Public University Tuition Setting and Affordability

Funding and Achievement Subcommittee Meeting

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Overview

Annual Requirements

HECC's Role

Review Principles

Connection to Affordability

Subcommittee Charge

- Development of biennial budget request
- Consideration of alterations to funding formulas
- Monitoring institution financial conditions
- Monitoring tuition setting and increase evaluation

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Annual Requirements

Each public university must accomplish certain tasks as part of the annual tuition and fee setting process as outlined in ORS 352.103.

Create a tuition advisory body	Provide Training	Provide Opportunities	Post website and document recommendations
Must include eight members at minimum with four students, two administrators, and two faculty.	Provide training on the budget, legislative process, revenues, and related plans.	Provide meaningful opportunities for student government to participate in the process and provide a written report with dissenting opinion.	Describe the process while posting materials on a website and document all the recommendations including potential impact.

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HECC's Role

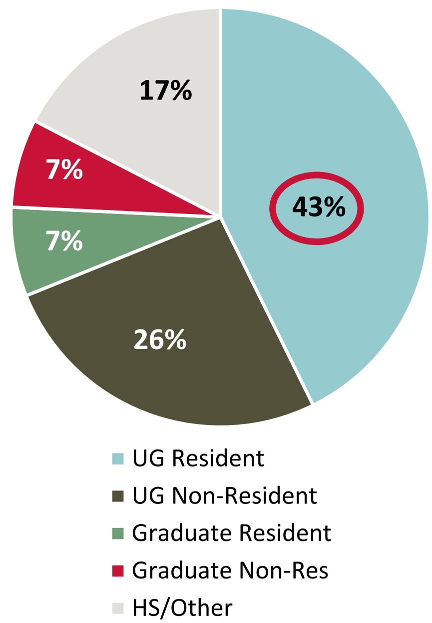
HECC reviews proposed annual tuition/fee increases of more than 5% for resident, UG students.

Applies to 43% of students accounting for 27% of tuition revenue.

(E&G fee revenue totaled $56 million during FY2024.)

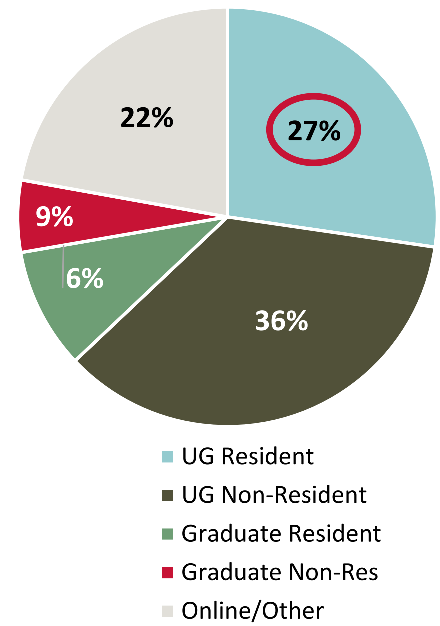
Students

123,984 Headcount



Tuition Revenue

$1,462.1 Million



Source: Headcount enrollment is from the Public University Dashboard, 2023-24 statewide enrollment. Tuition revenue is for FY2024 from E&G survey data.

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Current Status

HECC staff monitor the various stages of the tuition setting process at all seven universities through the required websites and board meetings.

		Recommendations Presented to:		
	Town Hall(s)	**President**	**Board Committee**	**Full Board**
EOU	TBD – Feb/March	March	April 30	May 14
OIT	February; each campus	March 4	April 9	April 11
OSU	Three – all in Nov 2024	Early February	March 7	March 14
PSU	TBD – February	March 13	March 20	April 3
SOU	NLT March 28	NLT April 10	April 17	April 18
UO	January 14	Early Feb	March 17	March 18
WOU	Online Survey	Mid-March	April 15	April 23

Review Timeline *(If Necessary)*

Board Action
Governing board adopts an increase of greater than 5%.

+7 days
University notifies HECC and provides information required by ORS 352.103.

+14 days
Interested parties provide information to HECC staff in support of review.

HECC Meeting
Commissioners consider the request during a public meeting.

The consideration of a request will occur during a public meeting of the full commission. Interested parties will be heard. HECC staff recommendations will be included with meeting materials publicly posted before the meeting.

Oregon Administrative Rules (OAR) 715-013-0030 spells out the timeline and review process.

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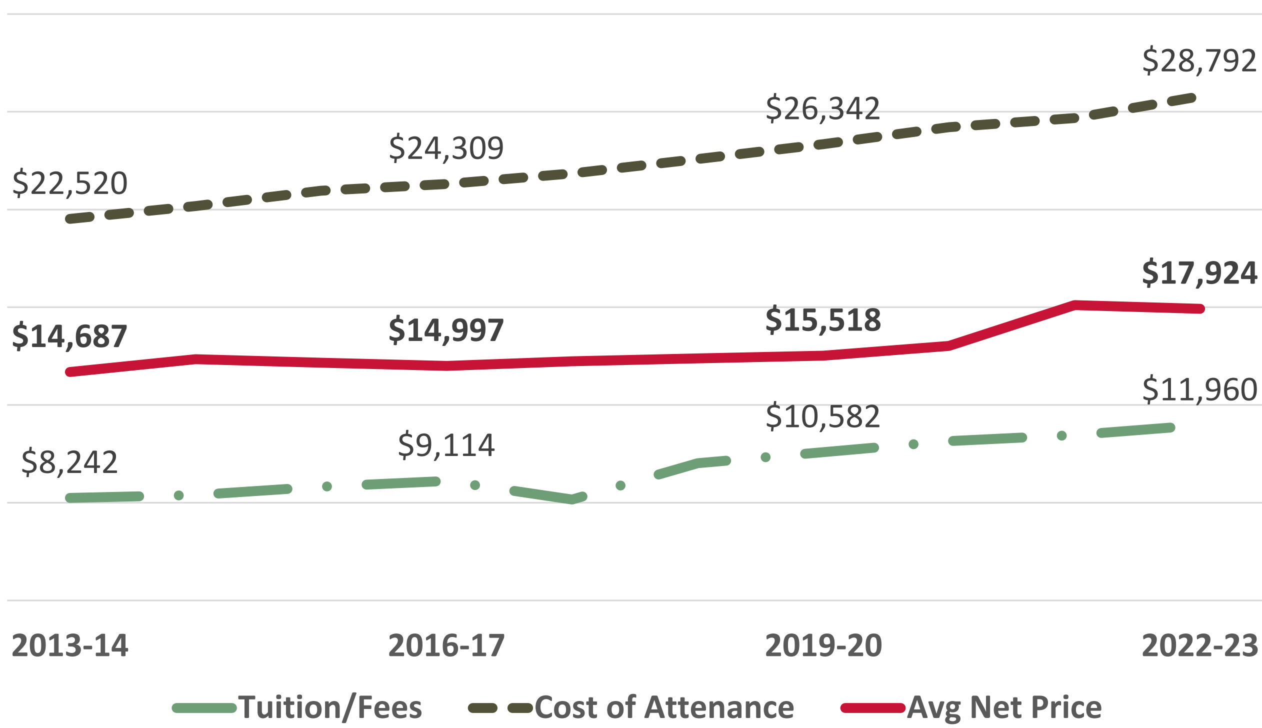
Review Principles Guiding HECC Staff

Fostering an inclusive and transparent process.	Demonstrate that students had multiple opportunities to engage in the process and that information was easily accessible.
Safeguarding access and support for degree completion by underrepresented students.	Demonstrate that the impact of any proposed increase on remission programs and student support services that bolster the retention and completion of underrepresented students was considered.
Financial conditions exist demonstrating the need for an increase >5%.	Demonstrate that current and projected financial conditions exist that necessitate an increase to meet the critical portions of the university's mission including that alternatives were considered. Summarize cost containment efforts for those in board's control.

Oregon Administrative Rules (OAR) 715-013-0030 includes the review principles.

Student Costs over Time

First-time, full-time, resident, undergraduate, unadjusted for inflation.



- Average annual growth:
  - Tuition/fees – 4.2%
  - Cost of Attendance – 2.8%
  - **Avg Net Price – 2.2%**
  - Inflation – 3.4%
- The average net price is what students actually pay after financial aid is applied.
- The annual growth in the avg net price is less than inflation over the past decade.

Source: Tuition/fees are calculated by HECC staff. Main campus only. Entering cohort only. Incidental mandatory fees included. Cost of attendance and net price are from IPEDS. Inflation is CPI-U, west region.

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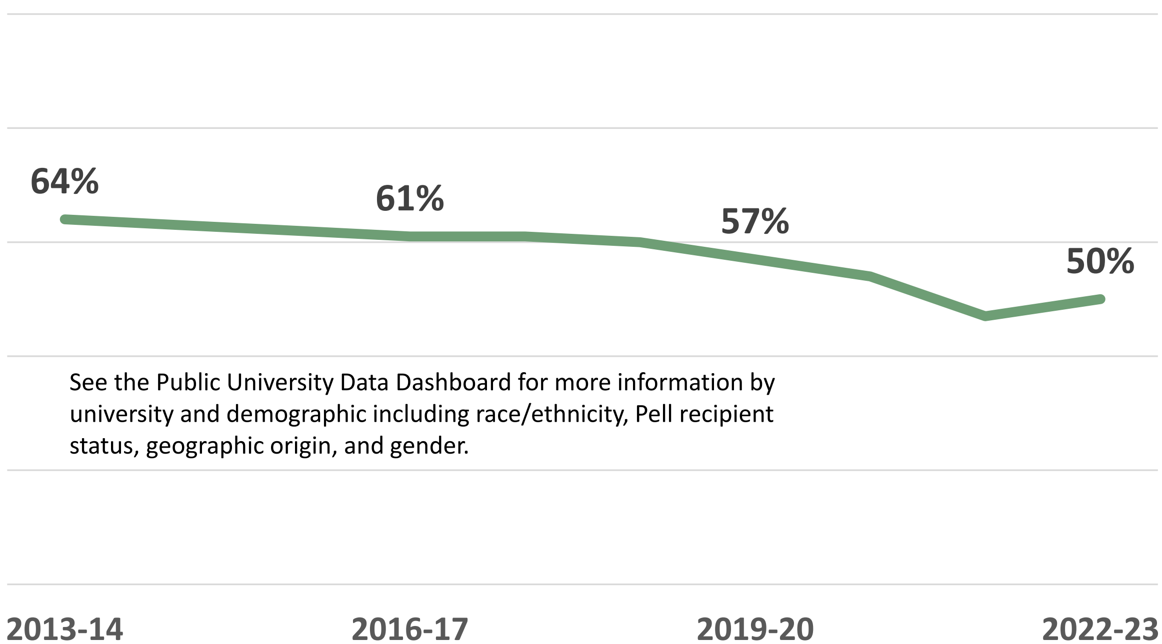
Connection to Affordability

The percent of students for whom costs outweigh available resources.



- Affordability has improved over time largely due to institution aid and increased state funding.
- Total funding for remissions has almost doubled in the past five years from $123M to $203M or 13% annually. From $1,400 to $2,500 per student on average.
- Average annual growth in state funding since 2013-14:
  - PUSF – 10.5%
  - OOG – 14.0%

Source: Public University Data Dashboard, affordability trends, statewide, overall.
https://www.oregon.gov/highered/strategy-research/Pages/dashboard-public-universities.aspx

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