

To: President Naganathan  
From: Tuition Recommendation Committee  
Date: May 15, 2019  
Subject: Tuition Recommendation Committee Report

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The Tuition Recommendation Committee (TRC) submits this final report outlining its recommendations, as well as a description of its deliberations and observations regarding the 2019-2020 Academic Year tuition setting process.

This report is a consensus-based document, as was the process and decision making of the diverse group. The report provides the following information:

- Academic Year 2019-2020 Tuition Recommendation Committee Tuition Recommendation
- Tuition Recommendation Committee Charter, Principles and Membership
- HB 4141 Process Requirements & HECC Tuition Increase Criteria
- Campus Forum Feedback and Tuition Recommendation Committee Deliberations
- Meetings and Topics of Discussion
- Conclusion

All documents distributed to the TRC are appended to this document.

Respectfully submitted,

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Tuition Recommendation Committee  
Academic Year 2019 -2020

Tuition Setting Process Report

May 15, 2019

## Academic Year 2019- 2020 Tuition Recommendation

The Tuition Recommendation Committee (TRC), through an inclusive and consensus based process, has established a “middle path” tuition increase for the 2019-2020 Academic Year. This recommendation assumes state funding levels contemplated in the Co-Chairs of the Joint Committee on Ways and Means budget framework from March 2019 (Co-Chairs’ Budget). The TRC discussed in significant depth Oregon Tech’s remissions and scholarship system; its budget and alternative tuition scenarios if the Oregon Legislature approves, and the Governor signs, legislation that funds the Public University Support Fund (PUSF) in excess of the Co-Chairs Budget. These deliberations were guided by a set of principles established by the Committee with a particular focus on balancing the quality and return on investment of an Oregon Tech degree; and protecting all students, and in particular those most sensitive to tuition increases, from the unfortunate budget realities faced by the Committee and the university.

Specifically, in order to maintain the quality and strong return on investment an Oregon Tech education provides, ensure continued investments in equipment intensive programs, and create the space for increased levels of financial aid to support student affordability and completion, the TRC recommends changes in tuition for the 2019-20 academic year are as follows:

- Base undergraduate tuition: increase by 9% over current rates.
- Health Programs and Engineering & Technology Programs Differentials: increase by 5% from 25% to 30% premium on base undergraduate tuition.

The TRC also recommends increases in remissions of 1% of tuition during the 2019-2020 academic year. Though it is outside of the Committee’s direct purview, after receiving feedback from students, the Committee encourages the President to prioritize investments in IT including, classroom and lab computer and technology replacement, WiFi systems, and other technology systems directly tied to improving the academic experience and enhancing student life.

If additional funds for the PUSF, beyond those outlined in the Co-Chairs’ Budget, become available, the TRC discussed reducing tuition in the amount of 1%; and increases in remissions for every \$20 million dollars in additional state support. The TRC believes this is an important component of setting tuition while uncertainty exists regarding the total amount of state funding, and have thus incorporated it in the recommendation.

This recommendation is supported in a joint letter by the recognized student governments, the Associated Student of Oregon Institute of Technology – Klamath Falls (ASOIT-KF) and the Associated Students of Oregon Institute of Technology – Portland Metro (ASOIT-PM) dated May 1, 2019.<sup>1</sup>

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<sup>1</sup> ASOIT 2019-2020 Tuition Recommendation Memo. May 1, 2019. < [https://oregontechsfstatic.azureedge.net/sitefinity-production/docs/default-source/finance-and-administration-documents/trc/\(2019-5-1\)-asoit-tuition-recommendation-memo.pdf?sfvrsn=753307cd\\_2](https://oregontechsfstatic.azureedge.net/sitefinity-production/docs/default-source/finance-and-administration-documents/trc/(2019-5-1)-asoit-tuition-recommendation-memo.pdf?sfvrsn=753307cd_2)>



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.

The membership and affiliation of the Tuition Recommendation Committee is listed below:

| <u>Name</u>                      | <u>Affiliation</u>                                      | <u>Campus Location</u> |
|----------------------------------|---|------------------------|
| Brian Fox, <i>Chair</i>          | Vice President for Finance and Administration           | Klamath Falls          |
| Richard Bailey                   | Faculty, Department of Business Management, ETM         | Klamath Falls          |
| Osvaldo Capistran-Perez          | ASOIT Vice President                                    | Portland-Metro         |
| Erin Foley ( <i>ex-officio</i> ) | Vice President for Student Affairs and Dean of Students | Klamath Falls          |
| Ernesto Hernandez                |   |                        |

At the TRC's first meeting on November 27, 2018, the Committee discussed and approved, by consensus, a set of governing principles and process guidelines for the tuition development process. These guidelines established both *how* the group would conduct its meetings and engagements with students throughout the developme

- The TRC is the advisory body, as contemplated by HB 4141 for Oregon Tech.
- *Section 2(2)* outlines certain requirements regarding committee membership and “...establish a written document describing the role of the advisory body[.]”
  - This was accomplished through the distribution of membership as





electronic and hardcopy newsletters, student mobile apps, and information screens across campuses. All TRC material and meetings were publically posted on the TRC's website and material was available electronically. Means for feedback from students, either electronically or in person, were provided and supplied to the Committee. All process requirements of HB 4141 were met, as outlined previously in this document.

*Focus Area Two: Safeguarding Access and Support for Degree Completion by Historically Underrepresented Students.* Specifically, the institution must demonstrate the impacts of tuition increases above and below five percent on remission programs and support services for underrepresented students; and that the university has a plan for reducing tuition if there is additional state funding available.

The TRC considered multiple tuition scenarios, including some at the five percent threshold and others significantly above. Because of the TRC's principles which required it to balance the impact of tuition increases on students with maintaining the quality, return on investment and current levels of service at Oregon Tech it was determined that increases of tuition at or below five percent would endanger the very reason students enroll at Oregon Tech – its high quality, high value programs. The committee heard from the university's financial aid administrator about remission programs, including funding levels and design in order to evaluate the impact of tuition increases and remission programs on underrepresented students. The TRC has discussed and made recommendations related to both tuition and remission levels as well as how to reduce tuition levels and/or increase remission levels if there is additional state support. These are outlined in the TRC recommendation and incorporated in the ASOIT tuition recommendation to the President.

*Focus Area Three: Financial Conditions Demonstrating the Need for Resident, Undergraduate Tuition to be Increased More than 5%.* Specifically, the university is required to explain the cost drivers and revenue dynamics that are causing tuition to increase above five percent and the impact on the university's mission; and that the university is implementing cost containment efforts.

The TRC began its tuition development process by examining the composition of the university's budget and the forces acting on all major budget categories, many of which are direct responses to meeting both the university's mission of statewide polytechnic education and the HECC's focus areas, including broad access to and completion from high quality degree programs in a broad and equitable manner. Recommending increases in tuition rates below five percent during a budget cycle in which state imposed cost increases related to retirement and health care expenses are increasing dramatically and are not being funded, was quickly determined by the TRC to be impractical and damaging to students and the university. All tuition recommendation scenarios brought forward by the committee to students required significant use of reserves and cuts in operating expenses. The TRC's direct purview does not include the development of a university budget. However, it recognizes that tuition increases at the recommended level will necessitate ongoing reductions in operating expenses. It has made a recommendation to the President to increase investments in certain areas, including remissions and spending on IT equipment directly related to the student experience, including classroom technology and equipment.





all process and review criteria established by the HECC through its Tuition Increase Criteria and the law, as embodied in HB 4141. Through this document, the TRC outlines its recommendation for tuition levels at Oregon Tech for the 2019-2020 Academic Year.