



Finance and Administration
Oregon State University, 640 Kerr Administration, Corvallis, Oregon 97331-2156
T 541-737-2092 | F 541-737-0625

March 7, 2017

Neil Bryant, Chair
Higher Education Coordinating Commission
775 Court Street NE
Salem OR 97301

Dear Chair Bryant and Commissioners,

I appreciate the opportunity the Commission has provided for the public universities to discuss our tuition setting processes. Unfortunately, I was previously scheduled and am unable to attend. However, I am confident our colleagues at SOU, PSU and OIT will represent the group well.

The public universities are all in the same complex environment:

- Justified pressures to keep tuition low;
- Significant rising costs (including those outside of our control that are expected to keep increasing for some time);
- The need to better serve students with more and improved support services,
- Ever-evolving compliance requirements;
- Fiduciary responsibility for long-term financial viability particularly in light of expectations from credit agencies to maintain steady revenues and an appropriate level of reserves;
- Programmatic cuts due to flat or diminished state support; and
- A timing conundrum – tuition rates are ideally set in the spring to facilitate student recruitment and financial aid packaging while the state resource component is yet unknown.

While we each face similar pressures and constraints, each university and its board will use a different mix of approaches to address the challenges, considering the unique circumstances of each institution. Whether an institution selects a mix with a higher tuition increase component or a mix of not-as-high tuition increase but significant cuts, it is important to recognize that both will affect students. While not as visible as a tuition increase, cuts to programs, financial aid, and student services will affect student success. There could be longer times to degree or those with the most need of services or aid, such as traditionally underrepresented students, completely dropping out. Programmatic cuts can and do result in students having to pay more in tuition simply because it will take longer to complete their degrees.

At Oregon State, our board had asked to engage them in tuition conversations earlier than the prior year so members would have a more in-depth understanding of cost and revenue drivers prior to approving specific rates. In October of 2016, staff presented the Finance and Administration Committee with a student engagement plan. In January, the Committee considered tuition and budget scenarios within the context of the Governor's Recommended Budget, taking public testimony from students at that time.

The main component of our student engagement is a 25-member Student Budget Advisory Council to serve as a source of student advice and perspective on tuition and fee setting. Membership included undergraduate, graduate, and international students, and representatives from each college and from each of the cultural resource centers. Monthly meetings began in October and will continue into May – past the actual tuition setting by the Board in March in order to debrief and prepare for the next cycle. They provided meeting summaries and associated recommendation or questions to the University Budget Committee.

The University Budget Committee is formally charged with recommending a tuition level to the Provost. The Committee includes students appointed by the Associated Students of Oregon State University, the Associated Students of Cascades Campus, a graduate student representative nominated by the Graduate School, and the two student co-chairs of the Student Budget Advisory Council. The committee made a recommendation to the Provost in mid-February. That recommendation is being discussed with the campus community and will be the basis of the materials the Board of Trustees will consider during its deliberations on tuition proposals next week.

We are continually looking at other ways to solicit deeper student participation in tuition setting and budget planning. This year, our director of budget and fiscal planning has attended the meetings of a number of student groups/student employee meetings to discuss tuition setting and hear student concerns:

Recreational Sports student staff meeting ~ OSU Program Council ~ Student Affairs Communication and Marketing ~ ASOSU Board ~ Barometer All-Staff Meeting ~ Student Health Advisory Board ~ Inter-fraternity Council & Panhellenic Council ~ Career Development Center ~ Center for Civic Engagement ~ Memorial Union-Program Council plus Memorial Union Student Employees ~ Student Sustainability Initiative ~ Orange Media Network Student Leadership ~ Residence Hall Association General Assembly ~ Student Incidental Fees Committee ~ Peer Advisors

We also have a campus open forum on tuition and budget setting planned for March 9.

As you consider your role in reviewing tuition and fee increases beyond 5%, I join my colleagues in asking that you rely on the extensive work each university has done and is doing to inform our boards' tuition setting decisions.

Thank you again for taking the time to converse with us about this most important topic.

Sincerely,



Michael J. Green
Interim Vice President for Finance and Administration