



University Budget Committee Meeting
October 21, 2022
Kearney 111 and via Zoom

MINUTES

AGENDA

1. Introductions (5 minutes)
2. UBC Charge & Overview of Year (15 minutes)
3. Quick overview of University Fund Budgeting (20 minutes)
4. Update on current year budget & enrollment & inflation estimates for FY24 (30 minutes)
5. Tentative workplan and topic requests from Committee & Questions (20 minutes)

Committee Members Present: Nicole von Germeten, Jon Boeckenedt, Joe Page, John Gremmels, Terri Libert, Staci Simonich, Tim Carroll, Frank Chaplen, Jessica DuPont, Mya Kuzmin, Marc Norcross, Xander Robertson, Zackery Allen,

Committee Members Absent: Islam Elwefati, Tim Carroll, Lisa Gaines

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

1. Introduction of committee members
2. UBC Charge & Overview of Year
 - a. Charge
 - i. Make annual recommendations on tuition and mandatory enrollment fee rates to the Provost and President as part of the University's development of an annual tuition and fee proposal for the Board of Trustees in March of each academic year.
 - ii. Oversee the process of development of tuition recommendations consistent with ORS 352-102 and the policies of the University's Board of Trustees.
 - iii. Review and propose edits to policies regarding tuition, differential tuition, course fees, and areas that impact the E&G budget.
 - iv. Identify, research, and review issues of concern brought forward by committee members, or the university community, and provide recommendations to the provost and president.
 1. Contribution margin analysis – how much revenue does a college bring to the university, how much does it spend and what is it's share for administrative costs? Is it contributing net revenue to the university or getting a subsidy from the university? Goal is to see if we are appropriately funding colleges or are we over subsidizing one and over taxing the others? UBC will advise on this analysis.

2. Preliminary budget by winter term to discuss actual FY24 E&G budget.

b. Overview

- i. Fiscal year operations – July 1-June 30
- ii. Tuition – charged to support administrative costs, charged by course delivery mode (Corvallis, Cascades, Ecampus), student level (undergraduate or graduate) or by residency (in-state or out-of-state); Differential charge – higher cost to deliver courses for that program
- iii. Other charges are mandatory fees, mandatory incidental fees and course fees, all developed and approved through ASOSU processes
- iv. Financial aid
 1. Grants – governmental aid, private scholarships, institutional financial aid
 2. Funded Aid – an entity other than OSU
 3. Unfunded Aid – paid by OSU as a reduction of tuition; significant increase expected over last 3 years.
- v. Tuition only sets list price which is then reduced by financial aid for the net price. Cost of attendance includes net price tuition, fees, room & board, books, transportation, incidentals
- vi. UBC has recommended, as standard practice, that tuition for continuing students (for all campuses, residencies and modalities) increases at no more than the estimated rate of inflation, based on a weighted average across spending categories. Students in future years would be at a slightly higher rate (cohorts have been developed).

3. Quick overview of University Fund Budgeting

- a. 3 main revenue buckets: (1) Education and General Funds (Corvallis, Cascades, and Statewide Public Services), (2) Restricted Funds (regulated use), and (3) Self-Support Funds. There are some other parts to the budget (like plant funds for construction projects) but these three are the ones supporting almost all university operations.
- b. E&G Sources - tuition, F&A recovery, state funding, student fees, other
 - i. Tuition is the biggest component of Cascades and Corvallis E&G revenue. The left pie chart below shows the sources of Corvallis E&G revenue in FY23. The right pie chart shows the expense distribution projected for Corvallis E&G for FY23 ---note that 77% is related to labor expense
- c. E&G Expenditures – Salary, benefits, graduate and student pay and benefits, services and supplies, capital outlay, transfers and others

4. Update on current year budget & enrollment & inflation estimates for FY24

- a. 3.4% headcount and 3.9% student credit hours and expected to change similarly each year
- b. State funding & history – operating funds (through public university support funds (PUSF) allocated using the Student Success and Completion Model (SSCM) and capital funds
- c. SSCM – 3 parts
 - i. Mission differential funding – 18% of PUSF
 - ii. Activity based funding (credit hours) – 33%
 - iii. Completion funding – 49%
- d. Capital funding – Infrastructure workgroup; PSUF works together on this request

- e. FY24 weighted inflation estimate is 3.92% (OSU Inflation vs. CPI)
- 5. Tentative workplan and topic requests from Committee & Questions

Follow up: Full committee: Look at workplan for the year. Are there topics we need to discuss that isn't included?

Staff will be available for follow up training on Oct. 19.