

DRAFT

University Budget Committee Work Plan 2019-2020

Meeting Date	Tentative agenda	Notes
November 1	Overview Issues Budget and tuition intro	
November 15	Tuition rate review Ecampus tuition discussion	Review various rates Initial discussion of issue
December 6th (potential additional meeting)	Graduate and professional tuition Student health and CAPS proposals	Rates for these areas Initial discussion of proposals on health fees
<i>Dec 6th last class fall term</i>		
<i>Jan 6th first class winter</i>		
January 10	Undergraduate rates Differential tuition proposals Ecampus discussions	Rates for these areas If there are any Continue previous discussion
<i>Jan 23rd-24th Board mtg.</i>		Board meeting, ten year forecast initial budget outlook for FY21
January 31	Undergraduate rates Health fee proposals Differential tuition proposals	
February 7	Final tuition recommendations	
February 21	Final tuition if needed Expense reduction criteria	
March 6	Review feedback on tuition proposals; comments for Board if needed	
<i>March 13th last class winter</i>		
<i>March 30th first class spring</i>		
April 2nd-3rd Board mtg	Tuition decisions	F&A committee and full Board make tuition decisions
April 10	Expense reduction criteria TBD	
April 24	TBD	
May 8	TBD	
May 22	TBD	
<i>May 28th-29th Board mtg.</i>	FY21 budget decisions	Board approval of FY21 budget
<i>June 5th last class spring</i>		

Ecampus Corvallis Tuition Structure

Question

Should tuition for students in Corvallis be charged at Corvallis tuition rates, regardless of course delivery modality? Or put another way, should students in Corvallis taking Ecampus courses be charged at Corvallis campus tuition rates?

Why is it an issue?

When Ecampus was started, the expectation was that it would be used by students who could not come to the Corvallis campus. The tuition structure was set assuming most students would be part-time and not using facilities in Corvallis and from the beginning there has not been a resident/non-resident tuition difference for Ecampus. This means that Ecampus tuition (including both the operations and instruction charge) is somewhat higher per credit than Corvallis tuition for resident undergraduates, quite a bit less expensive for non-resident undergraduates, and much more expensive for graduate tuition (Table 1).

In fact, there was substantial use of Ecampus courses by students in Corvallis from the start. In recent years over 40% of credit hours taught on Ecampus have been taught to students in Corvallis and that percentage is increasing (Table 2). In the last two years use of Ecampus courses has grown faster among non-resident undergraduates in Corvallis than for any other undergraduate population (Table 3).

This use of Ecampus delivery has raised some concerns and questions:

- Ecampus courses are more expensive for resident undergraduates in Corvallis than Corvallis campus tuition, but OSU receives the same state funding per credit hour for both cases.
- Non-resident students in Corvallis get a substantial discount in tuition by using Ecampus courses but are using the facilities, services, and infrastructure that Corvallis non-resident tuition is, in part, charged to support.
- That discount in tuition for Corvallis non-resident undergraduates is a *de facto* kind of financial aid, but it is distributed without much strategic intent and is not really visible to students or the institution.
- Most graduate programs in Corvallis that require research or scholarship charge tuition on a plateau structure—there is no additional charge for credits between 9 and 16. However, if a graduate student on an assistantship adds an Ecampus course, that course incurs additional tuition that is charged to a department or a principal investigator's grant. This has proved difficult to plan for and has caused concern for departments, graduate assistants and principal investigators.
- If Corvallis students were charged at Corvallis tuition rates there would be a net increase in revenue of about \$3.9M (Table 4) which would help offset other tuition increases and expense reductions the campus has been dealing with the last three years.

What conversations are needed?

The University Budget Committee is the first place for discussion of a potential change in how Ecampus credits are charged to Corvallis-based students. Those discussions could be informed by input from:

- Business Affairs regarding how such a change could be accurately billed to students.
- Ecampus for an assessment of how the change might impact enrollment by Corvallis-based students.
- Enrollment Management for the potential impact on non-resident undergraduate recruitment and retention in Corvallis.
- Graduate School to understand the impact on managing graduate programs of study and research-based funding for graduate assistants.
- Others suggested by UBC?

If the UBC recommends making the change as part of the tuition recommendations for 2020-21, subsequent discussions would include:

- Reviews by the Provost and President.
- Discussions with ASOSU and ASCC.
- Discussions with academic deans and Faculty Senate (probably Executive Committee and Budget and Fiscal Planning Committee).
- Open forums with students on both campuses in January and February.
- Confirming mechanisms for billing and communication (Business Affairs, Enrollment Management, Ecampus).
- Summary of comments and concerns in materials presented to Board of Trustees as part of the tuition recommendations.
- Others suggested by UBC?

Table 1. Cost per credit hour over 9 credits (Ecampus undergraduate is \$309 total and graduate is \$560 total). Delta shows per credit tuition change if the credit hour was charged at campus rates.

Incremental credit hour cost over 9 credits		
<i>Resident undergraduate</i>		Delta
Ecampus instruction	\$ 224	\$ (12)
Ecampus operations	\$ 85	\$ (85)
Corvallis campus	\$ 212	
<i>Non-resident undergraduate</i>		
Ecampus instruction	\$ 215	\$ 417
Ecampus operations	\$ 85	\$ (85)
Corvallis campus	\$ 632	
<i>Resident graduate</i>		
Ecampus instruction	\$ 475	\$ (475)
Ecampus operations	\$ 85	\$ (85)
Corvallis campus*	\$ -	
<i>Non-resident graduate</i>		
Ecampus instruction	\$ 475	\$ (475)
Ecampus operations	\$ 85	\$ (85)
Corvallis campus*	\$ -	
*plateau from 9 to 16 credit hours		

Table 2: Credit hour use for Ecampus (both Corvallis and other students), Corvallis face-to face credit hours, and percentage of Corvallis credit hours taken through Ecampus.

Credit hours, Fall-Winter-Spring terms					
	FY15	FY16	FY17	FY18	FY19
Ecampus to Corvallis students:					
Undergraduate	63,821	75,511	87,483	104,037	111,685
Graduate	1,381	1,309	1,617	2,442	3,152
Ecampus to other students:					
Undergraduate	79,875	94,531	107,468	116,235	121,405
Graduate	6,592	7,452	8,380	10,635	12,471
Total Ecampus	151,669	178,803	204,948	233,349	248,713
Growth rate		18%	15%	14%	7%
Total Corvallis campus face-to-face SCH					
Undergraduate	744,405	736,040	732,884	717,528	696,200
Graduate	131,912	133,975	132,641	133,137	131,724
Total Corvallis campus SCH	876,317	870,015	865,525	850,665	827,924
% of Corvallis student credit hours (Ecampus plus face-to-face) taken through Ecampus:					
Ecampus % undergraduate	7.9%	9.3%	10.7%	12.7%	13.8%
Ecampus % graduate	1.0%	1.0%	1.2%	1.8%	2.4%

Table 3: Change in credit hour use of Ecampus courses by student location (Corvallis-campus based vs. other locations) and by level (undergraduate and graduate)

Ecampus Fall-Winter-Spring SCH by residency and level					
Non residents-Corvallis	FY15	FY16	FY17	FY18	FY19
Undergraduate Corvallis	20,230	23,476	26,368	33,625	37,661
Growth rate		16%	12%	28%	12%
Graduate Corvallis	806	643	891	1,515	1,928
Residents-Corvallis					
	FY15	FY16	FY17	FY18	FY19
Undergraduate Corvallis	43,591	52,035	61,115	70,412	74,024
Growth rate		19%	17%	15%	5%
Graduate Corvallis	575	666	726	927	1,224
Non-residents-Other					
Undergraduate other	55,125	67,212	78,204	86,828	90,691
		22%	16%	11%	4%
Graduate other	3,843	4,152	4,766	6,235	7,658
Residents-Other					
Undergraduate other	24,750	27,319	29,264	29,407	30,714
		10%	7%	0%	4%
Graduate other	2,749	3,300	3,614	4,400	4,813

Table 4: Rough estimate of revenue changes by student group if Corvallis students were charged at the appropriate Corvallis tuition rate instead of the existing Ecampus rate. Calculations are all using tuition rates in Table 1.

No distance fee	Delta/SCH	FY16	FY17	FY18	FY19
Max resident grad loss	\$ (560)	\$ (372,960)	\$ (406,560)	\$ (519,120)	\$ (685,440)
Non resident grad loss	\$ (560)	\$ (360,080)	\$ (498,960)	\$ (848,400)	\$ (1,079,680)
Resident undergrad loss	\$ (97)	\$ (5,047,395)	\$ (5,928,155)	\$ (6,829,964)	\$ (7,180,328)
Non resident UG gain	\$ 342	\$ 8,028,792	\$ 9,017,856	\$ 11,499,750	\$ 12,880,062
Net change		\$ 2,248,357	\$ 2,184,181	\$ 3,302,266	\$ 3,934,614