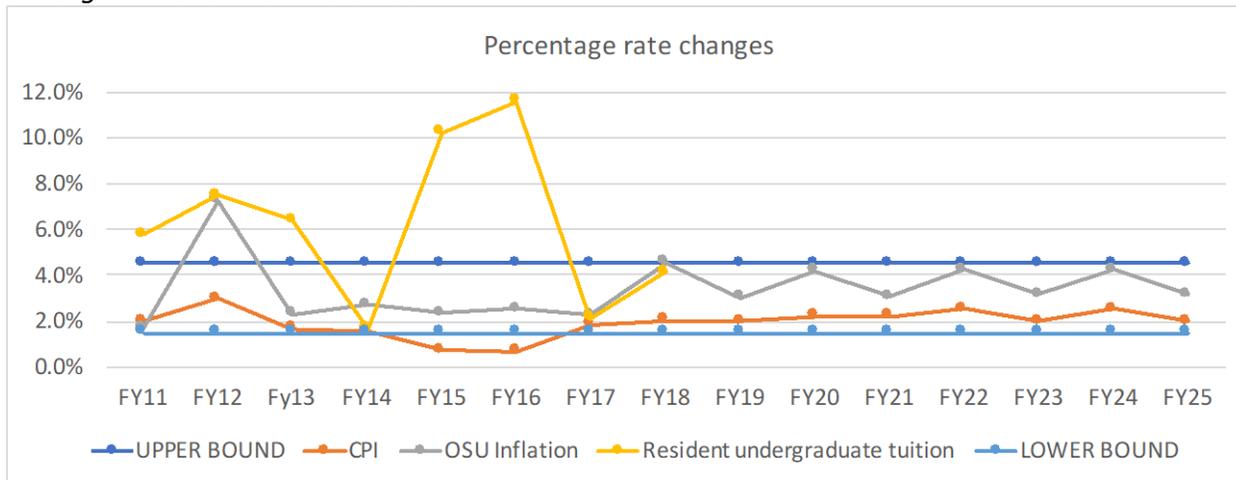


Tuition Rate Planning

One of the challenges for students and families in planning for the costs of higher-education has been the unpredictability of tuition rates. While tuition increases are difficult to avoid as long as tuition is 70% or more of university E&G revenues, it is possible to provide more certainty to those changes. The University Budget Committee proposes setting the “mid-point” of annual tuition increases at the local OSU rate of inflation. This rate consistently exceeds CPI because of the large proportion of costs that are for personnel and the associated costs of benefits set by the State of Oregon (Figure 1).

Figure 1: Comparison of historic and projected CPI inflation, OSU local inflation, and resident undergraduate tuition increases.



The proposal suggests that OSU consider:

- Committing to annual tuition increases of between 1.5% and 4.5%, with a target at the projected rate of inflation for existing personnel and services.
- Plan that the portion of an increase higher than the local rate of inflation would be targeted to particular services or programs (faculty excellence, financial aid growth, etc.)
- Plan that the portion of an increase less than the projected rate of inflation would be offset by specific cost or service reductions.
- Funding cost increases beyond those covered by the tuition increase (such as growth of faculty and staff to address enrollment growth or strategic initiatives) by enrollment growth, by growth of other revenues, or by reduction in expenses in other programs, services, or investments.
- That increases over the cap of 4.5% increase be considered only in circumstances of financial stress from changes outside of OSU’s control. For example, if the state does not fully fund its share of the inflationary cost increases in a given biennium, higher rates might need to be considered for resident students.

The university is also committed to a number of actions to stay within those projected tuition ranges and to decrease them with time:

- Work with the other seven public universities to increase state funding per resident student to reduce the proportion of costs paid by Oregonians.
- Work with the other seven public universities to increase the level of need-based aid provided by the state for Oregon residents to increase access to Oregon’s four-year universities.
- Develop a comprehensive strategy to grow institutional financial aid and privately funded financial aid, to make OSU as affordable as possible for students in all circumstances and to defray the cost increases in the proposed approach to tuition (Table 1).
- Create continuous improvement initiatives to identify processes or functions that can be improved or eliminated with the goal of providing the highest-quality and most cost-effective service and support to students, faculty, and staff.

Table 1: Estimated annual and cumulative tuition cost increases over five years for undergraduate students taking 15 credits per academic year (excluding summer and assuming a degree program without any differential tuition)

| | FY19 | FY20 | FY21 | FY22 | FY23 |
|-----------------------------|---|---------------|---------------|---------------|---------------|
| Resident tuition | 9,349 | 9,740 | 10,038 | 10,464 | 10,791 |
| Non-resident tuition | 28,573 | 29,767 | 30,678 | 31,979 | 32,979 |
| Resident delta | | 391 | 298 | 426 | 328 |
| non-resident delta | | 1,194 | 911 | 1,301 | 1,001 |
| Accrued resident | | 391 | 689 | 1,114 | 1,442 |
| Accrued non-resident | | 1,194 | 2,105 | 3,406 | 4,407 |
| | In FY23 the additional amount is 13.4% of the annual tuition | | | | |
| | A smoothed rate over these four years is 3.65% per year | | | | |

Tuition Scenario Table:

The resident undergraduate rate is \$202 per SCH up from \$195. This has most rates with differentials at or below 3%. A rate of \$201 per SCH would be a 3.08% increase and would yield rates of about 2.5% to 3% for tuition with differentials. The non-resident increase of 2.36% corresponds to an increase of \$14 per SCH from \$594 to \$608.

For Scenarios A and C, would need to identify specific things to adjust or invest in.

| | Scenario A | Scenario B | Scenario C |
|--------------------------|--|---|--|
| Tuition Proposal: | Resident undergraduate: 1.49% Non-resident undergraduate: 1.14% Financial aid increase \$1.6M Budget surplus or (deficit): \$(4.1M) \$131 annual increase residents \$272 annual increase non-residents | Resident undergraduate: 3.47% Non-resident undergraduate: 2.27% Financial aid increase \$2.2M Budget surplus or (deficit): \$0.6M \$315 annual increase residents \$630 annual increase non-residents | Resident undergraduate: 4.46% Non-resident undergraduate: 3.24% Financial aid increase \$2.6M Budget surplus or (deficit): \$3.8M \$405 annual increase residents \$900 annual increase non-residents |
| Issues: | 0.7% to 0.8% reduction in projected spending, either in specific strategic investments or targeted program reductions | Budget is balanced maintaining current programs and services at projected current service level inflation. Budgets for costs of enrollment growth (2.5% overall, 10% in Ecampus). Includes strategic allocations for capital renewal, Foundation and Alumni Association, athletics, student success and support services. | Faculty excellence fund, recruiting distinguished scholars to strategic and growing programs (\$1.8M) Increase financial aid pool from 12.2% to 12.5% of undergraduate tuition (\$1.0M). Additional student support staff (financial aid and registrar's office) (\$0.9M). |

2018-19 OSU Tuition and Fee Rate Recommendations, Corvallis and Cascades campuses

Rates are shown as annual cost unless indicated, 15 credit hours for undergraduates, 12 credit hours for graduates

| Rate | FY16 to FY17 Rate Change | FY17 to FY18 Rate Change | FY18 Rate | FY18 to FY19 Rate Change | FY19 Proposed Rate | Comments |
|----------------------------------|-------------------------------------|--------------------------------|-----------|--|--------------------------|---|
| Building Fee | 0.00% | 0.00% | \$135 | | \$135 | |
| Distance Education Fee (per SCH) | 0.00% | 0.00% | \$80 | | \$0 | Roll into tuition in FY19 |
| Matriculation Fees (once) | 0.00% | 0.00% | \$350 | | \$350 | |
| Undergraduate Tuition | | | | | | |
| Increase | Corvallis resident no differential | | | FY18 to FY19 per credit hour increase of | 3.59% | |
| Increase | Cascades resident no differential | | | FY18 to FY19 per credit hour increase of | 3.19% | |
| Increase | Non-resident undergraduate | | | FY18 to FY19 per credit hour increase of | 2.36% | |
| | Corvallis resident no differential | 2.20% | 4.13% | \$9,075 | 3.47% | \$9,390 Per credit plus Honors per quarter plus base |
| | Cascades resident no differential | 3.20% | 4.29% | \$8,760 | 3.08% | \$9,030 Per credit plus Honors per quarter plus base |
| | Non-resident undergraduate | 0.00% | 1.99% | \$27,735 | 2.27% | \$28,365 Per credit plus Honors per quarter plus base |
| No Diff Change | Pre-Engineering resident | 1.79% | 3.51% | \$10,605 | 2.97% | \$10,920 Per credit plus Honors per quarter plus base |
| No Diff Change | Pre-Engineering non-resident | 0.00% | 1.88% | \$29,265 | 2.15% | \$29,895 Per credit plus Honors per quarter plus base |
| No Diff Change | Pro-Engineering resident | 1.66% | 3.27% | \$11,370 | 2.77% | \$11,685 Per credit plus Honors per quarter plus base |
| No Diff Change | Pro-Engineering non-resident | 0.00% | 1.83% | \$30,030 | 2.10% | \$30,660 Per credit plus Honors per quarter plus base |
| No Diff Change | Forestry resident | 1.95% | 3.83% | \$9,750 | 3.23% | \$10,065 Per credit plus Honors per quarter plus base |
| No Diff Change | Forestry non-resident | 0.00% | 1.94% | \$28,410 | 2.22% | \$29,040 Per credit plus Honors per quarter plus base |
| No Diff Change | Business resident | 1.91% | 3.74% | \$9,975 | 3.16% | \$10,290 Per credit plus Honors per quarter plus base |
| No Diff Change | Business non-resident | 0.00% | 1.92% | \$28,635 | 2.20% | \$29,265 Per credit plus Honors per quarter plus base |
| No change | Honors resident differential | 4.71% | 5.67% | \$10,575 | 2.98% | \$10,890 Per credit plus Honors per quarter plus base |
| No change | Honors non-resident | 0.97% | 2.62% | \$29,235 | 2.15% | \$29,865 Per credit plus Honors per quarter plus base |
| Graduate Tuition | | | | | | |
| Increase | Resident graduate | 0.00% | 1.56% | \$12,339 | 1.75% | \$12,555 plateau 9 to 16 credits |
| Increase | Non-resident graduate | 4.00% | 4.46% | \$22,761 | 4.51% | \$23,787 plateau 9 to 16 credits |
| Increase | PharmD resident | 3.00% | 2.94% | \$22,680 | 3.02% | \$23,364 plateau 12 credits and over |
| Increase | PharmD non-resident | 3.00% | 3.04% | \$39,096 | 3.04% | \$40,284 plateau 12 credits and over |
| Increase | DVM resident | 2.00% | 3.00% | \$22,152 | 3.00% | \$22,817 fixed charge, 12 credits and over only |
| Increase | DVM non-resident | 2.00% | 3.00% | \$44,307 | 3.00% | \$45,636 fixed charge, 12 credits and over only |
| No Diff Change | Engineering resident | 0.00% | 1.34% | \$14,319 | 1.51% | \$14,535 plateau 9 to 16 except differential |
| No Diff Change | Engineering non-resident | 3.65% | 4.09% | \$24,741 | 4.15% | \$25,767 plateau 9 to 16 except differential |
| Diff Increase | MPH differential resident | 0.00% | 1.36% | \$14,040 | 6.60% | \$14,967 plateau 9 to 16, except differential |
| Diff Increase | MPH differential non-resident | 3.53% | 3.96% | \$25,488 | 8.16% | \$27,567 plateau 9 to 16, except differential |
| TBD | MBA differential resident | 0.00% | 32.77% | \$25,416 | 2.97% | \$26,172 per credit hour |
| TBD | MBA differential non-resident | 3.53% | 36.20% | \$44,424 | 2.92% | \$45,720 per credit hour |
| TBD | Cascades MS Counseling resident | 0.00% | 33.33% | \$16,200 | 0.00% | \$16,200 plateau 12 to 15, then none in FY19 |
| TBD | Cascades MS Counseling non-resident | 4.00% | 33.33% | \$29,052 | 0.00% | \$29,052 plateau 12 to 15, then none in FY19 |
| TBD | Cascades MAT resident | 0.00% | 33.33% | \$16,200 | 0.00% | \$16,200 plateau 12 to 15, then none in FY19 |
| TBD | Cascades MAT non-resident | 4.00% | 33.33% | \$29,052 | 0.00% | \$29,052 plateau 12 to 15, then none in FY19 |
| TBD | Cascades MFA resident | 0.00% | 33.33% | \$16,200 | 0.00% | \$16,200 plateau 12 to 15, then none in FY19 |
| TBD | Cascades MFA non-resident | 4.00% | -25.65% | \$16,200 | 0.00% | \$16,200 plateau 12 to 15, then none in FY19 |
| Summer (per SCH)* | | | | | | |
| No change | Corvallis undergraduate | 0.00% | 4.15% | \$201 | 0.00% | \$201 per credit no non-resident rate |
| No change | Cascades undergraduate | 1.09% | 4.32% | \$193 | 0.00% | \$193 per credit no non-resident rate |
| No change | Corvallis graduate | 0.00% | 1.56% | \$457 | 0.00% | \$457 per credit no non-resident rate |
| No change | Cascades graduate | 0.00% | 1.56% | \$457 | 0.00% | \$457 per credit no non-resident rate |
| Ecampus* (per SCH) | | | | | | |
| Increase | Undergraduate | 0.00% | 4.00% | \$288 | 3.13% | \$297 Per credit hour tuition and fee |
| No Diff Change | Computer Science differential | 0.00% | 0.00% | \$478 | 1.88% | \$487 Per credit hour tuition and fee |
| No Diff Change | Business Students | | | \$308 | 2.92% | \$317 Per credit hour tuition and fee |
| No Diff Change | Pre engineering students | | | \$322 | 2.80% | \$331 Per credit hour tuition and fee |
| No Diff Change | Prof Engineering students | | | \$339 | 2.65% | \$348 Per credit hour tuition and fee |
| Increase | Developmental Math | | | \$208 | 2.88% | \$214 Per credit hour tuition and fee |
| Increase | Graduate | 0.00% | 1.59% | \$528 | 3.03% | \$544 Per credit hour tuition and fee |
| Correction | PhD and EdD in CCL | | | \$557 | 2.87% | \$573 Per credit hour tuition and fee |
| Correction | PhD and EdD in AHE | | | \$528 | 8.52% | \$573 Per credit hour tuition and fee |
| No Diff Change | PhD in Counseling | | | \$557 | 2.87% | \$573 Per credit hour tuition and fee |
| NEW | MS in Counseling | | | \$528 | 8.52% | \$573 Per credit hour tuition and fee |
| Diff Increase | Grad Certificate Public Health | | | \$591 | 3.38% | \$611 Per credit hour tuition and fee |
| TBD | MBA and Business Courses | | | \$777 | 2.06% | \$793 Per credit hour tuition and fee |
| No Diff Change | College of Engineering students | | | \$583 | 2.74% | \$599 Per credit hour tuition and fee |

Proposal for Tuition Rates for Partnership Programs at Remote Locations¹

Background: The mission statement for Oregon State University states that: “The University works in partnership with ... Oregon community colleges and other colleges and universities to provide access to high-quality educational programs.” According to a recent article in the Wall Street Journal, over half of college graduates start at a community college. The State of Oregon has invested a total of \$40 million in the Oregon Promise Grant for 2017-19 that, with Federal and state aid, funds most tuition costs for recent high school graduates to attend an Oregon Community College. According to OregonLive, over 6,000 students across the state are taking community college courses through Oregon Promise, with approximately 1,650 promise students enrolled in Portland Community College (PCC). With community college tuition and fees at approximately half the rate at the OSU Corvallis campus, students who complete the maximum number of credits toward their OSU degree program at a community college will reduce the overall cost of earning a four-year degree.

Opportunity: The establishment of OSU’s Portland Hub has provided an opportunity to think about expanded partnerships with community colleges using hybrid course offerings to create innovative pathways to OSU undergraduate degrees. Our proposal is intended to initially support degree programs offered at the new Portland facility. As part of our access mission, we propose to offer affordable OSU degrees to students within the Portland Metropolitan Statistical Area (MSA) who are place-bound and unable to attend on-campus programs in Corvallis or Bend. According to an Eduventures study of the Portland market in 2016², the proposed expansion of our programs into the Portland MSA will be responsive to market demand:

- There are 99,163 individuals in the Portland MSA who are likely to enroll in an Oregon State program. (p. 6)
- “Oregon State could consider offering programs in business administration, health professions, and liberal arts at the undergraduate level.” (.g 3)
- Over 65% of the 1400 respondents were looking for bachelor or master degrees.

Program Design: As a model, the College of Business has developed a strategy to deliver an OSU undergraduate degree at a remote location using a blended modality (50% face-to-face (f2f) and 50% online). This innovative pathway to an OSU undergraduate degree is unique and is not currently delivered by either Portland State University or University of Oregon. In addition, the model meets the intent of House Bill 2998 that mandates that public universities identify the optimal number of credits that may be taken at a community college in order for a student to efficiently receive a bachelor’s degree and minimize student debt.

OSU Academic Regulation 25 (AR 25) specifies the minimum requirements to earn an OSU undergraduate degree. Section (c) requires a minimum of 60 credits in upper-division courses and section (f) requires a minimum of 45 of the last 75 credits be completed as a degree-seeking student at OSU. For this proposal, the minimum-cost OSU undergraduate degree is assumed to include completing 120 credits at a community college and 60 upper-division credits at an OSU remote delivery site.

The 60 upper-division credits would be using a blended modality (50% face-to-face (f2f) and 50% online). This approach is based on an Eduventures study that found that more than half of the survey

¹ This proposal is based on a request from the College of Business for a new tuition rate to support the development of the College’s program offerings from the Portland Hub.

² Eduventures Statewide Needs Assessment 2016, “Survey of Prospective Learners in the Portland Metropolitan Statistical Area”.

respondents would prefer a program that offers blended modalities of face-to-face and online (see Figure 1), with face-to-face sessions offered during the weekday (40%) or weeknight (40%).

A key part of the program design is to offer the upper-division work at a rate such that the total cost is similar to completing the degree on the Corvallis campus. That is, the total tuition and fees required for a full-time student to complete 60 upper-division credits is the same at the Corvallis campus and the remote facility.

The premise is that cost is an important consideration for these potential students choosing to complete their four-year degree through OSU. Oregon's median household income reached \$60,834 in 2015³. According to research conducted by the Institute for Higher Education Policy⁴, students from households earning less than \$69,000 can barely afford to attend fewer than 100 of the over 2000 colleges included in their study. This proposal creates an innovative pathway that offers more affordable options for place-bound and Oregon Promise students in the Portland MSA.

Proposal: The proposal would set a new tuition rate for blended delivery at a remote location of \$240 per student credit hour. The current pro-rated tuition per credit for face-to-face courses offered at the Corvallis campus is \$201.67 per credit, while the tuition for courses offered through eCampus is \$288 (see Table 1). For the remote locations that offer courses that are 50% online and 50% face-to-face, we proposed a tuition of \$240 (approximately half the difference between Corvallis and eCampus). This hybrid tuition is appropriate for programs that are targeted to a specific location and that are focused on only a subset of total degree curriculum.

Table 1 below compares the cost of earning the 60 upper-division credit undergraduate degree for a full-time student at the Corvallis and Cascades campus and fully online through Extended Campus (eCampus). Setting tuition for remote locations at \$240 per credit results in a degree cost comparable to the Corvallis campus (this assumes 60 credits taken over four terms).

Table 1. Comparison of Degree Cost Across Locations (calculated at 60 credits taken over 4 terms). Campus fees are per quarter.

| Location | Pro-rated Tuition per Credit | Campus Fees | Degree Cost | Comparison to Corvallis |
|-----------|------------------------------|-------------|-------------|-------------------------|
| Corvallis | \$ 201.67 | \$ 573.90 | \$ 14,396 | |
| Cascades | \$ 194.67 | \$ 338.00 | \$ 13,032 | \$ (1,364) |
| eCampus | \$ 288.00 | \$ - | \$ 17,280 | \$ 2,884 |
| Remote | \$ 240.00 | \$ - | \$ 14,400 | \$ 4 |

This charge would be applicable only to programs that:

- Have students admitted to a program delivered at a site remote to the Corvallis or Bend campuses (major and location identification would be necessary).
- Are delivered in a hybrid or face-to-face modality at that site. Courses delivered solely through online modalities would be charged at Ecampus rates.
- Are part of an upper-division degree completion program based on students completing their lower-division work in partnership with a community college, through Ecampus, or in another manner.

³ <https://www.qualityinfo.org/-/a-closer-look-at-oregon-s-median-household-income>

⁴ <http://www.ihep.org/limited-means-limited-options>

Majors with approved per credit differential tuition would have those charges added to the \$240 tuition rate.

Revenue Distribution: The revenue distribution model would be similar to what is currently used for Ecampus online courses with distributions to financial aid, colleges delivering the courses, Ecampus operations, and the central university budget. Table 2 illustrates some possible approaches to that distribution with a comparison to what the equivalent distribution is from a current fully online Ecampus undergraduate credit hour.

Next Steps: The proposal should be reviewed by the Provost, Provost's Council of Deans, and the University Budget Committee. If the proposal is approved, the rate can be included in the tuition proposals made to the Board of Trustees at their April meeting. A decision would be needed by the end of February.

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Table 2. Comparison of possible revenue allocations compared to the current allocations for an undergraduate, fully online Ecampus credit hour.

| GENERAL TUITION NO DIFFERENTIALS | Current Ecampus | All from Central/ Ecampus | Equally Shared | Mixed |
|---|------------------------|----------------------------------|-----------------------|---------------|
| Charges | | | | |
| Tuition and Fee | 288.00 | 240.00 | 240.00 | 240.00 |
| Differential Tuition | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Charge to Student | 288.00 | 240.00 | 240.00 | 240.00 |
| Distribution | | | | |
| Financial Aid Central | 20.80 | 20.80 | 17.33 | 17.33 |
| Differential to Department | 0.00 | 0.00 | 0.00 | 0.00 |
| Portion of net to Department | 149.76 | 149.76 | 124.80 | 132.60 |
| Balance of net to central | 37.44 | 22.14 | 31.20 | 23.40 |
| Fee to Ecampus | 66.01 | 39.03 | 55.00 | 51.34 |
| Fee balance to central | 14.00 | 8.28 | 11.67 | 15.33 |
| | 288.00 | 240.00 | 240.00 | 240.00 |
| To Colleges | 149.76 | 149.76 | 124.80 | 132.60 |
| To Ecampus | 66.01 | 39.03 | 55.00 | 51.34 |
| To Central | 72.24 | 51.22 | 60.20 | 56.07 |
| | 288.00 | 240.00 | 240.00 | 240.00 |
| To Colleges | | 100% | 83% | 89% |
| To Ecampus | | 59% | 83% | 78% |
| To Central | | 71% | 83% | 78% |
| | | 83% | 83% | 83% |
| BUSINESS EXAMPLE | | | | |
| | Current Ecampus | All from Central/ Ecampus | Equally Shared | Mixed |
| Charges | | | | |
| Tuition and Fee | 288.00 | 240 | 240 | 240 |
| Differential Tuition | 20.00 | 20 | 20 | 20 |
| Total Charge to Student | 308.00 | 260.00 | 260.00 | 260.00 |
| Distribution | | | | |
| Financial Aid Central | 22.80 | 22.80 | 19.25 | 19.33 |
| Differential to Department | 18.00 | 18.00 | 15.19 | 18.00 |
| Portion of net to Department | 149.76 | 149.76 | 126.42 | 132.60 |
| Balance of net to central | 37.44 | 22.14 | 31.60 | 23.40 |
| Fee to Ecampus | 66.01 | 39.03 | 55.72 | 51.34 |
| Fee balance to central | 14.00 | 8.28 | 11.82 | 15.33 |
| | 308.00 | 260.00 | 260.00 | 260.00 |
| To Colleges | 167.76 | 167.76 | 141.61 | 150.60 |
| To Ecampus | 66.01 | 39.03 | 55.72 | 51.34 |
| To Central | 74.24 | 53.22 | 62.67 | 58.07 |
| Total | 308.00 | 260.00 | 260.00 | 260.00 |
| To Colleges | | 100% | 84% | 90% |
| To Ecampus | | 59% | 84% | 78% |
| To Central | | 72% | 84% | 78% |
| Total | | 84% | 84% | 84% |

Counseling & Psychological Services Budget Proposal for FY19
Prepared by: Ian Kellems, PhD, Director

Overview of CAPS Services

CAPS' mission is to provide mental health counseling to students, and consultation, outreach and education to OSU students, faculty, and staff. We do this in order to facilitate students' academic success, mental health, and personal development and promote a culture of positive mental health at OSU. Of the many important and essential roles CAPS plays on campus, the most important is the provision of mental health clinical services to OSU students. Across the nation, university counseling centers have been experiencing an unprecedented increase in demand for mental health services, and CAPS is no different. Over the past five years the number of students seeking clinical services at CAPS has increased from 1,731 in 2012-2013 to 2,783 in 2016-2017, which is a staggering increase of 61%. CAPS is making every effort to keep up with this increased demand for services. The number of total clinical appointments provided by CAPS has increased during this five year period from 9,154 in 2012-2013 to 13,878 in 2016-2017, which is an increase of 52%. In addition to increasing the total number of appointments, CAPS is fundamentally changing its model of clinical service delivery to increase its capacity to serve students. These fundamental changes include building an innovative infrastructure of services, other than individual therapy, that can serve a greater number of students (e.g., group therapy). The number of group therapy appointments has increased from 1,783 in 2012-2013 to 2,491 in 2016-2017, an increase of 40%. Despite CAPS' greatest efforts to increase its clinical capacity, it still struggles to keep pace with the never-ending demand for services. Regrettably, students who come to CAPS asking for help often end up being told they have to wait weeks or even months for an appointment, because there are not enough therapists to see them. Keeping up with students' requests for services is currently CAPS' most pressing challenge.

Although CAPS is perhaps best-known for its provision of clinical services to students, it also fulfills other important roles on campus. CAPS has a very active Mental Health Promotion (MHP) team, whose purpose is to create a culture of positive mental health across campus. Last year the MHP team provided outreach and education to more than 2,500 students. CAPS also has a very active training program, including an American Psychological Association-accredited internship program.

CAPS Budget History

For several years in the recent past (most notably 2012-2015) CAPS experienced a high rate of employee turnover. Because CAPS' budget is approximately 90% salaries and OPE, the vacancy funds created by this multi-year period of frequent vacancies unintentionally resulted in the growth of our working capital fund, in excess of what was recommended. CAPS was therefore advised to intentionally operate at a deficit, in order to gradually spend down its excess working capital. This period (FY17 and FY18) of CAPS spending down its working capital, and not asking for any student fee increases, was also timely because Student Health Service (SHS) was at that time needing to aggressively raise their student fees in order to recover from having their fee amount slashed several years prior to that. However, CAPS is now needing to bring itself back to having a balanced budget. This requires that we gradually and responsibly raise our student fee so that our income becomes equivalent to our expenditures, and keeps up with inflation, in order to maintain current service levels. Fortunately, SHS is not asking for any fee

increase this year, which provides CAPS with additional room to raise its fee, catching up for the last two years of having a flat fee.

CAPS Proposed Budget Changes

CAPS' proposed budget includes several requests and adjustments that may benefit from additional explanation. First and foremost, CAPS' most urgent budgetary need is funding for an additional therapist position. As previously stated, CAPS has experienced an unprecedented increase in student demand for clinical services during the past five years, and there is no end in sight. Funding for therapist positions has not come close to keeping pace with increased student demand. While the number of students visiting CAPS has increased 61% over the past five years, funding for therapist positions has increased less than 6% during this same time. It is therefore of critical importance to student care that CAPS be provided with funding to hire an additional therapist. Though hiring one more therapist will not entirely make up the gap between supply and demand, it will provide a much-needed move in the right direction.

Another budgetary change was that funding for CAPS' .5 FTE Information Technology (IT) position was shifted from Services & Supplies to Staff Classified Salaries and OPE. This IT position was originally funded in 2014, created out of a recognition that CAPS' IT needs are unique (e.g., managing our electronic health record), and require in-house expertise to run most efficiently. The funds for this position were originally placed in Services & Supplies. CN, which hired the IT employee and contracted them to CAPS half-time, would bill CAPS, and CAPS would pay this bill from its Services & Supplies fund. The CN employee who served in CAPS' IT position from 2014 to 2017 decided that he was going to enter phased retirement in 2018, working a total of 20 hours a week. Because he had acquired a specialized skill set which had proven invaluable to CAPS' efficiency, CAPS decided to retain him by directly hiring him for a .5 FTE position (instead of contracting him through CN). Because of this adjustment to the arrangement his funding has been shifted from Services & Supplies to Staff Classified Salaries and OPE, which has contributed to a 23% increase in our Staff Classified Salaries allocation for FY19.

An additional change in CAPS FY19 proposed budget is a shift in the AABC service fee. This fee was originally paid directly to AABC, thereby not passing through CAPS' budget. However, in order to increase AABC's perceived independence, this fee is now being assessed to individual units, then collected by AABC. Moving this AABC assessment fee into CAPS' budget increases our Services and Supplies budget by 29%.

Conclusion

We respectfully submit this proposed budget for your consideration. It is our belief that, if approved, this budget will move CAPS closer to being able to keep up with students' intense needs for mental health services, as well as putting CAPS on track to have a balanced budget.

Student Health Services Budget Overview
January 17, 2018

Student Health Services Mission

Student Health Services (SHS) provides leadership for student health and wellness on the OSU campus, including critical public health, prevention and advocacy services. SHS's mission is to enhance student success through the provision of holistic and comprehensive health care, health education, student support and capacity-building for life-long wellness.

SHS serves as the primary health care provider for OSU students, and works collaboratively with numerous campus and community partner to create safe, healthy and supportive learning and living environments to support academic, personal and social success.

- SHS provides high-quality, affordable and convenient primary health care and mental health care, including the treatment of acute and chronic medical and mental health conditions.
- SHS leads campus public health initiatives, including immunization programs, to protect students from preventable disease. SHS provides specialized vaccination clinics for incoming INTO OSU students to ensure students are able to meet university requirements as well as state and federal regulations. And, in partnership with Benton County Public Health Department and the Oregon Health Authority, SHS has provided leadership for the response to the current Meningococcal B outbreak.
- SHS provides evidence-informed sexual violence and substance abuse prevention, including oversight of mandatory on-line substance use and violence prevention programming. The SHS wellness program includes a robust peer education program and a new peer wellness coaching program. SHS also provides nutritional counseling, outreach and education, as well as sexual health education and support. SHS also houses the expanding Collegiate Recovery Community, including the new Recovery Living Community within Dixon Lodge in partnership with UHDS.
- SHS houses the Survivor Advocacy Resource Center (SARC), which provides safe and confidential support to all university community members affected by different forms of violence. SARC works in close collaboration with SHS Sexual Assault Nurse Examiners, CAPS providers, EOA, law enforcement and CARDV.
- SHS provides a number of student support services, including access to a high-quality, low cost student health insurance plan, which ensures access to health care and protects students from catastrophic financial impacts. Student support services also includes patient navigation, orientation for INTO OSU students, medical referral to external providers, and assistance with medical records and immunization compliance.

Impact and Outcomes for the OSU community

The SHS fee provides unlimited access to health and wellness services at no charge to students. Fees are applied for ancillary services and are reimbursable by students' insurance. SHS provides approximately 45,000 medical visits for student annually, and operates out of three clinical locations: the main Plageman clinic, the Tebeau Hall Same-Day Care clinic, and the SHS@Dixon operation (physical therapy,

chiropractic and acupuncture). SHS is accredited by Accreditation Association for Ambulatory Health Care.

Wellness and prevention services are housed in Plageman, Dixon Rec, McNary Hall and now Dixon Lodge, which is home to the new Recovery Living Community (in association with the Collegiate Recovery Community). SHS wellness and prevention programming and services reached nearly 24,000 students through education, outreach and direct services in the past year.

SHS programs and services strengthen and ensure institutional compliance with federal policies, such as Title IX, the Clery Act and Drug Free Schools and Campus Act. These essential programs include AlcoholEdu, Haven, Haven+, the Beavers Give a Dam active bystander training, and SARC services.

SHS co-leads the Prevention and Advocacy Coalition, which engages campus and community stakeholders to research and recommend evidence-informed strategies to prevent substance abuse and violence. This Coalition, formally charged by the Vice Provost for Student Affairs and the Director of Equal Opportunity and Access, builds campus and community collaboration to vet strategies that will create healthier learning and living environments while enhancing community livability.

Revenue Generation and Cost-drivers

SHS is largely supported by the SHS portion of the Health Fee (approximately 60% of operating expenses are covered by the Health Fee, while the remaining 40% are covered by fee for service and other revenues). SHS is taking steps to reduce reliance on student fees over the next several years by flipping this proportion (40% of operating expenses funded by the Health Fee).

After a six year reserve spend-down, directed by the Student Incidental Fee Committee in 2010, the SHS portion of the Health Fee was returned to current service levels for FY18 by the SIFC in February 2017. Thus, SHS is not seeking any additional fee increase for FY19. New revenues will cover all additional FTE and inflationary increases for services and supplies. SHS continues to identify additional new revenues to enable growth and ensure sustainability, while building internal efficiencies to keep expenses steady. In addition, a number of corrections have been made to past budgets: fee-for-service revenue is now expected to yield more accurate predictions for FY19.

New revenues for FY18:

- SHS completed a comprehensive fee for service schedule review, which included a medical coding assessment and the implementation of new pricing models. Modest fee increases for specific services, particularly those covered by insurance, now reflect appropriate pricing models and remain well below local market rates. Costs charged to uninsured students are managed on a case by case basis to ensure minimal financial impacts.
- A new reimbursement structure was implemented for state family planning services (CCare) resulting in increased revenues with no impact to students.
- Other revenues were made available through insurance administration charges.
- Write-offs expenses experienced in previous years were reduced by implementing a documented procedure for accurate, timely and thorough insurance appeals and Medicaid claims processing.
- Meningococcal B vaccination will yield additional revenue via insurance reimbursements.

Cost-drivers for FY18:

- SHS also continues to anticipate large expenditures in FY19 related to the Meningococcal B outbreak due to vaccine purchasing, staffing and outreach events. Costs associated with the new OSU vaccination requirement are expected to tap SHS reserves allocated for emergency medical response. SHS is working to mitigate these expenses by partnering with local pharmacies, pharmaceutical vendors and area providers as well as the Oregon Health Authority, Oregon Health Plan and private insurance carriers.
- SHS is implementing a new electronic medical record (EMR) system in FY19. This undertaking requires additional staff with high-level expertise to onboard the new system and realign other internal systems. These additional staff members are limited-duration hires and will not have a permanent impact to the SHS budget. The new system is expected to increase efficiencies accuracy and staff productivity.
- A key challenge in generating any substantive new revenue is OSU's current HIPAA status. This restricts contracting with private insurance carriers. Network participation would allow for broader and increased cost reimbursements while reducing out of pocket student expenses and health fee reliance. HIPAA compliance is standard best practice in the healthcare industry. Compliance would shift the cost of healthcare away from the patient-student and to the insurance carrier. HIPAA compliance would also allow SHS to provide services to the entire OSU community, including Faculty and Staff. HIPAA compliance will continue to be explored; although any change in compliance status is not imminent. However, other revenue opportunities are being considered, including the feasibility of a small office visit fee, which is trending nationally and has been adopted by several other peer institutions, including University of Oregon. This would fund needed FTE and other needs without impacting the Health Fee – e.g., needed staffing includes additional psychiatric services and management of the increasing complexity of serious chronic conditions.
- SHS is further faced with the challenge of maintaining an aging and sub-optimal clinical facility (Plageman Health Center). Needed facility improvements include a secure door access system and elevator replacement. These expenses will be managed through working capital and building reserves.
- SHS continues a multi-year effort to build up a more robust building and equipment reserves to meet technology needs and on-going facility challenges. SHS is also working in collaboration with other Student Affairs units to explore shared services, and will continue to align with other units as opportunities allow.

Fee Request

SHS is not requesting a fee increase for FY19. New revenues generated from increased fee-for-service charges and state family planning reimbursements will offset expense increases, specifically salary increases due to reclassification, and a new FTE to support EMR implementation, medical records and immunization management.

By returning the SHS portion of the Health Fee to current service levels in FY18, SHS was able to end deficit budget spending into the fund balance and is now managing remaining funds to ensure there are

sufficient reserves are available for public health or other medical emergency purposes, along with a three-month operating reserve. The costs of these public health responses have proven to require quick access to a significant amount of funds. The Meningococcal B outbreak and vaccine clinics for winter term alone have resulted in approximately a \$500-\$600 thousand purchase of vaccinations within approximately three weeks. These clinics are anticipated to cost anywhere from \$600K -\$1M to run. Currently, SHS has been able to retain approximately \$1 million in reserve funds to be utilized for public health or other medical emergency purposes. In truth, \$2M+ is a more appropriate amount to ear-mark for emergency response purposes, which includes coverage university-wide response expenses, not just those incurred by SHS. All expenses related to the current Meningococcal B response are being tracked to determine the true cost of this campus and community-wide endeavor.

FY 2019 Budget Overview Oregon State University Student Health Services

| | APPROVED | | APPROVED | | REQUESTED | REQUESTED |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------|
| | BUDGET | ACTUAL | BUDGET | BUDGET | BUDGET | % CHANGE |
| | FY17 | FY17 | FY18 | FY19 | FY19 | FY19 |
| | All Indexes | 2018-2019 |
| Revenue | | | | | | |
| Gifts - (03600-03651) | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Investment - (05100-05999) | \$ 28,000.00 | \$ 106,365.00 | \$ 38,000.00 | \$ 125,000.00 | \$ 125,000.00 | 228.95% |
| Sales and Services - (06000-06999) | \$ 4,576,320.00 | \$ 3,698,438.00 | \$ 3,657,000.00 | \$ 4,268,000.00 | \$ 4,268,000.00 | 16.71% |
| Medical and Hospital Services Income - (07000-07999) | \$ 2,874,449.00 | \$ 3,316,759.00 | \$ 2,761,449.00 | \$ 3,916,449.00 | \$ 3,916,449.00 | 41.83% |
| Other Revenue (08000-08799) | \$ 167,500.00 | \$ 949,220.00 | \$ 195,000.00 | \$ 276,435.00 | \$ 276,435.00 | 41.76% |
| Internal Sales - (09000-09999) | \$ 21,500.00 | \$ 32,856.00 | \$ 30,000.00 | \$ 10,000.00 | \$ 10,000.00 | -66.67% |
| Internal Sales Reimbursement - (79000-79999) | \$ 27,300.00 | \$ 284,431.00 | \$ 19,800.00 | \$ 19,800.00 | \$ 19,800.00 | 0.00% |
| Total Revenue | \$ 7,695,069.00 | \$ 8,388,069.00 | \$ 6,701,249.00 | \$ 8,615,684.00 | \$ 8,615,684.00 | 28.57% |
| Expenses | | | | | | |
| Salaries - Wages (10100-10799) | \$ 5,356,991.00 | \$ 5,413,255.00 | \$ 5,718,835.00 | \$ 6,504,960.00 | \$ 6,504,960.00 | 13.75% |
| 10101 Staff-Unclassified Salaries | \$ 2,503,754.00 | \$ 2,522,683.00 | \$ 2,658,005.00 | \$ 3,152,351.00 | \$ 3,152,351.00 | 18.60% |
| 10301 Staff-Classified Salaries | \$ 2,586,926.00 | \$ 2,569,716.00 | \$ 2,698,285.00 | \$ 3,000,694.00 | \$ 3,000,694.00 | 11.21% |
| 10501 Student Pay - Regular Pay | \$ 143,959.00 | \$ 226,156.00 | \$ 262,432.00 | \$ 256,737.00 | \$ 256,737.00 | -2.17% |
| 10600 Grad Asst/Res Phys/Dent/Clin Fellows | \$ 122,352.00 | \$ 94,700.00 | \$ 100,113.00 | \$ 95,178.00 | \$ 95,178.00 | -4.93% |
| Other Payroll Expenses (OPE) (10900-10999) | \$ 2,940,797.00 | \$ 2,608,563.00 | \$ 2,978,615.00 | \$ 3,536,573.00 | \$ 3,536,573.00 | 18.73% |
| 10951 Graduate Assistant Fee Remissions | \$ 135,368.00 | \$ 87,483.00 | \$ 87,525.00 | \$ 81,618.00 | \$ 81,618.00 | -6.75% |
| 10960 OPE Unclassified | \$ 1,097,306.00 | \$ 984,218.00 | \$ 1,158,275.00 | \$ 1,431,454.00 | \$ 1,431,454.00 | 23.58% |
| 10970 OPE Classified | \$ 1,706,547.00 | \$ 1,509,474.00 | \$ 1,700,976.00 | \$ 1,990,769.00 | \$ 1,990,769.00 | 17.04% |
| 10980 OPE Student | \$ 1,129.00 | \$ 6,510.00 | \$ 4,464.00 | \$ 4,257.00 | \$ 4,257.00 | -4.64% |
| 10990 OPE Grad Assist and Fellows | \$ 447.00 | \$ 20,878.00 | \$ 27,375.00 | \$ 28,475.00 | \$ 28,475.00 | 4.02% |
| Total OPE & Salaries | \$ 8,297,788.00 | \$ 8,021,818.00 | \$ 8,697,450.00 | \$ 10,041,533.00 | \$ 10,041,533.00 | 15.45% |
| Other Expenses | | | | | | |
| Services and Supplies (20000-39999) | \$ 7,849,033.00 | \$ 7,902,428.00 | \$ 6,678,811.00 | \$ 7,797,771.28 | \$ 7,797,771.28 | 16.75% |
| Capital Outlay (40000-40519) | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Student Aid (50000-59999) | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Merchandise for Resale or Redistribution (60000-69999) | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Total Other Expenses | \$ 7,849,033.00 | \$ 7,902,428.00 | \$ 6,678,811.00 | \$ 7,797,774.00 | \$ 7,797,774.00 | 16.75% |
| Total Expenses | \$ 16,146,821.00 | \$ 15,924,246.00 | \$ 15,376,261.00 | \$ 17,839,307.00 | \$ 17,839,307.00 | 16.02% |
| Income Less Expenses | \$ (8,451,752.00) | \$ (7,536,177.00) | \$ (8,675,012.00) | \$ (9,223,623.00) | \$ (9,223,623.00) | 6.32% |
| Transfers (91000-99999) | | | | | | |
| Transfers in | \$ (7,897,845.00) | \$ (7,856,233.00) | \$ (8,674,909.00) | \$ (9,230,970.00) | \$ (9,230,970.00) | 6.41% |
| Transfers out | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Net Transfers In | \$ (7,897,845.00) | \$ (7,856,233.00) | \$ (8,674,909.00) | \$ (9,230,970.00) | \$ (9,230,970.00) | 6.41% |
| INCOME - EXPENSES +/- TRANSFERS | \$ (553,907.00) | \$ 320,056.00 | \$ (103.00) | \$ 7,347.00 | \$ 7,347.00 | -7233.01% |
| 80500 Depreciation Expense | \$ - | \$ - | \$ - | \$ - | \$ - | |
| - non cash item not included in total expenses | | | | | | |
| Depreciation (80500-80761) | \$ 127,517.00 | \$ 127,203.00 | \$ 124,899.00 | \$ 145,573.00 | \$ 145,573.00 | 16.55% |
| Reserves | | | | | | |
| MSHBD1-Bldg Repr Reserve | \$ - | \$ - | \$ - | \$ - | \$ - | |
| MSHEQ1-Equip Repl Reserve | \$ 50,000.00 | \$ 50,000.00 | \$ 50,000.00 | \$ 50,000.00 | \$ 50,000.00 | 0.00% |
| TOTAL BUILDING AND EQUIPMENT | \$ 50,000.00 | 0.00% |
| Total Dollar amount required to Operate | \$ (8,501,752.00) | \$ (7,586,177.00) | \$ (8,725,012.00) | \$ (9,273,623.00) | \$ (9,273,623.00) | 6.29% |
| | Approved | ACTUAL | Approved | REQUESTED | REQUESTED | |
| | BUDGET | | BUDGET | BUDGET | BUDGET | Summer |
| Student Fees Operations | 2016-2017 | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | |
| Fall, Winter, Spring | \$ 7,195,383.00 | \$ 7,195,383.00 | \$ 8,016,825.00 | \$ 8,496,590.60 | \$ - | |
| Summer | \$ 633,961.50 | \$ 633,961.50 | \$ 708,084.00 | \$ 784,380.00 | \$ 830,783.16 | |
| Total Fee Income | \$ 7,829,344.50 | \$ 7,829,344.50 | \$ 8,724,909.00 | \$ 9,280,971.00 | \$ 830,784.00 | |
| ENROLLMENT | | | | | | |
| Fall, Winter, Spring | 69,100 | 69,100 | 69,500 | 69,770 | - | |
| Summer | 6,575 | 6,575 | 6,800 | 6,800 | 6,822 | |
| COST PER STUDENT PER TERM | | | | | | |
| Fall, Winter, Spring | \$ 104.13 | \$ 104.13 | \$ 115.35 | \$ 121.78 | \$ - | |
| Summer | \$ 96.42 | \$ 96.42 | \$ 104.13 | \$ 115.35 | \$ 121.78 | |

| | | |
|----|-------|------------------|
| | 5.57% | |
| \$ | 6.43 | Total Fee Change |
| \$ | 6.43 | AABC Assessment |
| \$ | 0.00 | SHS Fee Increase |