



UNIVERSITY OF OREGON

# **University of Oregon AY19-20 Resident Undergraduate Tuition-Setting**

**June 13, 2019**

Higher Education Coordinating Commission



UNIVERSITY OF OREGON

# Presenters

**Ross Kari**, *Trustee, Chair of the Finance & Facilities Committee*

**Michael Schill**, *President*

**Jamie Moffitt**, *Vice President for Finance & Administration*

**Kevin Marbury**, *Vice President for Student Life*

**Doneka Scott**, *Vice Provost for Undergraduate Education and Student Success*



# Agenda



- I. **Focus Area One:** Fostering an Inclusive and Transparent Tuition-Setting Process.
  
- II. **Focus Area Two:** Financial Conditions Demonstrating the Need for Resident, Undergraduate Tuition to be Increased More than 5%.
  
- III. **Focus Area Three:** Safeguarding Access and Support for Degree Completion by Historically Underrepresented Students.

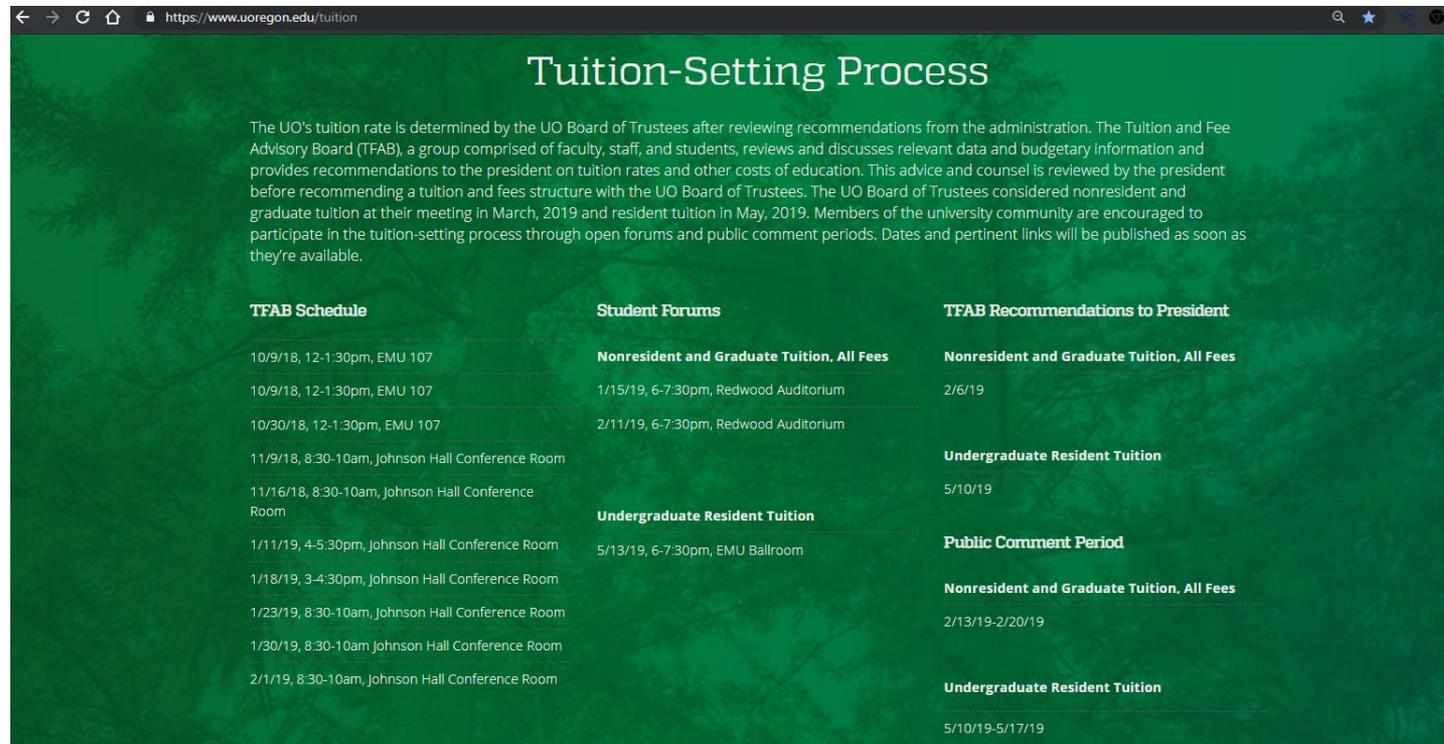
# Inclusive and Transparent Tuition-Setting Process

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- Tuition and Fee Advisory Board (TFAB): An advisory group to the President charged with developing undergraduate tuition recommendations and reviewing mandatory fees, major non-mandatory fees, and graduate proposals each year.
  - 18 members: Students (5), faculty and staff
  - Held 12 public meetings, October through May
- TFAB and ASUO hosted a student forum on tuition on January 15<sup>th</sup>; President hosted student forums on tuition on February 11<sup>th</sup> and May 13<sup>th</sup>.
- TFAB recommendations posted online for community comment and feedback via the web.
- President considered TFAB recommendations, student forum and community feedback, and developed recommendations to the Board on May 23, 2019.



# Inclusive and Transparent Tuition-Setting Process



The screenshot shows a web browser window with the URL <https://www.uoregon.edu/tuition>. The page title is "Tuition-Setting Process". The main content area has a green background and contains the following text:

The UO's tuition rate is determined by the UO Board of Trustees after reviewing recommendations from the administration. The Tuition and Fee Advisory Board (TFAB), a group comprised of faculty, staff, and students, reviews and discusses relevant data and budgetary information and provides recommendations to the president on tuition rates and other costs of education. This advice and counsel is reviewed by the president before recommending a tuition and fees structure with the UO Board of Trustees. The UO Board of Trustees considered nonresident and graduate tuition at their meeting in March, 2019 and resident tuition in May, 2019. Members of the university community are encouraged to participate in the tuition-setting process through open forums and public comment periods. Dates and pertinent links will be published as soon as they're available.

The page is organized into three columns:

- TFAB Schedule**
  - 10/9/18, 12-1:30pm, EMU 107
  - 10/9/18, 12-1:30pm, EMU 107
  - 10/30/18, 12-1:30pm, EMU 107
  - 11/9/18, 8:30-10am, Johnson Hall Conference Room
  - 11/16/18, 8:30-10am, Johnson Hall Conference Room
  - 1/11/19, 4-5:30pm, Johnson Hall Conference Room
  - 1/18/19, 3-4:30pm, Johnson Hall Conference Room
  - 1/23/19, 8:30-10am, Johnson Hall Conference Room
  - 1/30/19, 8:30-10am Johnson Hall Conference Room
  - 2/1/19, 8:30-10am, Johnson Hall Conference Room
- Student Forums**
  - Nonresident and Graduate Tuition, All Fees**
    - 1/15/19, 6-7:30pm, Redwood Auditorium
    - 2/11/19, 6-7:30pm, Redwood Auditorium
  - Undergraduate Resident Tuition**
    - 5/13/19, 6-7:30pm, EMU Ballroom
- TFAB Recommendations to President**
  - Nonresident and Graduate Tuition, All Fees**
    - 2/6/19
  - Undergraduate Resident Tuition**
    - 5/10/19
  - Public Comment Period**
    - Nonresident and Graduate Tuition, All Fees**
      - 2/13/19-2/20/19
    - Undergraduate Resident Tuition**
      - 5/10/19-5/17/19

- UO Tuition & Fees website includes
  - Tuition and fee estimates for resident and non-resident undergraduates.
  - Information on state contributions, cost drivers, and affordability and accessibility.
  - An overview of the tuition-setting process.
  - Times, dates, and locations of all TFAB meetings and tuition forums.
  - All documents reviewed by TFAB and all TFAB meeting summaries.



# Student Opportunities to Engage in the Process

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- 5 student members participated in the TFAB.
- All 12 TFAB meetings and three public tuition forums were open to the public, the media, and posted online in advance.
- ASUO (student government) publicized TFAB meetings and tuition forums on the ASUO Facebook page.



- Division of Student Life made phone calls and sent invitation emails to leaders of underrepresented groups (E.g., NASU, MeChA, Umoja Black Scholars, IMPACT).

# Student Opportunities to Engage in the Process

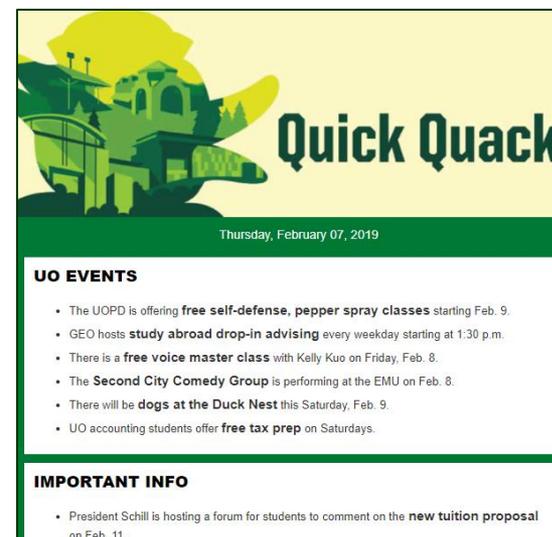
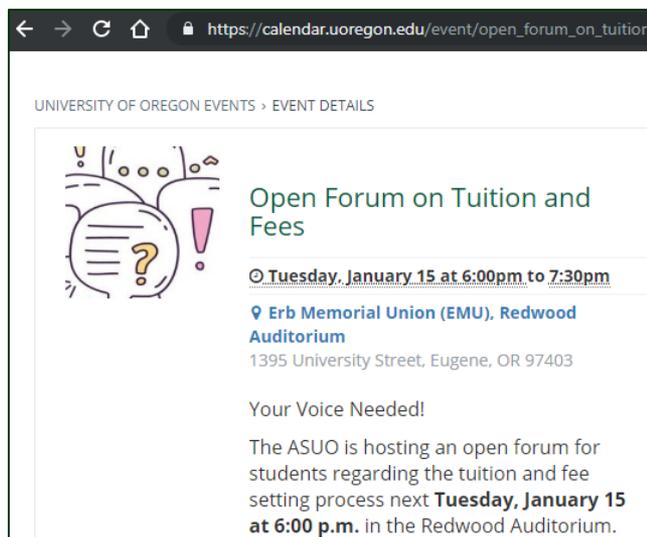
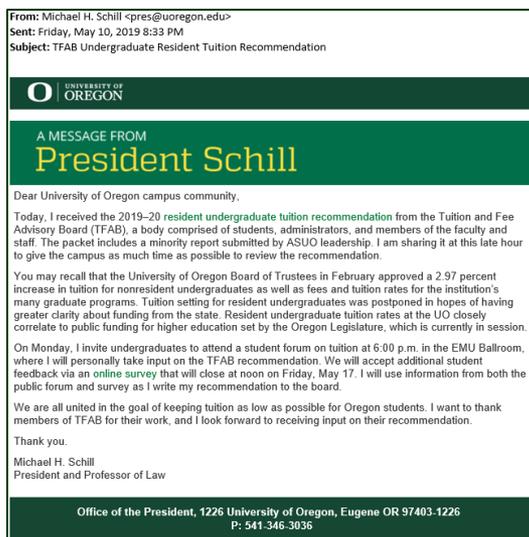
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- Student input fully considered by:
  - TFAB during meetings, tuition forums, email feedback; reflected in meeting summaries, two TFAB memos, and a minority report.
  - President Schill during tuition forums and via online survey feedback; reflected in president's recommendations.

# Student Opportunities to Engage in the Process

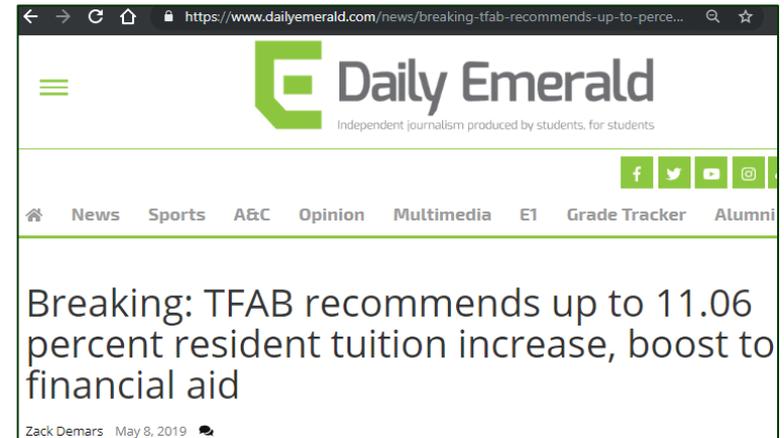
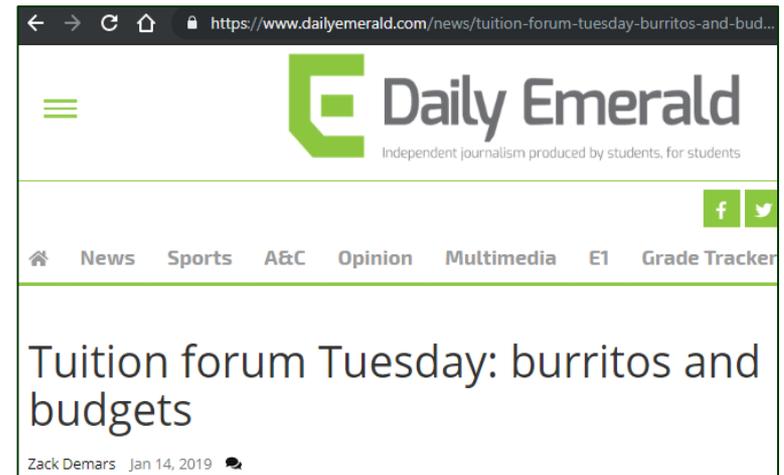
- Students invited to provide verbal, in-person input at forums.



- Students invited to provide written input on president's tuition recommendations (using online survey).
- Non-member students attended 11 of the 12 TFAB meetings and all of the three public tuition forums.

# Process: Accessible, transparent, HB 4141-compliant

- *The Daily Emerald* (university's newspaper) reporters attended 10 of the 12 TFAB meetings and all tuition forums.



# Agenda

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II. **Focus Area Two:** Financial Conditions Demonstrating the Need for Resident, Undergraduate Tuition to be Increased More than 5%.

III. **Focus Area Three:** Safeguarding Access and Support for Degree Completion by Historically Underrepresented Students.

# State Appropriation Remains Below Pre-Recession Level



# Financial Conditions: Context – E&G Fund

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- E&G Fund – Characteristics

- Approximately \$541 million.
- 79% funded with tuition revenue (resident + nonresident).
- Funds majority of activity in schools and colleges and administrative units.
- 79% invested in people.

- E&G Fund – Recent History

- FY15: \$10 million deficit (\$6.5 million re: recurring issues).
- FY16: Balanced due to state invest, cost cutting, and tuition increases.
- FY17: Balanced due to state invest, cost cutting, and tuition increases.
- FY18: Balanced due to state invest, cost cutting, and tuition increases.
- FY19: Projected \$10.7 million deficit.

## Financial Conditions: Cost containment efforts

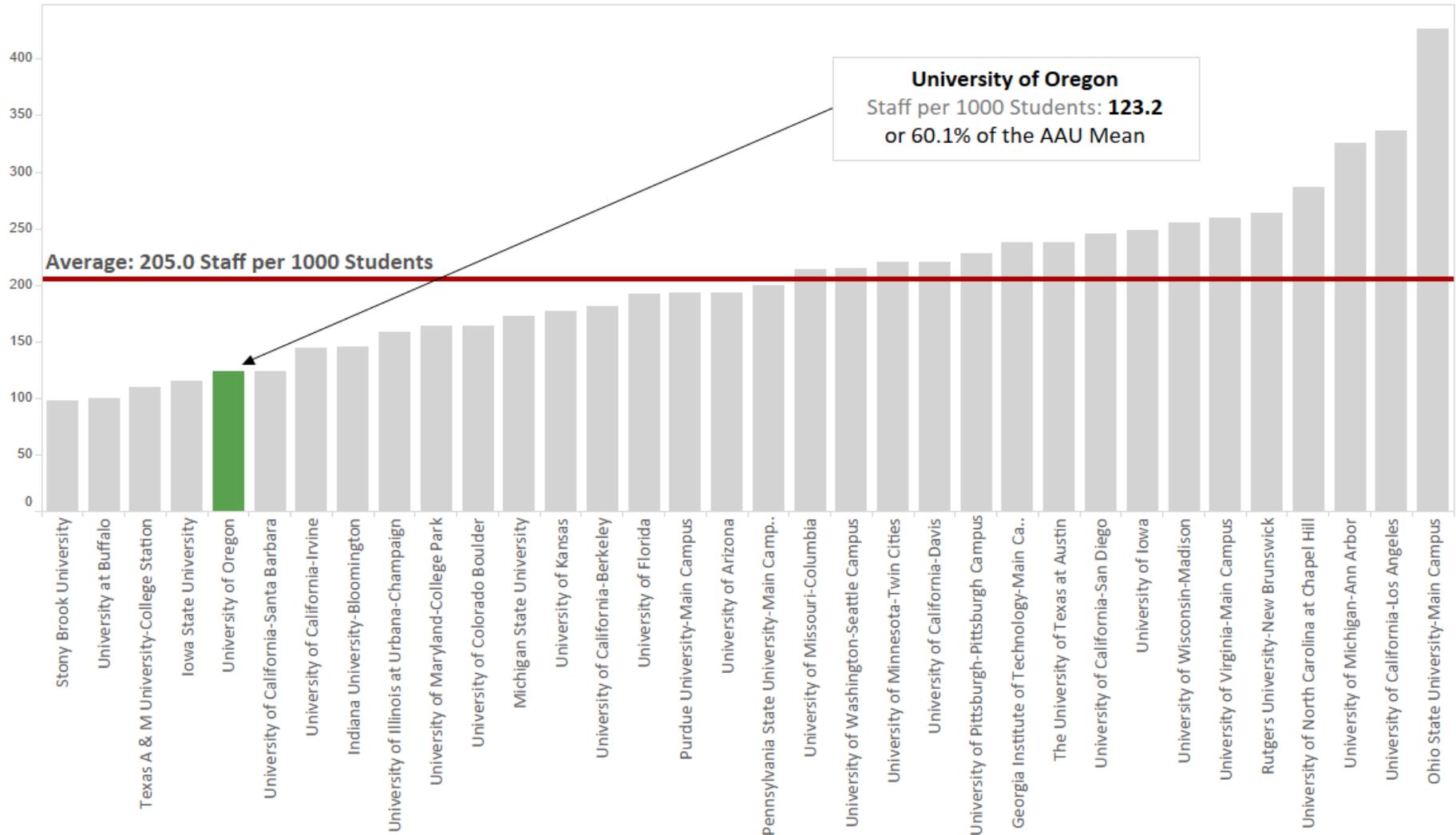
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- FY2017
  - Administrative Cuts - \$3.0M
  - CAS Cost Cut - \$3.3M
- FY2018
  - Presidential Directed Cuts- \$4.5M
- FY2019:
  - Administrative and Academic Cuts: \$11.6 million
- Total: \$22.4 million per year recurring



# UO Staff per Student Ratio at 60.1% of Public AAU Average

FTE Non-Faculty Staff (Non-medical) per FTE Students



Note: The ratio of staff to students is based on staff FTE to student FTE.

Source: IPEDS Human Resources and Enrollment (FY2017).



# Financial Conditions: Cost Containment Efforts

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## New Cost Savings Initiatives since June 2017

- Strategic Purchasing
- Power Plant & Utilities
- Property, Insurance & Legal
- Treasury Operations

## Additional Initiatives

- Administrative Overhead Rate Increase
- Budget Cuts



## Financial Conditions: Cost Containment Efforts

Overall	FY2017	FY2019	Total Savings
One Time Cost savings	\$8.8M	\$2.5M	\$11.3M
One Time Other Actions	\$8.2M	n/a	\$8.2M
<b>Total One Time</b>	<b>\$17.0M</b>	<b>\$2.5M</b>	<b>\$19.5M</b>
Recurring Cost Savings	\$4.6M	\$2.1M	\$6.7M
Recurring Budget Cuts	\$10.0M	\$11.6M	\$21.6M
Recurring Other Actions	\$450K	\$735K	\$1.2M
<b>Total Recurring</b>	<b>\$15.1M</b>	<b>\$14.4M</b>	<b>\$29.5M</b>



# Operationally Most Efficient Universities (2018)

	Efficiency Rank	U.S. News National Universities Rank
Miami University—Oxford (OH)	1	78 (tie)
Florida State University	2	81 (tie)
Brigham Young University—Provo (UT)	3	61 (tie)
San Diego State University	4	140 (tie)
Binghamton University—SUNY	5	87 (tie)
University of Alabama	6	110 (tie)
College of William and Mary (VA)	7	32 (tie)
Clark University(MA)	8	81 (tie)
University of Georgia	9	54 (tie)
Arizona State University—Tempe	10	115 (tie)
Texas Christian University	11	78 (tie)
Indiana University—Bloomington	12	90 (tie)
University of Texas—Dallas	13	145 (tie)
DePaul University (IL)	14	120 (tie)
Clemson University (SC)	15	67
University of South Carolina	16	103 (tie)
Auburn University (AL)	17	103 (tie)
George Mason University (VA)	18	140 (tie)
Villanova University (PA)	19	46 (tie)
St. John Fisher College (NY)	20	145 (tie)
Virginia Tech	21	69 (tie)
Stevens Institute of Technology (NJ)	22	69 (tie)
University of Missouri	23	120 (tie)
University of Oregon	24	103 (tie)
Duquesne University (PA)	25	120 (tie)

Source: U.S. News 2018 Best College Rankings

# Summary – Major FY2020 E&G Fund Cost Drivers

Cost Driver	FY20 Cost	Notes
Faculty, Staff and GE Salary and Wages	\$10.6 million	E&G employee increases per existing collective bargaining agreement for approximately 1,402 faculty. Also includes estimates of increases for 665 classified staff, 1,272 graduate employees, and approximately 1,034 unrepresented staff. Figures are for employees paid with E&G funds only.
Medical Costs	\$1.9 million	Assumed annual increase of 3.7%
Retirement Costs	\$7.1 million	Based on new PERS rates released by PERS board in fall 2018
Institutional Expenses	\$1.0 million	Increases related to utilities, insurance, debt for academic buildings, assessments, and leases
Strategic Investments	\$2.0 million	Allocated via strategic investment process
Minimum Wage Increase	\$1.0 million	Increases per State of Oregon minimum wage increase to \$11.25/hour
<b>Total Projected Cost Increases</b>	<b>\$23.6 million</b>	

# Summary – Major FY2020 E&G Fund Cost Drivers

Cost Driver	FY19 Base	FY20 Cost Increase	FY20 % increase
Faculty, Staff and GE Salary and Wages	\$422.3 million	\$10.6 million	2.5%
Medical Costs	\$51.0 million	\$1.9 million	3.7%
Retirement Costs	\$54.4 million	\$7.1 million	13.0%
Institutional Expenses	\$36.6 million	\$1.0 million	2.7%
Strategic Investments	\$541.1 million	\$2.0 million	0.4%
Minimum Wage Increase	\$429.2 million	\$1.0 million	0.2%
<b>Totals</b>	<b>\$541.1 million</b>	<b>\$23.6 million</b>	<b>4.36%</b>



## Financial Conditions: FY2020 E&G Budget Challenge

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• FY2019 Projected Deficit:	\$10.7 million
• FY2020 Cost Drivers:	\$23.6 million
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• Total:	\$34.3 million
• JWM Co-Chair's Budget	\$0.2 million
• Non-resident Tuition Increase	\$7.4 million
• Budget Cuts	\$11.6 million
• Increased Enrollment	\$2.3 million
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• Total	\$21.5 million

**Remaining Gap: \$12.8 million**



# President's Proposal

***FY2019 Tuition: \$217 per SCH; \$9,765 per year (45 SCH)***  
***FY2019: Total Tuition and Fees: \$11,898 (45 SCH)***

<b>PUSF Level</b>	<b>Resident Tuition Increase (\$ per SCH)</b>	<b>Resident Tuition Increase (%)</b>	<b>Total Annual Increase (assumes 45 SCH)</b>	<b>Proposed FY2020 Tuition</b>	<b>Resident Tuition and Fees</b>	<b>Total Tuition and Fee Increase (%)</b>
Baseline Rate (assumes +\$80 million)	\$21	9.68%	\$945	\$10,710	\$12,990	9.18%
At Least +\$90 million	\$18	8.29%	\$810	\$10,575	\$12,855	8.04%
At Least +\$100 million	\$15	6.91%	\$675	\$10,440	\$12,720	6.91%
At Least +\$110 million	\$12	5.53%	\$540	\$10,305	\$12,585	5.77%
At Least +\$120 million	\$9.65	4.45%	\$434.25	\$10,199.25	\$12,479.25	4.89%

**Support fund for underserved, low-income students: \$350,000**



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# **Safeguarding Access and Support for Degree Completion by Historically Underrepresented Students**

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UO allocates \$44 million annually to fee remissions.

## **PathwayOregon (scholarship program)**

- Provides full tuition + fees for eligible Oregonian residents.
- Provides academic support services.
- 60%+ are first-generation college students.
- 2,360 PathwayOregon students in FY19.
- (22% of all resident students; 38% of resident freshmen).
- **PathwayOregon students are protected from tuition increases.**

## **Low-income students not supported by Pathway**

- If AY19-20 resident undergrad tuition rate increase exceeds 5% UO will set aside \$350,000 in support for these students.



# Safeguarding Access and Support for Degree Completion by Historically Underrepresented Students

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## Strategic Institutional Investments: Academic Advising

- Hiring of 23 new advisors, case managers, and degree progression specialists for increased wrap-around advising support.
- Center for Multicultural Academic Excellence provides academic and social support for underrepresented and underserved students in close collaboration with other advising and student support programs.
  - Retention specialists assigned to unrepresented groups
  - Space for advising, studying, tutoring and gathering of underrepresented students



# Safeguarding Access and Support for Degree Completion by Historically Underrepresented Students

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## Strategic Institutional Investments: Food Security Initiatives

<https://dos.uoregon.edu/food>

- Expanded Campus Food Pantry operations.
- Bi-weekly “Produce Drops” to provide fresh fruits and vegetables.
- Supplemental Nutrition Assistance Program (SNAP) workshops.
- Ducks Feeding Ducks emergency meal support.
- “Leftover Textover” program distributes leftover food from catered events to students



# **Safeguarding Access and Support for Degree Completion by Historically Underrepresented Students**

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## **Other Strategic Institutional Investments**

- Opening new Black Cultural Center
- Investing in additional career services staff
- Investing in additional Accessible Education Center advising staff
- Hired 5 additional Counseling Center advisors to better serve Black and Latinx communities.
- Hiring of additional faculty and staff of color and increased opportunities for mentoring/advising interactions.
- Creating retention/completion grants
  - President's Success Fund to promote retention of low-to-middle income FTFT students and graduation of low-to middle income seniors





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**Thank you.**

**June 13, 2019**

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