

University Budget Committee Meeting
January 13, 2023
Covell 117 and via Zoom

MINUTES

Agenda

1. Financial projections and new student increase
 - a. Projections and assumptions
 - b. Proposed investments beyond inflation
 - c. Relationship to rate increase for new students
2. Financial aid basics
 - a. Cost of attendance
 - b. Major types and amounts of financial aid
 - c. OSU's net price compared to peers
3. Differential and professional tuition planning

Committee Members Present: Nicole von Germeten, Jon Boeckenedt, Joe Page, John Gremmels, Terri Libert, Staci Simonich, Erica Stillwagon, Zackery Allen, Jessica DuPont, Mya Kuzmin, Marc Norcross, Xander Robertson, Lonni Ivey, Lisa Gaines

Committee Members Absent: Islam Elwefati

University Staff Present: Sherm Bloomer, Nicole Dolan, Kayla Campbell, Mealoha

1. Financial projections and new student increase
2. Projections and assumptions
 - a. Always uncertainty in out years
 - b. Inflationary costs (and growth costs) are big
 - c. Commitments now compound and create costs down the road
 - d. Specific commitments vary year to year but there are always many things to be done or improved
 - e. Enhancing long-term revenue growth (as in small additional increases for incoming students) builds a buffer for the uncertainty and helps support more of the investments campus would like to pursue (financial aid, faculty numbers, lab and field experiences, class size, and on and on)

3. Proposed investments beyond inflation
 4. Relationship to rate increase for new students
 5. Financial aid basics
 - a. Cost of attendance – Net price (price listed minus financial aid awards)
 - b. Major types and amounts of financial aid
 - c. OSU's net price compared to peers
 - d. Jon Boeckenstedt shared presentation on cost data against California and Washington.
- State support: Total education appropriations per FTE enrollment for Higher Ed:

State	1 year	2 year institutions	4 year institutions
CA	\$9900	\$12600	\$11000
OR	\$7400	\$11400	\$6300
WA	\$10300	\$10700	\$10500

Takeaways: States that fund higher education well, tend to have lower tuition because of state funding. Oregon State ranked 9th highest in Net tuition for low-income residents so in 2019, we changed the way we allocated financial aid through the Bridge to Success program. Essentially a high amount of institutional financial aid is distributed.

6. Differential and professional tuition planning
 - a. Always had some increase to the rate since we've started the cohort tuition pricing. Some years, a full 1%, some years, less.
 - b. 3.9% for continuing students
 - c. 3.9% + x.x% for new students

Argument for increase: Some increment make sense looking at long term trajectory, not creating discontinuities in practice or costs, should be contextual (to cost of living) no higher than 1%;

Argument against increase: Any increase of any size will create risks, how do we address possibly pricing Ecampus out of competitiveness

If we charge by campus, we'd align non-resident and resident rates on campus but Ecampus would be aligned to program costs and market competitiveness.

Follow up:

- Jessica to discuss with Lisa Templeton about matching Ecampus rates moving forward but if consequence of alignment is that we will price Ecampus out of being competitive. If we charge by campus, we are then saying that the Ecampus audience is truly at a distance and have a price and program that is different than Corvallis campus students.

Do we need to simplify Ecampus to their own evaluation each year due to their market issue.

- Sherm and staff to write up draft of where we are going.