

POSITION	TERM	NAME	DEPARTMENT/DIVISION
Chair	2022-23	John Harman	Finance and Administration
Vice President, ex officio	2022-23	Erin Foley	Student Affairs
Administrator 1	2022-23	Joanna Mott	Academic Affairs
Administrator 2	2022-23	Josephine Ness	Admissions
AVP, Finance/Controller	2022-23	Alicia Dillon	Financial Operations
University Registrar des.	2022-23	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 President	2022-23	Sasha Rabich	ASOIT
Portland-Metro ASOIT President	2022-23	Billy Kimmel	ASOIT
Klamath Falls Student 1	2022-23	Finn Anders	Student
Klamath Falls Student 2	2022-23	Graeme Wilttrout	Student
Klamath Falls Student 3	2022-23	Jordan Spencer	Student
Portland-Metro Student 1	2022-23	Kailea Boerste	Student
Graduate Student	2022-23	TBD	Student
Ex Officio Member	2022-23	Anna Clark	Budget and Planning Office
Administrative Support	2022-23	Celia Green	Finance and Administration

Minutes

In Attendance: VP Harman, Dr. Foley, Josephine Ness, Alicia Dillon, Kendal Marks, Professor DaSaro, Professor Shi, ASOIT President Sasha Rabich, ASOIT President Billy Kimmel, Finn Anders, Graeme Wilttrout, Jordan Spencer, Anna Clark, Celia Green. **Additional Attendees:** Zoe Smiley, Jennifer Day, Josie Hudspeth, Lacey Jarrell, and Maria Depuy.

Meeting called to order at 8:00am.

1. **Welcome-** VP Harman welcomed everyone to the first TRC meeting related to developing a recommendation for FY 2023-24 tuition and fees and thanked them for agreeing to serve on the committee. He pointed out that this is a good opportunity for collaboration.
2. **Committee Member Introductions-** each committee member in attendance introduced themselves.
 - a. VP Harman explained that the TRC is still missing a graduate student as required by the Charge. Staff have worked with Dr. Foley, Dr. Mott, and ASOIT in an attempt to identify a graduate student to serve on the committee. As yet, no graduate student has committed to serve. He asked the group to continue to work on identifying a graduate student to serve on the committee before our next meeting.
 - b. VP Harman emphasized the importance of attendance by all committee members and stressed the importance of student participation in both committee meetings and forums. Not only is it valuable to the process, but HECC has an interest in making sure student voices are heard.
 - c. VP Harman also discussed the TRC website as a resource. Meeting materials as well as a survey link can be found here: <https://www.oit.edu/finance-administration/tuition-recommendation-committee>

3. **Origin and background of Tuition Recommendation Committee (TRC) process**- VP Harman explained the origin of the TRC and how it is established under Oregon State Revised Statute (ORS) 352.102 and the purpose and requirements for the committee along with its charge. In response to the ORS, the Board of Trustees developed a policy to outline the process in more detail.
 - a. Dr. Foley added that OT had started a similar Tuition recommendation process even before the ORS requirement was established.
4. **TRC Charge was discussed.**
5. **TRC Committee Principles were reviewed and discussed.**
 - a. VP Harman explained that we will have 4 committee meetings about every other week, so it is a fairly quick process. ***When we get to the 4th meeting, which follows the two campus forums organized by students, the committee will need to develop a recommendation to be submitted to the president.*** That is why it is important to attend every meeting, so you have all the information and opportunity to ask questions in preparation to make a decision in making the recommendation.
 - b. Dr. Foley asked if there was any flexibility in the final meeting date to accommodate other student activities on campus. VP Harman agreed that we can move it back to March 10th. That will give us more time to get our thoughts together after the forums.
 - c. VP Harman clarified how the final recommendation is reached. Following Robert's Rules of Order, a motion is made and if seconded there is an opportunity for additional discussion, then a vote is taken. The recommendation needs a simple majority to pass. The TRC chair develops a letter outlining the recommendation and sends it to the President. ASOIT may write their own separate letter. The President then uses those letters along with other information in developing his ultimate FY 2023-24 tuition and fees recommendation to the Board of Trustees at the April meeting. Both recommendations are submitted with the packet to the Board as part of the Board agenda item.
 - d. VP Harman explained that inflation in Oregon is currently around 8%. Nationally, it's closer to 7%. If we recommend raising tuition, we need to consider the long-term impact of that decision on students and the university. What is the impact to disadvantaged students? Are there tuition remissions or scholarships or other means of financial assistance available to help off-set the increase?
 - e. Oregon is 45th in the nation for higher education funding per FTE student. The student to state ratio of the financial burden has changed significantly in recent years. The student burden has increased while the State's has decreased. It used to be a 70/30 split with the state supporting the largest percentage of education expense, but in the past 15 years that that ratio has completely flipped to students and families bearing about 70% of the costs of education.
 - f. Graeme Wiltrott asked how we are defining the current service level in relation to student courses and services. VP Harman explained that the Consolidated Funding Request (CFR) that the public universities developed and submitted to the governor recommended a \$150 million increase (17%) to the Public University Support Fund (PUSF). This covers programs, salaries, and benefits and is the largest source of state funding for all of Oregon's public universities. At a minimum, the universities need an 8.67% increase in PUSF funding, also referred to current service level (CSL), just to cover the inflation related to current spending. This would not provide any funding for growth or new services or initiatives. Organized labor agreements for faculty and classified staff have provisions for salary escalation year to year and retirement and other employee benefits continue to rise. This requested increase in funding was reached by analyzing current data available, understanding inflation on current operating costs and developing an estimate based on assumptions. Anna Clark added there is a set of predefined assumptions that all seven institutions use, including inflation, retirement rate increases, and

health rate increases. The labor side is based on an employee model and is always more complex because of health insurance premiums and retirement benefits. All 7 institutions evaluated their costs and then they conferred with each other to determine the required 8.67% minimum to maintain current service levels.

- i. Graeme Wiltrout asked if there is any measurement for quality education and support for students as mentioned in the 4th bullet point or are we just looking at what it takes to keep the ship on its current course. Anna Clark responded that the goal is to maintain current service levels for that particular exercise at the statewide level.
- ii. Graeme Wiltrout asked if there has been a measure of how much the current service level has dropped or raised. VP Harman said he does not believe the current service levels have dropped. There have been fluctuations in some areas such as course offerings and additional student support services such as Strong Start or freshman orientation activities in the summer. That's a hard measure to really know since we have recently added things like the Benefits Navigator, which was first funded through the state last session. The real question is can people still register for their courses and still graduate and are student support services open and available. Those critical services have not declined. Further discussion from the Klamath Falls students went on to mention the faculty members who resigned from OT leaving vacancies. VP Harman stated that the Provost's Office is actively recruiting a number of faculty. The difficulty we often incur is that many faculty wait until late spring to resign creating a situation where there is not adequate time to recruit replacement faculty prior to fall term. This causes us to miss the traditional academic hiring cycle. Faculty recruiting is normally done during the winter because faculty need time to give notice to current employers and then plan to move during the summer and then begin fall term with their new university. It does create a gap. It creates a problem for Provost Mott and the Deans. This issue was presented to the Board earlier this academic year. Over the last 3 years, we have recruited as many employees as we have lost. However, it does take time to recruit new faculty and staff and does create disruption until the positions are filled. The Provost's Office can provide a more detailed answer related to faculty recruiting. Anna Clark added that funding for maintaining current service levels assumes that the positions will be filled. It does not address the gap that is left during the recruitment process. VP Harman added that there were around 20 faculty positions posted for hire a couple months ago. He did not know how many of them had been filled. Anna Clark confirmed that there is indeed money in the budget to fill the vacant faculty positions.
- iii. VP Harman added that another factor to consider is that when an employee leaves OT, they may have the maximum amount of vacation earned. This may result in a significant payout, which limits the savings for vacant positions. Then, there are the costs associated with recruiting a replacement.
- iv. Billy Kimmel asked if there would be any evaluations of decreasing the current service level. VP Harman said he did not believe so at this time. With the current enrollment decline, you do need to evaluate services to determine if there needs to be an initiative to reduce certain costs in an effort to offset the enrollment drop. Alternatively, it may be more prudent to maintain the status quo until the enrollment numbers go back up. Many of our costs are contractual or fixed. We cannot take quick action on labor costs due to agreements. As a small University, we have to be mindful of our staff numbers. We have a lot of step variable costs. That is a conversation we will be having with the Board and at the leadership level as we

develop the FY 2023-24 budget. VP Harman recommends that we try to maintain the current levels with the assumption that this is a short duration in enrollment downturn. Other Oregon Universities have much larger shortfalls in enrollment and more serious budget challenges. Our situation is different since we were farther through COVID before we experienced a decline. There is \$50 million in special funding requested for the community colleges to help them in FY 2023-24. This may help them recover some of their enrollment shortfall which could directly impact Oregon Tech through increased transfer students.

- v. Billy Kimmel stated that he would like to have options of where we could make cuts to reduce the increase in tuition and look at how that will affect students. He would like to take a more intentional look at the impact of a budget gap with a smaller increase to the tuition. VP Harman agreed that we need to have those discussions. However, there are many unknowns including state funding and enrollment making forecasting and the extent of any budget reductions difficult to project.
- vi. Billy Kimmel also asked if the school is looking at restructuring tuition overall and if programs were being evaluated to optimize funding through the SSCM. VP Harman said he worked with Provost Mott and a small committee over the summer to evaluate OT tuition in relation to our peer groups. Online tuition was determined to be competitive to our peer groups. VP Harman also stated that we might want to consider holding differential tuition flat again as we are higher than other institutions in the state. That will be for the TRC to decide as part of the recommendation. As far as a block tuition or fixed tuition, we did look at that but there are a lot of factors involved. The downside is if you need to raise tuition, you raise it a lot on freshman. It is not a bad model to consider if you have a stable financial model with the State along with stable enrollment, but otherwise it can be precarious for planning. Right now, we have too many factors that are widely variable. Anna Clark added that we already benefit from our STEM-focused programs, and that it would take substantial restructuring to increase funding based on the CIP code of programs alone. Anna Clark added that what helps maximize our funding the most is keeping our enrollment strong and making sure students graduate.
- vii. VP Harman stated that there are two important events that happened that helped OT be in a better place during FY 2022-23 than we were in the prior year. Last year, we talked about how the SSCM had been revised and how it hurt OT. We looked at how that model could result in such a large cut to Oregon Tech. Through Anna Clark and others' hard work in early spring, we identified certain elements of the SSCM model that were not implemented or applied as expected under the SSCM model as recommended by the collaborative SSCM workgroup and as adopted by the HECC in February 2021. Those were related to our allied health programs. Oregon Tech staff worked with HECC and our peer institutions to get that inconsistency corrected. As a result, Oregon Tech benefited by an additional \$1.2 million. This was added to the budget for the current year. We continued to press the HECC and then an SSCM technical review workgroup was created by the HECC with representatives from all 7 universities. They performed a thorough review of the model to identify any additional inconsistencies in the application of the model to ensure it was working the way as intended. The review committee identified a few additional inconsistencies in how things were applied vs. modeled. As a result, Oregon Tech received an additional \$1.3 million for FY 2022-23. For transparency, these additional funds were not known about until the October true-up process in the fall of 2022. OT consistently pushed to

ensure that the model was correctly applied. We appreciate the HECC and our peer institutions in working collaboratively to improve the accuracy of the funding model. This is a complex process and model. The \$1.3 million is helping to offset the \$2.1 million tuition shortfall this year. We have also had some savings in salary and supplies and services expenditures.

6. **Tuition Setting Timeline-** VP Harman stated the Governor will not be releasing her budget until the first week of February. The first 3 meetings will be before the forums. The second meeting will be about state funding, the third about institutional funding. Then we'll have the forums. By the fourth and final meeting, we will need to make a recommendation to send to the President.
 - a. VP Harman indicated the staff will endeavor to have the meeting information distributed 2-3 days before the meetings. The goal will be the Wednesday before the Friday meetings.
 - b. Anna Clark stated that the first 3 meetings provide the information needed for the forums. We have the schedule set up so there is time to gather information after the forums before we have to make a recommendation.
 - c. Celia Green asked the ASOIT Presidents to provide a date and time for their respective campus forums by the next meeting as well as a list of who from ASOT will be presenting so the webinar can be set up correctly. This way, there will be plenty of time to advertise the meeting date to students. Billy Kimmel stated that February 14th at 5pm would be more ideal for the PM campus as Tuesdays are the highest number of classes during the week so more students are on campus. Sasha said that he will confirm that the 16th would be a good date for the Klamath Falls campus. Dr. Foley stated that ASOIT needs to be sure they are prepared for the meeting and not just having it to get it done. Sasha asked if having the forum at the ASOIT meeting on the 20th would be a good idea. Dr. Foley said that some years they have done that and some years they have a separate meeting. There are pros and cons to both.

7. **Student Forums and Student Feedback-** The forums were not well attended last year. It would be ideal to have more students attending. The survey is up on the TRC website for any comments. VP Harman reminded the students that Celia Green will work with Rachel Winters to help advertise the forums.
 - a. Finn Anders asked what financial information would be available to the committee to help make a decision. He also asked how much of the information from the TRC meetings is public. VP Harman explained that our General Council last year confirmed that these meetings are public meetings. They will be posted as such on the website. We will talk about enrollment, tuition history, proportion of revenues from different sources, benefits costs staffing ratios, and other topics. Anna Clark added that the second meeting helps us understand how our budget works. The third meeting presents our forecasted expenditures. We focus on the budget as we work on building it. Last year, we added answers to questions that people had if they were submitted prior to the next meeting. We usually start the meeting by following up on unanswered questions from the prior meeting. We try to present information in a way that is both useful and digestible. We can offer more details if needed.
 - b. Sasha Rabich asked how reduced enrollment will impact us next year. VP Harman stated that Provost Mott would also point out that we had a record year for Freshman enrollment. Market forces may be drawing away some of our students. We also used to get more 2nd and 3rd year transfer students. Going into next year, we are going to budget a flat enrollment. This again impacts revenues by over \$2.0 million. It's always best to anticipate as much as you can

going into a budget year. If you have bad projections, it is difficult to correct things during the year. We may need to utilize some reserve to close the gap for next year's budget. That would require approval from the Board.

- c. Graeme Wilttrout asked if there was anything being done on the Student Affairs side to address retention rates. Dr. Foley explained that that is part of the academic side. Graeme further asked if OT does exit surveys. Dr. Foley said that was done in the past, but it was not cost efficient. The only exit information we have now is if a student tells a staff member directly for their reasons for leaving. They may have to take care of a family member or have financial concerns. The retention office did follow up with some students who did not register for the next term. Dr. Mott would have that information. VP Harman added that there have been conversations with the Board. The Board sees the value in investing in strategic enrollment and retention. We are currently recruiting for an Assistant Vice Provost for Strategic Enrollment and Retention. Anna Clark added that the funding request sent to the legislature by the seven universities asks for expanded investment in student support services and ensuring that we collectively maintain or enhance those services where possible. This will be up to the legislature so there is no certainty of funding.
- d. Graeme Wilttrout asked which members of the legislature OT is working with. Anna Clark replied that she just works with the budget director group. VP Harman added that Dr. Nagi has been off campus in Salem and Portland several times over the last two months to meet with the newly elected officials. Representative Emily McIntire was on campus a few weeks back. VP Harman has been participating on Senator Dembrow's committee on shared governance. Dr. Nagi has also met with Senator Steiner-Hayward. OT just hired a new government relations person. Kimberly Koops-Wrabek comes from U of O and is very experienced in governmental affairs and the legislative process. She starts in February and has relationships with her peers at the other public universities and also with members of the legislature. Representative Levy will be on campus February 3rd. It's important to get legislators on our campus. Federal Congressman Benz was here just before the holidays. Representative Reschke has been here as well. It's important that they see what we have on our campus. That makes them much more likely to lobby on our behalf. There will be a joint resolution in the legislature celebrating for our 75th anniversary sometime in May or June. The governor will sign it. This will be a great recognition for OT as "Oregon's Polytechnic University".

Meeting adjourned at 9:08am.