenting the FY 2023 budget. We are committed to try to lighten the load on students through also committing other one-time funding to help cover the gap.
- j. Graeme Wiltrout, Klamath Falls student, asked how much money OT has in reserves.
 - i. Chair Harman said about \$15-16 million. The amount has been fairly consistent over the last several years.
- k. Graeme Wiltrout, Klamath Falls student, asked where the \$4 million of other one-time funding proposed in the slides would come from.
 - i. Chair Harman said \$1 million from reserves and \$3 million from COVID funds designated as lost revenue.
- l. Jamie Penner, Portland-Metro student, asked if money is ever used to help the Portland-Metro campus.
 - i. Chair Harman said we still have outstanding bonds for the purchase of the Portland-Metro campus and related renovations, computer labs, and classrooms.
 - ii. Jamie Penner said there has been a problem with broken chairs and power cords in dangerous places.
 - iii. Chair Harman explained that these issues were brought to Dr. Afjeh's attention. The chairs have been replaced. If there are other issues, please let Dr. Afjeh or Lara Pracht know, and they will address them.
 - iv. Co-Chair Anna Clark also stated that reserves aren't used for small improvements. Most of the buildings on the Klamath Falls campus are much older and some are in need of renovation. The Portland-Metro building is much newer and will rise in priority as it begins to age. We have facilities funding through the HECC called Capital Infrastructure Repair and Renewal (CIRR) funds that are used for minor repairs, deferred maintenance, and improvements.
 - v. Chair Harman also added that the Facilities team tracks deferred maintenance items and maintains a plan for replacement.
- m. Billy Kimmel, Portland-Metro ASOIT Representative, said you can't raise tuition without addressing concerns including loss of faculty and the impact on course offerings.
 - i. Chair Harman stated that several faculty positions are currently being advertised. The Academic Master Plan will likely help us to optimize programs and faculty. The administration understands courses need to be convenient and offered as needed so that graduation isn't delayed.
- n. Billy Kimmel, Portland-Metro ASOIT Representative, asked if the differential was going to be increased or just the base.
 - i. Chair Harman indicated it was really up to the Committee in the course of their deliberations to recommend any changes to the differential tuition. Since the purpose and history of the differential rate have been discussed previously, he called for a motion regarding the differential for FY 2023.
 - ii. Billy Kimmel moved to leave the differential at 37% for FY 2023; Justin Echternacht seconded the motion.
 - iii. During the discussion, Feng Shi supported an increase indicating that his program does not have all the lab equipment needed.
 - iv. Jamie Penner asked where the money from the differential goes.

- v. Chair Harman explained that it goes into the general fund budget. Academic equipment comes from the provost's budget. The various Department Chairs can explain how those funds are spent.
 - vi. Following the discussion, a vote was called. Vote passed (8-1) to leave differential tuition at its current 37% rate.
- o. Mason Wichmann moved to raise base in-state undergraduate tuition base by 8% for FY 2023. Graeme Wilttrout seconded the motion. Chair Harman called for discussion.
- i. Billy Kimmel asked who writes the memo that goes to the President.
 - ii. Chair Harman said he would write the recommendation memo for the Committee. ASOIT will co-author a letter as well.
 - iii. Dr. Foley, VP for Student Affairs, said that she drafted a letter last year. The ASOIT letter was signed by the two Presidents last year, but she wrote it. ASOIT edited it and the committee weighed in.
 - iv. Justin Echnacht said he anticipated the increase would be around 5% and that OT would use more reserve funds as that could be justified because of COVID. Seeing all the expenditures on campus, we should hold off on renovations to keep tuition down from a student standpoint.
 - v. Billy Kimmel asked if we could include stipulations in the memo on where the money should be spent.
 - vi. Chair Harman replied that the Committee can make recommendations, but we can't require specifics. We can request further efforts to get more funding and then reduce the amount of the increase if it's awarded.
 - vii. Mason Wichmann said we need to approach the HECC. Getting more money out of reserves is beneficial since it's sprinkling (reference to earlier comment on using rainy day funds, aka reserves), but things can get worse. We are at a point that if we don't do something now, then we're going to be in a worse place.
 - viii. Chair Harman agreed. We have to go to HECC for approval of an 8% increase regardless. As a matter of requirement, we will also need to demonstrate why this is important for the fiscal health of the university and to maintain quality degree programs. If we don't go forward with an 8% increase this year, then next year the increase might need to be 10-12% or more.
 - ix. ASOIT students indicated an interest in writing a letter to and/or talking with HECC and asking them to more fully fund OT as our peers. Chair Harman said this could be done but cautioned that any "messaging" should be carefully organized so that the university is collectively speaking with one message. Our students have high GPAs and secure competitive salaries when they enter the workforce. There is value in our programs across the state and the region. Using one-time funds with a tuition increase will provide us some time to get some members of the legislature and key members of HECC to listen and hopefully help address the funding problem.
 - x. Billy Kimmel said he was interested in hearing what Provost Mott had to say.
 - xi. Provost Mott said that if we go with the 8% increase, we will still take a cut. We're working on hiring over 20 faculty. We need to direct funds towards direct teaching, classrooms, and equipment. This increase is not more money for OT. It is funding that will keep us close to neutral and maintaining operations.
 - xii. Billy Kimmel asked what Provost Mott sees as the primary concerns that students have as to where their tuition is going.
 - xiii. Provost Mott replied that she heard that students want good, quality faculty, more timely offering of classes for degree progression, and good facilities. Those are on the

top of our list. The vast majority of the funding goes to these areas. It was a tough year for academic affairs because of turnover and not being able to bring in new faculty so there were gaps. This was not a good situation for our students.

- xiv. Billy Kimmel suggested a 7% tuition increase.
- xv. Chair Harman indicated that a vote must first be taken on the current motion of an 8% increase. 5 voted for; 4 voted against. Motion passed.
- p. Provost Mott said that HECC will listen to students more than administrators.
- q. ASOIT members agreed that they should work to unify students to send a message to HECC and the legislature.
- r. Chair Harman will draft a letter from the Committee to Dr. Naganathan regarding the recommendation. He will share with the committee before submittal.

4. Meeting Adjourned at 5:35 pm.