University Budget Committee
January 21, 2022
Zoom

Meeting Materials Include:

- FY22 DRAFT UBC Tuition & Fee Recommendation (dated 01/17/2022)
- DRAFT SRBM Review Next Steps
- Charge by Campus Update

February 4, 2022

To: Rebecca Johnson, Interim President
From: Alison Johnston, Chair, University Budget Committee
Re: Recommendations for Tuition and Mandatory Fee Rates for 2022-2023
Cc: Edward Feser, Provost and Executive Vice President

Summary:

The University Budget Committee (UBC) constitutes the tuition advisory body required by ORS 352.102. The UBC recommends the following rate changes in tuition and mandatory fees from 2021-22 to 2022-23 for your consideration in recommendations to the Board of Trustees. Rate recommendations apply to Corvallis, Cascades, and Ecampus students unless otherwise noted.

Rate	Recommendation	Notes
Continuing resident and non-resident undergraduate	3.5%	2.5% to 3.5%[1] increase scenarios (see Table 1) are provided for discussion
New resident and non-resident undergraduate	4.5%	3.5% to 4.5% increase scenarios (see Table 1) are provided for discussion
New Cascades resident undergraduate	6.3%	Aligns tuition rates at Cascades with Corvallis for new students
Resident and Ecampus graduate	0.0%	Maintain competitive position, avoid cost increases on grant funded positions
Non-resident graduate	3.5%	At estimated inflation rate
Professional tuition increases	0% to 4.0%	Depending on program (MAT, MFA, MCOUN at Cascades, Pharmacy, Vet Med etc.)
Differential tuition undergraduate	$0 to $2 per SCH	Inflationary increases in Business, Engineering, Forestry, Liberal Arts (Arts, Music, Theatre only)
Differential tuition graduate	$0 to $15 per SCH	Increases in MBA, Engineering
Summer tuition	6.25% to 8.18%	Matches new student campus tuition rates
Mandatory matriculation fees	0%	No increases
Mandatory building debt fee	2.2% to 4.4% per quarter	$1 or $2 per year rate increase for 5 years; $2 in FY23
Student Health Services-Cascades	5%	To address increasing costs of medical staffing
Student Health Services-Corvallis	5%	To address increasing costs of medical staffing
Counseling and Psychological Services-Corvallis	5%	To address increasing costs of medical staffing

The weighted average tuition increase for resident undergraduate majors at Corvallis is 3.48% and at Cascades is 3.56%. The weighted average tuition and mandatory fee increase (the rate subject to the 5% threshold) is 3.56% at Corvallis, 3.43% at Cascades, and 3.70% for Ecampus. Detailed rates are listed in Tables 2 to 4. Details of process and recommendations are included in the Appendices.

The tuition recommendations are informed by financial projections including an additional $11M in institutional financial aid to continue strategies to regain enrollment of Pell-eligible Oregon residents and to increase non-resident enrollment through participation in the Western Undergraduate Exchange program.

The UBC includes faculty, staff, students from student government and students at large. The group has been meeting since November 2021 to consider tuition rate recommendations and other budget issues for FY2023.

[1] Undergraduate rate increases noted are on the per credit hour charges, not on the base "zero-credit" charge made for resident and non-resident academic year tuition. Total increases are somewhat less than the quoted percentages because of the fixed zero-credit charge and rounding to whole dollars.

DRAFT

In 2020-21 and 2021-22, OSU moved to a cohort tuition model, where tuition rates for continuing undergraduate students increased at the estimated rate of inflation (or less) and rates for incoming students increasing somewhat more in line with market comparators and to provide resources for program improvements while those students are at OSU. The result is that undergraduate students now have tuition rates that vary by their year of matriculation. The approach creates more predictability for continuing students but allows sufficient flexibility to address growth in university costs and program development and adjust to the competitive landscape for students. The proposal is to make this the default approach for setting undergraduate tuition at OSU.

The proposed approach being recommended by the UBC would assume that:

- The Board policy of expecting tuition increases in the range of 2% to 5%, barring extreme financial change, would continue.
- 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.
- Tuition for students matriculating in the next academic year would increase at a slightly greater rate (for initial planning, an additional percentage point, but ultimately set with close attention to markets) than continuing students.
- Rates would comprise an instructional charge for all students, a distance education fee for Ecampus courses, and a campus charge for non-resident students.
- Differential tuition charges above base tuition and the distance education fee would be increased at the rate for continuing students (unless a unit asks for no change) so that the charges are the same across all cohorts. Only base tuition charges would vary by cohort.
- The additional increase for incoming students would be monitored to make sure rates were appropriate and competitive relative to peer institutions.
- Graduate and professional tuition will be charged on a program-by-program basis consistent with program costs, peer comparisons, and market analyses.
- Summer tuition would be set at one rate corresponding to rates for incoming students.
- The committee also discussed whether tuition and incidental fees should be charged on the basis of the student's primary campus, rather than by mode of delivery, but there are complexities that make an implementation in fall, 2022 unlikely. UBC will provide a recommendation on this later.

The goals of the proposed approach are to:

- Provide more predictability in tuition rates for students who have committed to OSU.
- Make the structure of tuition clearer for students.
- Align tuition and fee charges with the campus students are primarily using.
- Make the annual tuition-setting process more transparent and simpler to reduce the time spent on the issue each year and allow more time for campus discussion.
- Provide sufficient flexibility for OSU to continue to improve academic and support services and to manage through unexpected financial downturns.

A series of tuition forums are being held January through March. Comments and feedback from those will be provided prior to the preparation of the Board docket on your tuition rate recommendations.

DRAFT

Table 1: Scenario planning for tuition recommendations

Tuition Scenario Table (Corvallis campus): The right-hand column shows the increases at the inflation/inflation plus 1% scenario (this is the UBC recommendation). The goal is to show both the impact on individual students and on overall institutional balance in a succinct format. Rates are applied to resident undergraduate and non-resident undergraduate tuition rates (including Ecampus). All scenarios include an assumption of an increase of about $11M in institutional financial aid (continuing a four-year initiative to reenter the Western Undergraduate Exchange and to regain enrollment of Pell eligible resident students). Note these estimates for overall Corvallis E&G surplus or deficit are probably plus/minus $1M to $3M, given uncertainties.

	Scenario A: **Continuing** **Resident 2.5%, Non-resident 2.5%** **New Resident 3.5%, Non-resident 3.5%**	**Scenario B:** **Continuing** **Resident 3.0%, Non-resident 3.0%** **New Resident 4.0%, Non-resident 4.0%**	**Scenario C:** **Continuing** **Resident 3.5%, Non-resident 3.5%** **New Resident 4.5%, Non-resident 4.5%**
State funding at current levels	Resident undergraduate (annual): Before 2020: 2.5%, $252 Entered FY21: 2.5%, $260 Entered FY 22: 2.5%, $264 New FY23: 3.5%, $370 Non-res undergraduate (annual): Before 2020: 2.5%, $754 Entered FY21: 2.5%, $777 Entered FY 22: 2.5%, $788 New FY23: 3.5%, $1103 Surplus or (deficit): $(0.5M), -0.1% of revenue	Resident undergraduate: Before 2020: 3.0%, $302 Entered FY21: 3.0%, $311 Entered FY 22: 3.0%, $317 New FY23: 4.0%, $422 Non-res undergraduate: Before 2020: 3.0%, $905 Entered FY21: 3.0%, $932 Entered FY 22: 3.0%, $945 New FY23: 4.0%, $1261 Surplus or (deficit): $1.7M, 0.3% of revenue	Resident undergraduate: Before 2020: 3.5%, $352 Entered FY21: 3.5%, $363 Entered FY 22: 3.5%, $370 New FY23: 4.5%, $475 Non-res undergraduate: Before 2020: 3.5%, $1056 Entered FY21: 3.5%, $1087 Entered FY 22: 3.5%, $1103 New FY23: 4.5%, $1418 Surplus or (deficit): $3.9M, 0.6% of revenue
	Base resident tuition & fees: % Average res. tuition & fees: %	Base resident tuition & fees: % Average res. tuition & fees: %	Base resident tuition & fees: 3.48% Average res. tuition & fees: 3.56%

Graduate tuition (0% residents and 3.5% non-residents), professional tuition (3.5%), and differential tuition (3.5%). Cost estimates include ~3.5% overall inflation this year because of salary increase, modest increases in benefit costs, and CPI inflation; costs of growth (about 1% for modest growth in Ecampus and post-pandemic adjustments in Corvallis); and new commitments as discussed in the appendices.

Table 2: Cohort rates for base undergraduate tuition at Scenario C in Table 1. The UBC suggests structuring tuition with an instruction, distance education, and campus charge as shown. Tuition increases are not applied to the zero-credit charge. Total annual cost for 15 credits per quarter is shown for comparison.

	2021-22 Base Tuition Components						2022-23 Base Tuition Components						
	Zero credit hour flat charge	Instruction fee per credit	Distance education infrastructure per credit	Non-resident campus charge	Total tuiton per credit	Annual total at 15 credits per term	Zero credit hour charge	Instruction fee per credit	Distance education infrastructure per credit	Non-resident campus charge	Total tuiton per credit	Annual total at 15 credits	% increase
Resident Corvallis													
Matriculated prior to fall 2020	100	217			217	10,065	100	225			225	10,425	3.58%
Matriculated fall 2020	100	224			224	10,380	100	232			232	10,740	3.47%
Matriculated fall 2021	100	228			228	10,560	100	236			236	10,920	3.41%
Matriculated fall 2022	100				-	300	100	238			238	11,010	4.26%
Resident Cascades													
Matriculated prior to fall 2020	100	210			210	9,750	100	217			217	10,065	3.23%
Matriculated fall 2020	100	220			220	10,200	100	228			228	10,560	3.53%
Matriculated fall 2021	100	224			224	10,380	100	232			232	10,740	3.47%
Matriculated fall 2022	100				-	300	100	238			238	11,010	6.07%
Non-resident													
Matriculated prior to fall 2020	335	217		431	648	30,165	335	225		446	671	31,200	3.43%
Matriculated fall 2020	335	224		444	668	31,065	335	232		459	691	32,100	3.33%
Matriculated fall 2021	335	228		450	678	31,515	335	236		466	702	32,595	3.43%
Matriculated fall 2022	335				-	1,005	335	238		471	709	32,910	4.43%
Ecampus													
Matriculated prior to fall 2020	-	236	90		326	14,670	-	244	93		337	15,165	3.37%
Matriculated fall 2020	-	236	90		326	14,670	-	244	93		337	15,165	3.37%
Matriculated fall 2021	-	241	90		331	14,895	-	249	93		342	15,390	3.32%
Summer													
Corvallis, all undergraduates	-	224			224	10,080		238			238	10,710	6.25%
Cascades, all undergraduates	-	220			220	9,900	-	238			238	10,710	8.18%

DRAFT

Table 3: Differential tuition rates. These are charged per credit by major on all credits taken in addition to the base tuition shown in Tables 2 and 4. Tuition plateau structures are not applied to differential tuition.

	FY22 Rate	FY23 Rate	% increase
Undergraduate campus differentials			
General Engineering resident	36	37	2.78%
General Eng non-resident	36	37	2.78%
Engineering majors resident	55	57	3.64%
Eng majors non-resident	55	57	3.64%
Forestry resident	17	18	5.88%
Forestry non-resident	17	18	5.88%
Business resident	23	24	4.35%
Business non-resident	23	24	4.35%
Arts CLA resident	22	23	4.55%
Arts CLA non-resident	22	23	4.55%
Honors resident differential	500	500	0.00%
Honors non-resident	500	500	0.00%
Graduate campus differentials			
Engineering resident	59	59	0.00%
Engineering non-resident	59	59	0.00%
MPH differential resident	67	67	0.00%
MPH differential non-resident	105	105	0.00%
MBA and MS Business resident	308	308	0.00%
MBA and MS Business non-res	416	431	3.61%
Ecampus undergraduate differentials			
Computer Science differential	196	203	3.57%
Business Students	23	24	4.35%
Pre engineering students	36	37	2.78%
Prof Engineering students	55	57	3.64%
BS Computer Science	55	57	3.64%
Developmental Math	-90	-93	3.33%
Ecampus graduate differentials			
AHE PhD and EdD	30	30	0.00%
PhD in Counseling	30	30	0.00%
MS in Counseling	30	30	0.00%
Grad Certificate Public Health	67	67	0.00%
MBA and Business Courses	308	308	0.00%
Engineering MS Rad. Health Phy	131	131	0.00%
College of Engineering students	59	59	0.00%

DRAFT

Table 4: Graduate base tuition, professional tuition, and mandatory fee rates. There are, in addition, incidental fees charged per quarter that are approved and recommended to the President by ASOSU and ASCC at the respective campuses.

	FY21 rate	FY22 rate	Annual cost at 12 credits	% increase	Notes
Base resident graduate tuition	$ 498	$ 498	$ 13,446	0.00%	per credit with plateau 9-16 credits
Base non-resident graduate tuition	$ 1,011	$ 1,046	$ 28,242	3.46%	per credit with plateau 9-16 credits
Base Ecampus graduate tuition	$ 560	$ 560	$ 20,160	0.00%	per credit with plateau 9-16 credits
Base summer graduate	$ 498	$ 498	$ 13,446	0.00%	per credit, all credits, all residencies
Professional degrees					
PharmD resident	$ 722	$ 751	$ 27,036	4.02%	Per credit to 12 credits then flat
PharmD non-resident	$ 1,179	$ 1,226	$ 44,136	3.99%	Per credit to 12 credits then flat
DVM resident	$ 25,296	$ 26,181	$ 26,181	3.50%	Flat rate
DVM non-resident	$ 50,598	$ 52,369	$ 52,369	3.50%	Flat rate
MBA, MS Business resident	$ 806	$ 806	$ 29,016	0.00%	Per credit, base tuition of $498 plus $308 per credit
MBA, MS Business non-resident	$ 1,427	$ 1,477	$ 53,172	3.50%	Per credit, base tuition of $1,011 plus $416 per credit
Cascades MCoun resident	$ 464	$ 464	$ 16,704	0.00%	Per credit
Cascades MS Coun non-resident	$ 847	$ 847	$ 30,492	0.00%	Per credit
Cascades MAT resident	$ 464	$ 464	$ 16,704	0.00%	Per credit
Cascades MAT non-resident	$ 847	$ 847	$ 30,492	0.00%	Per credit
Cascades MFA resident	$ 487	$ 487	$ 17,532	0.00%	Per credit
Cascades MFA non-resident	$ 487	$ 487	$ 17,532	0.00%	Per credit
Cascades Doc Phys Therapy resident	$ 21,141	$ 21,627	$ 21,627	2.30%	Flat rate
Cascades Doc Phys The. non-res	$ 30,906	$ 31,400	$ 31,400	1.60%	Flat rate
Mandatory fees					
Matriculation fee	$ 350.00	$ 350.00	$ 350.00	0.00%	Charged once on matriculation
Building fee	$ 45.00	$ 47.00	$ 141.00	4.44%	Charged per quarter; assume $1-$2 increase for 4 years
Student health services Corvallis	$ 142.29	$ 149.40	$ 448.21	5.00%	Charged per quarter
Counseling Corvallis	$ 65.11	$ 68.37	$ 205.10	5.00%	Charged per quarter
Student health services Cascades	$ 59.00	$ 61.95	$ 185.85	5.00%	Charged per quarter

DRAFT

Appendix A
Process and Detailed Discussion

Process:

The University Budget Committee (UBC) reviews and recommends all tuition rates for Corvallis and Cascades and mandatory fees including the building fee, matriculation fee, and health services fees. The increase in total base tuition and these mandatory fees for resident undergraduate students is subject to approval from the HECC or the Legislature for increases greater than 5%. All members of UBC are members of the Tuition Advisory Council required by ORS 352.102. Specific information relevant to the reporting requirements of ORS 352.102 are included in Appendices C, D, and E in addition to the discussion here.

The UBC has nineteen members with seven students (including representatives of student government at Corvallis and Cascades, as well as students representing historically underserved students), administrators, faculty, and staff. The committee met seven times prior to finalizing this report and will meet in February and March to review any issues or questions prior to the April Board meeting. The committee membership and meeting schedule are listed in Appendix C. At the meetings, the committee discussed both specific rates and the context of those rates.

The committee received briefings on the Oregon State University (OSU) budget, how the Legislature allocates money to OSU through the HECC, historical data regarding the relationship between resident tuition and fee rates and the amount of state appropriations to OSU that the HECC allocates to the public university. The committee spent time understanding the cost drivers for OSU's Education & General (E&G) budget, how those costs are managed, and what decisions might be made to reduce costs in many of the scenarios considered. The materials provided to the committee, as well as agendas and meeting notes, are posted publicly on the Budget and Resource Planning website (https://fa.oregonstate.edu/budget/university-budget-committee).

Process and Rationale:

The UBC has eighteen members with six students (including representatives of student government at Corvallis and Cascades, as well as students representing historically underserved students), administrators, faculty, and staff. The committee met six times prior to finalizing this report and will meet in February and March to review any issues or questions prior to the April Board meeting. The committee discussed its recommendations for rate changes with particular emphasis on developing a consistent approach to recommending tuition rates. Notices of UBC meetings and a request for comment or questions were posted regularly in OSU Today. The UBC, working with the Office of Budget and Resource Planning, scheduled a series of weekly tuition forums from late January through mid-March. The forums will beadvertised through social media, as well as through Student Affairs and ASOSU. Some may be held collaboratively with ASOSU. OSU-Cascades held meetings with the Associated Students of Cascades (ASCC) and the Cascades Student Fee Committee (SFC). Notices of the meeting were posted on the Cascades Campus and advertised by the SFC. Comments, questions, and concerns from the various discussions will be compiled as part of the materials provided for the Board discussion in April.

The committee reviewed three types of projected expenses that a tuition rate increase would contribute to:

DRAFT

- Inflationary increases related to continuing current levels of academic programs and support services. These include any projected raises, benefit increases for health insurance and retirement, and general inflation. This rate is estimated at 3.5% for FY23 over FY23.
- Mandatory cost increases beyond inflation. A large increase, on the order of $1.5M, in insurance premiums is expected (as has been the case the last two years), as well as additional debt service on completed facilities projects, some increased operating costs for new facilities, and funding for capital renewal projects underway or planned shortly (about $5M total).
- Strategic cost increases to create revenue growth through enrollment, meet strategic goals in academic program development, and create efficiencies (and long-term cost savings) in service and support operations. There are specific investments proposed for enrollment management and information technology and a placeholder of $1.1M for other investments given the significant number of requests for funding of programs or personnel. The total planning amount for these increases is $2.8M

Costs for growth in staffing to support growth in Ecampus enrollments would come from revenues associated with that enrollment growth. Details on the cost and revenue assumptions used in considering rate recommendations are included in Appendix E.

The committee discussed a set of guidelines for how to decide on appropriate tuition rates and recommends assuming that:

- The Board policy of expecting tuition increases in the range of 2% to 5%, barring extreme financial change, would continue.
- 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.
- Tuition for students matriculating in the next academic year would increase at a slightly greater rate (for initial planning, an additional percentage point, but ultimately set with close attention to markets) than continuing students.
- Rates would comprise an instructional charge for all students, a distance education fee for Ecampus courses, and a campus charge for non-resident students.
- Differential tuition charges above base tuition and the distance education fee would be increased at the rate for continuing students (unless a unit asks for no change) so that the charges are the same across all cohorts. Only base tuition charges would vary by cohort.
- The additional increase for incoming students would be monitored to make sure rates were appropriate and competitive relative to peer institutions.
- Graduate and professional tuition will be charged on a program-by-program basis consistent with program costs, peer comparisons, and market analyses.
- Summer tuition would be set at one rate corresponding to rates for incoming students.

The goals of the proposed approach are to:

- Provide more predictability in tuition rates for students who have committed to OSU.
- Make the structure of tuition clearer for students.
- Align tuition and fee charges with the campus students are primarily using.
- Make the annual tuition-setting process more transparent and simpler to reduce the time spent on the issue each year and allow more time for campus discussion.
- Provide sufficient flexibility for OSU to continue to improve academic and support services and to manage through unexpected financial downturns.

DRAFT

The consensus of the committee was that a tuition increase to cover inflationary costs for continuing students (3.5%) was reasonable to maintain access to programs and services. An increase of inflation plus one percentage point for new undergraduate students would provide some resources to help cover other costs, but the bulk of those would have to be covered by revenue growth from enrollment or by redirecting resources from other areas. The UBC felt that increase for new students was reasonable given the planned increase in institutional financial aid and OSU's position in the higher education market.

The UBC discusses and recommends a set of scenarios for undergraduate tuition rates as standard practice as shown in Table 1. The scenarios frame choices that will have to be made at different levels of tuition, and help assess the impact on the overall E&G budget (a projected budget surplus or deficit), the percentage increases and dollar increases to resident and non-resident undergraduates, and the projected increases in institutional financial aid (Table 1). The projected enrollment for next year helps reduce some of the pressure on tuition rates for 2022-23 and provide near balanced budgets for Corvallis E&G operations.

The committee spent significant time discussing whether tuition and incidental fees should be charged on the basis of the student's primary campus, rather than by mode of delivery. This question was raised because of the increasing use of Ecampus courses by campus-based students in Bend and Corvallis. Ecampus courses are more expensive for resident students, (an issue if they have to take that course because there is no campus equivalent) but are much less expensive for non-resident students. This erodes the non-resident tuition charge that is intended to help support the infrastructure of OSU's physical campuses. It also reduces (by 1% to 2% overall) the incidental fees collected from campus-based students as the fees are slightly prorated on lower credit hour loads and are charged only on campus-based credits.

The UBC felt these were issues that should be addressed but recognized such an approach raised its own issues. Most importantly, how OSU charges tuition should advance the goal of allowing students to easily move between modalities and locations easily so OSU "meets them where they are" and be fair and consistent as possible. To be effective, a campus-based charge approach requires that it is fairly straightforward to change campus designations (so students can shift modalities). It is currently a very simple process to change campus but as the Registrar's staff explored this it became clearer that to date it is really easy because it has not really mattered. There is no oversight or checking and no system to readily check every student's campus code against their mix of courses. If we started to charge by campus, it is very likely that non-resident students would find that changing their campus code to Ecampus produced a substantial savings for them. Monitoring that would require a significant change in process and might significantly complicate making that change for students. We would have to consider, as well, how to manage Ecampus or Portland Center students who wanted to mix one or two campus-based classes into their schedule of largely Ecampus courses (analogous to how campus students can use Ecampus courses).

Given these complexities, UBC is continuing discussions on this issue and exploring alternate approaches to addressing the concerns. Recommendations will be part of the committee's final report for the year.

Comments and context on each of the major rate recommendations are included in the next sections.

DRAFT

Discussion of Recommendations:

Tuition and mandatory fees

The tuition rate recommendations endorsed by a consensus of UBC for all rates are listed in Tables 2, 3 and 4. Tables showing tuition by credit hour load for all majors will be available to students after approval of final rates by the Board. Note that for tuition OSU has rounded amounts to the nearest whole dollar after the application of a percentage rate increase.

Undergraduate base tuition has been presented to the Board in a scenario format in each of the previous five years, assuming various tuition increases (Table 1) and projections of other revenue and expense changes. The committee endorsed the approach of standardizing undergraduate tuition on a cohort model with all continuing students (for all campuses, residencies and modalities) seeing increases at no more than the estimated rate of inflation, based on a weighted average across spending categories. Tuition for students matriculating in the next academic year would increase at a slightly greater rate (for initial planning, an additional percentage point, but ultimately set with close attention to markets) than continuing students. The recommendation is for a 3.5% increase for continuing students (the estimated inflation rate) and 4.5% for new undergraduate students (inflation plus one percentage point).

Undergraduate differential tuition rates are recommended to increase at the rate for continuing students unless a unit requests no increase if they felt the increase would put the rates for their programs too high. Honors requested no increase next year. Differential rates are the same for all cohorts. Rates for Engineering, Forestry, Liberal Arts, Business, and Computer Science online programs in Engineering are recommended to increase as shown in Table 3. A new differential charge has been requested by the College of Agricultural Sciences. The UBC is still evaluating that proposal and will provide a follow-up on its recommendation shortly.

Graduate base tuition is recommended to increase 0% for resident students and 3.5% for non-resident students. Resident graduate tuition is at the high side of peer rates and will keep campus and Ecampus programs more competitive. This would also reduce cost increases for departments and grants supporting graduate assistants. Rates for non-residents are near the median for peers and an inflationary increase is appropriate.

Graduate differential tuition rates will also increase by the recommended rate for the respective graduate students. In Engineering as differential charges are kept the same for residents and non-residents and there is no increase. The Master of Public Health asked for no increase in rates. Differential rates for the MBA and MSB will be flat for residents and increase $15/SCH for non-residents. Ecampus differential rates follow recommendations for resident graduate students and are held flat.

Professional program tuition for the PharmD, DVM, and professional degrees at Cascades are recommended to increase from 0% to 4% depending on the program (see Table 4). These rates were recommended by the particular programs after discussions with their students, an assessment of peer and market tuition rates, and an evaluation of demand for the programs. The DVM degree would increase at 3.5% and the PharmD program at 4%, the latter to provide some additional resources for financial aid. The DPT degree at Cascades would increase 2.3% for residents and 1.6% for non-residents. The other professional programs at Cascades (MAT, Master of Counseling, MFA) not increase.

DRAFT

Ecampus tuition rates generally follow recommendations for resident students and are recommended to increase 3.5% for continuing undergraduate and 4.5% for new undergraduates. Graduate rates would be held flat. Differential tuition rates would be set as shown in Table 3. These rates were reviewed by Ecampus leadership to make sure they were consistent with market position..

Summer tuition rates for undergraduate and graduate students are recommended to match academic year resident per credit hour rates for the incoming cohort of resident students at the respective campuses. There is no differentiation between residents and non-residents for undergraduate and most graduate programs in the summer. Summer tuition is charged by the credit hour for most programs.

Health fees at both Cascades and Corvallis were reviewed by the UBC. Cascades is developing their health services program as enrollment grows and an increase of XXX is recommended to support YYYY. An increase of 5% ($20.30 per year) for Student Health Services (SHS) at Corvallis is recommended. Costs for SHS are growing faster than inflation (and in fact faster than 5%, largely because of pressure on salaries for medical professionals), but the recommendation for this year is to use some fund balance and complete a comprehensive review of needs as the pandemic wanes. Counseling and Psychological Services in Corvallis is also recommended for a 5% increase. The 5% increases this year were not based on detailed proposals from the two units. Given the time demands both groups have faced in responding to the pandemic, particularly the winter spike in cases, the UBC discussed with leadership recommending a common placeholder amount of 5% for SHS and CAPS this year in lieu of requiring a detailed proposal for a fee change. Both units believe this will be sufficient to maintain current services for the next fiscal year, but will not address any needed expansions of service. It is likely that assessments of health services after the pandemic will inform recommendations about how new (and current) services should be structured and expanded for next year's fee discussion.

Other fees include the student building loan/debt fee and matriculation fee. No increase is proposed for the matriculation fee. The student building loan/debt fee supports debt service used to build, repair, or renew student services buildings (such as the Memorial Union or Dixon Recreation Center. The fee has not been increased in over 20 years and there is a significant need for repair and improvements of these facilities over the next ten years. The UBC recommends a $2 increase to the fee this year (to $47 per quarter). It also recommends considering a potential increase over the four succeeding years to $55 per quarter pending the completion of a detailed plan for capital renewal and construction identifying the needed borrowing capacity after considering existing capacity and available resources.

At the recommended undergraduate tuition rate increase of 3.5% for continuing students and 4.5% for new students, the base tuition and mandatory fee increase for resident undergraduate students would be 3.56% in Corvallis, 3.43% in Bend, and 3.70% for Ecampus. The rate across all OSU resident undergraduates would average 3.59%.

Other projected rate changes:

Tuition and mandatory fees are only part of the cost of attendance for students. Student incidental fees and housing and dining rates are the other major costs that are set by the university.

Student incidental fees are recommended to you for referral to the Board by the ASOSU and ASCC student governments based on recommendations from student-led committees and approval by the respective student government legislatures. Recommendations for incidental fee increases are Z% ($Y per year) for Corvallis. The increases address issues of cost inflation but also include at Corvallis funding for Memorial

DRAFT

Union's deferred maintenance programs, increased focus on basic needs and wellness of students including increased support for food insecurity and childcare assistance. Discussions on incidental fees at Cascades are still under discussion but will likely be about X . The health fee at Cascades is recommended to increase 5%.

Housing and dining rates include a variety of room and meal plans that vary between campuses. On average, however, housing and dining rates for Corvallis are projected to increase in the X% to Y% range, depending on FY22 occupancy and operational costs coming out of the pandemic. Final rate discussions are still pending.

DRAFT

Appendix B

Membership and meeting schedule of the University Budget Committee

2021-22 University Budget Committee

- Alison Johnston – Associate Professor, School of Public Policy; OSU Faculty– ***UBC Chair***
- Sherm Bloomer – Associate Vice President, Budget and Resource Planning
- Jon Boeckenstedt – Vice Provost, Enrollment Management
- Frank Chaplen – Associate Professor; Agricultural Sciences, Faculty Senate Budget & Fiscal Planning Committee Chair
- Jessica Dupont – Exec. Director, Market Development & Student Experience, Ecampus; OSU Faculty
- Lisa Gaines – Director, Institute for Natural Resources
- John Gremmels –Capital Planning & Development; Infrastructure Working Group
- Shaun Bromagem – Financial Planning Manager, College of Engineering
- Terri Libert – Director of Business Services and Analytics, OSU-Cascades
- Staci Simonich – Executive Associate Dean, College of Agricultural Sciences
- Nicole von Germeten, Professor, School of History, Philosophy, and Religion, College of Liberal Arts
- Tim Carroll – Dean, College of Business
- Muhammad Aatir Khan, ASOSU, Student Fee Committee Chair
- Islam Elwefati , ASCC, Vice President
- Joe Page – ASOSU Speaker of the House, Student at Large
- Aiman Khan – Student at Large
- Zackery Allen, Graduate Student
- Lilly Butler – Student at Large

Fall and Winter Meeting Schedule:

November 5th
November 19th
December 3rd
January 7th
January 21st
February 4th
February 18th
March 4th
April 1st

DRAFT

Appendix C
Minority reports

ORS 352.102 requires that the written report must include any minority report requested by a member of the advisory body.

There were no minority reports requested.

[This is just a place holder. We can include any other comments or perspectives if you would like.]

DRAFT

Appendix D
Materials provided

ORS 352.102 requires that the written report must include "any documents produced or received by the advisory body under subsections (4) and (5)". The full set of materials provided to the UBC as well as meeting notes are available at https://fa.oregonstate.edu/budget/university-budget-committee/ubc-meeting-schedule .

Subsection (4) says these materials include a plan for how the governing board and the public university's administration are managing costs on an ongoing basis and a plan for how resident tuition and mandatory enrollment fees could be decreased if the public university receives more moneys from the state than anticipated. A summary of some of the key information follows in Appendix E.

The University Budget Committee (UBC) reviewed details of the drivers of cost increases and projections for costs and revenues for the E&G budget. A short summary of revenue and cost projections, as well as cost management practices, follows in Appendix E.

Subsection (5) says that " Before making a recommendation to the president of the university that resident tuition and mandatory enrollment fees should be increased by more than five percent annually, the advisory body must document its consideration of: (a) The impact of the resident tuition and mandatory enrollment fees that the advisory body intends to recommend to the president of the public university on: (A) Students at the public university, with an emphasis on historically underserved students, as defined by the public university; and (B) The mission of the public university, as described by the mission statement adopted under ORS 352.089; and (b) Alternative scenarios that involve smaller increases in resident tuition and mandatory enrollment fees than the advisory body intends to recommend to the president of the public university.

The UBC recommendation is for an aggregate undergraduate resident tuition and mandatory fee increase of 3.59% (3.56% Corvallis, 3.43% Cascades, 3.70% Ecampus). The committee did not consider a scenario with an increase over 5% for resident undergraduate tuition. However, the committee's discussions do include consideration of the impact of tuition increases, additions to financial aid, and alternative strategies to tuition increases.

DRAFT

APPENDIX E

Costs and Cost Management Discussion Overview

University Budget Committee 2022-23 Academic Year Discussions

Summary of costs and cost management strategies

The University Budget Committee (UBC) began its discussions with a review of cost drivers and cost estimates for the 2022-23 fiscal year. The cost drivers and estimates have been revised regularly as conditions have changed. The principal pieces of those estimates include reviews of enrollment and cost and revenue projections.

Enrollment Forecast

The enrollment forecast for FY2023 assumes historical progression rates, new student class sizes similar to those that matriculated this year, and slowing, though still significant, growth rates in Ecampus credit hours.

Figure E1: Enrollment trends projected through FY23.

Graduate and professional enrollments are projected to be flat (Figure E1). The forecast is conservative with regard to international enrollments, assuming no significant improvement. The forecast assumes continued growth in tuition waivers of about $11M, which will help improve undergraduate enrollment, student retention, and net positive tuition revenue earnings.

At present the revenue forecast (by headcount) assumes growth of 8% in Ecampus; 5% at OSU-Cascades; an increase of 1% at Corvallis, which includes flat

enrollment in resident undergraduates; 4% growth in non-resident undergraduates (almost all in U.S. non-residents); and flat graduate enrollments. These estimates will be updated regularly as enrollment and recruitment proceed for next year. The revenue balances in Table 1 reflect these assumptions.

State Funding Outlook

Oregon budgets on a biennial basis and the 2022-23 fiscal year will be the second year of the current biennium. The biennial legislative appropriations for the seven public universities (as for most state agencies) are distributed 49% in the first year and 51% in the second. This amounts to a 4.1% increase in the second year of the biennium. There are no major adjustments anticipated in that budget increase, given current state economic forecasts.

Expense Projections

Expense projections for 2022-23 include four kinds of cost increases. Inflationary escalation is estimated from known or estimated rates of salary, benefit, and supplies and services increases (Table E1). The weighted average estimate for inflation on E&G operations is 3.5%, nearly 80% of which is from increases in personnel costs.

Table E1. Components of the calculation of inflation (or continuing service level increases) for FY23 for Corvallis Education and General funds (the same rate is assumed for other E&G operations).

Cost Category:	Average % of total spend	Expected rate increase	Weight contribution to total
Unclassified Salary & Pay	38.0%	3.50%	1.33%
Unclassified OPE	19.2%	3.87%	0.74%
Classified Salary & Pay	7.1%	4.50%	0.32%
Classified OPE	4.6%	4.16%	0.19%
Graduate & Student Pay	5.1%	2.00%	0.10%
Graduate Fee Remissions	2.9%	2.00%	0.06%
Graduate & Student OPE	0.9%	4.00%	0.04%
Services, Supplies, Capital	21.1%	3.50%	0.74%
Other Salary Costs	1.0%	2.00%	0.02%
Estimated inflation increase FY22 to FY23 for E&G:			**3.54%**

There are some costs assumed for growth to accommodate rebounding enrollment in Corvallis and enrollment growth in Ecampus and at Cascades. The increases for growth are relatively modest.

There are also some areas where additional costs are expected outside of inflation and growth. A large increase, on the order of $1.5M, in insurance premiums is expected (as has been the case the last two years), as well as additional debt service on completed facilities projects, some increased operating costs for new facilities, and funding for capital renewal projects underway or planned shortly (about $5M total).

DRAFT

Finally, there are areas where some new investments are important to create revenue growth through enrollment, meet strategic goals in academic program development, and create efficiencies (and long-term cost savings) in service and support operations. There are specific investments proposed for enrollment management and information technology. There are assumed placeholders of $1.1M (Initiatives 2 and 3 in Table 2), given the significant number of requests for funding of programs or personnel.

The specific amounts in Tables E1 and E2 are for the Corvallis campus. OSU-Cascades and the Statewide Public Services (SWPS) will see the same inflationary increases and face the same uncertainties in forecasting. OSU-Cascades will see additional cost increases for growth as the campus grows and additional staff and programs are added. Growth in specific programs in the SWPS will be contingent on legislative commitments and the need to balance continuing service level costs with new commitments.

Budget Scenarios

Table E2 shows an estimate of Corvallis E&G revenues and expenses for FY23 using the assumptions noted above and Scenario 3 in Table 3. (Note that Table uses Scenario C in Table 1.) The forecast includes an assumption of an additional $11M in tuition waivers (institutionally funded scholarships) to students. The additional tuition waivers will be used to increase enrollment of Pell-eligible Oregon residents and non-resident students participating in the Western Undergraduate Exchange. That enrollment growth is expected to offset the cost of the waivers and yield additional net revenue. The focus in the tables is on Corvallis E&G, as that budget supports the foundational services (infrastructure, faculty, business operations) that enable most of the other work of the university.

The estimated surpluses or deficits between revenues and expenses shown in Table 3 are for planning purposes. These scenarios identify the general size of gaps (likely have $2-3M ranges in accuracy) and help inform decisions about budget commitments, hiring plans, and expense management.

DRAFT

Table E2: Preliminary estimates of revenue and expense for Corvallis Education and General budget. Table shows FY21 actuals, FY22 current estimates, rate changes and growth assumptions for each category, and the calculated FY23 projection. The new cost commitments include things that are obligatory (new building operations, insurance, and capital renewal funding, as projects have started) and things that could be deferred but that are strategically important (investments in enrollment management and information technology, as well as proposals for human resources, research support, and program initiatives in academic colleges).

Projected Costs	**576,190,922**	**615,818,000**			**649,895,000**
Projected Revenues	**624,155,447**	**620,550,000**			**653,797,000**
Balance	**47,964,525**	**4,732,000**			**3,902,000**
Balance as percentage of revenue		**0.8%**			**0.6%**
Cost Projections:	FY21 Actuals	FY22 Q1	Inflation/ Rate Change	Growth	FY23 Preliminary Projection
Faculty and Staff Salaries	266,362,902	279,768,000	3.7%	0.8%	292,137,000
Faculty and staff benefits	136,376,272	145,688,000	2.9%	0.4%	150,979,000
Grad assistant & student salary	29,930,077	31,197,000	2.0%	1.5%	32,298,000
Grad assistant & student benefits	24,043,389	23,063,000	2.5%	1.5%	23,903,000
Supplies, services, other:	112,074,295	130,683,000	3.5%	0.5%	135,859,000
Total Direct Expenditures:	568,786,935	610,399,000			635,176,000
		-			-
Net transfers out:	7,403,987	5,419,000			5,419,000
Total Expenditures	**576,190,922**	**615,818,000**			**640,595,000**
New cost commitments:					**9,300,000**
New building operations					1,000,000
Insurance increment					1,500,000
Incremental capital renewal funding					1,500,000
Incremental debt service					2,500,000
Enrollment management					700,000
Information technology					1,000,000
Initiative 2					500,000
Initiative 3					600,000
Revenue Projections					
Tuition					
Undergraduate	221,137,170	220,117,000	4.1%	1.2%	233,815,000
Graduate and Professional	64,202,181	62,479,000	2.5%	0.4%	63,760,000
Ecampus	144,359,481	164,844,000	4.1%	8.4%	186,053,000
Other tuition and fees	18,547,594	18,981,000	3.5%	-0.8%	19,338,000
Tuition waivers	(58,447,333)	(69,000,000)		16.0%	(80,040,000)
State funding	153,061,508	148,350,000		4.1%	154,355,000
Indirect cost recovery	43,295,958	41,472,000		2.0%	42,301,000
Other	37,998,888	33,307,000		2.0%	34,215,000
Total Revenues	**624,155,447**	**620,550,000**			**653,797,000**

DRAFT

Cost Management Strategies[2]

Over the last 11 years OSU has moved from an environment of robust enrollment growth to one with much slower or declining (for Corvallis) growth. This has led to expense reductions in each of the last three fiscal years. While we often talk about these as "budget cuts" these are really expense reductions as both revenue and expense have continued to grow, the former just more slowly than the latter.

Figure 1: Corvallis E&G revenue and expense growth (including net transfer out expenses). When we talk about budget cuts we are usually talking about slowing expense growth not reducing total overall spending year over year.

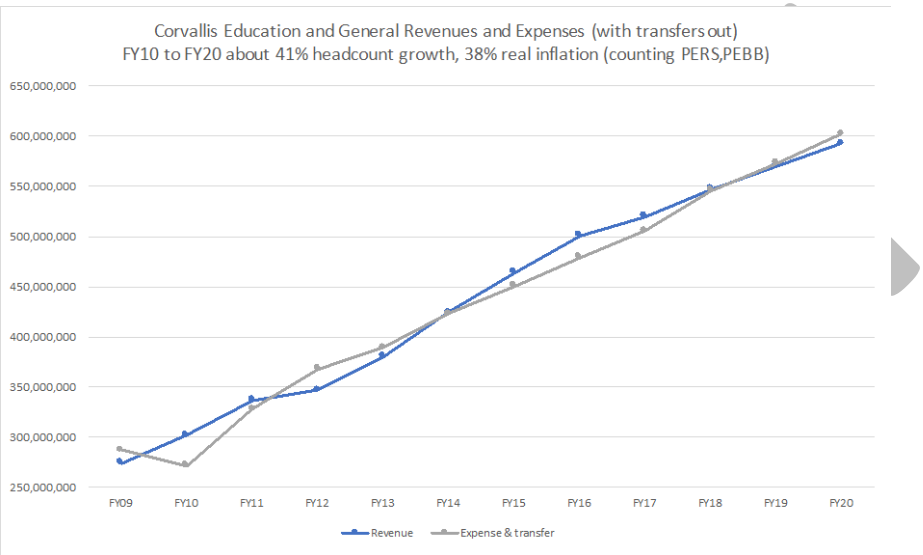
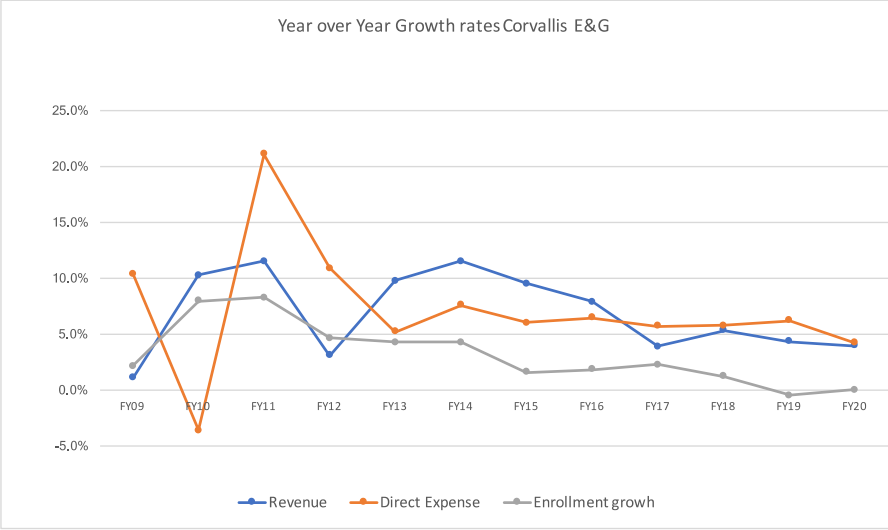


Figure 2: The year-over-year rates of growth of revenue, expense (here direct expense without transfers), and enrollment illustrate the pressures on the net budget position. The odd large rate increases in expenses in FY11 and FY12 were due to spending Federal stimulus funds.



[2] We have not updated this section given the very unusual cost an revenue structures in 2020-21. We will update it for next year's version.

The practical consequences of these trends for the Corvallis E&G budget have been expense reductions of about $20M ($7.6M from central resources) in 2017-18, $7.5M in 2018-19 (taken as a mid-year rescission), and about $14M in 2019-2020. In 2020-21, units started the year managing a planned reduction in expenses of about $49M because of the pandemic.

The university monitors and reviews costs both at the Board level and through university leadership at all levels. Those include:

Board of Trustees:

- Annual approval of budgets for all funds, which requires a review of overall expenditures, projected fund balance, and strategies for cost reductions or investments of new state funding
- Quarterly management reports assessing trajectories of actual revenues and expenses to budget, with an assessment of the reasons for changes outside set tolerances
- Review of a ten-year business forecast every two years to consider long-term trajectories for tuition, enrollments, expenditures, other revenues, and financial metrics.
- Periodic assessment of PERS liabilities and alternatives to the increasing costs of those liabilities.
- Tuition policy that states the board expects that "annual tuition rate increases will be between 2 and 5 percent" which acknowledges expense reduction will be a regular, necessary part of budget planning, as state funding and enrollment growth often will not keep up with inflationary cost growth at those tuition increases.

University Leadership:

- Maintain an annual budget development process that looks three years out and assesses relative needs and priorities across units.
- Manage a system with highly distributed budget authority (deans and senior leaders have a budget with the charge to carry out the unit mission within the allocated resources. Units have significant authority over how to use those funds).
- Periodically assess cost budget growth rates by categories and units over five-year spans to guide decisions about budget reductions or new investments
- Participating in cost benchmarking with ABC Insights, a cost benchmarking consortium that provides comparisons of costs for various kinds of services (payroll, IT, etc.) for peer institutions including the University of Oregon, University of Texas, University of North Carolina and others.
- Assess salary levels relative to peer institutions for most professional faculty (classification-compensation structure) and leadership positions to make sure salaries are appropriate to market and job.
- Implemented $20M of expense reductions for the 2018-19 academic year and $7.2M in January of 2019 to adjust to declining enrollments and increased PERS costs. FY20 reductions will total about $14M in strategic allocations, services and supplies spending, and personnel expenses. FY21 reductions included planning for about $49M in Corvallis E&G reductions.

DRAFT

- In these reductions have distributed a larger proportion of reductions (as a percent of budget) to service and administrative units.
- Periodically identify areas for cost-reduction strategies (BennyBuy eprocurement, BennyHire process revision for hiring students, copier contracts, efficacy of custodial contracts, utilities strategies, insurance options, etc.)
- Are working to initiate a zero-based budget review of expenses for service, support and management areas as well as productivity benchmarks for academic units.

DRAFT

Employee Benefit Costs

The benefits paid to employees are referred to at OSU as "Other Payroll Expenses" or OPE. They include health insurance, retirement, social security and Medicare, as well as costs for unemployment and other benefits. The tables below shows the components of those benefits (top table), how they translate to a percentage of salary (middle table), and the distribution of employees across the various retirement plans.

The state requires that OSU use the state's retirement plans (administered by the Public Employees Retirement System or PERS) and health plans (administered by the Public Employees Benefit Board or PEBB). You may here PERS used as shorthand for retirement costs or programs and PEBB used as shorthand for health costs or programs. The rates OSU is charged for both are set by the respective state programs.

Components of Benefits Costs at OSU				
	FY20	FY21	FY22	FY23
% of Salary Components				
Social Security	6.20%	6.20%	6.20%	6.20%
Medicare	1.45%	1.45%	1.45%	1.45%
Unemployment	0.10%	0.10%	0.10%	0.10%
SAIF	0.31%	0.31%	0.31%	0.31%
Average Retirement	25.22%	25.05%	26.46%	26.46%
Total	**33.28%**	**33.11%**	**34.52%**	**34.52%**
Fixed charge components				
Health insurance	17,126.00	17,935.00	18,450.00	19,188.00
Total	**17,126.00**	**17,935.00**	**18,450.00**	**19,188.00**
Illustration of Costs at Different Salary Levels				
	FY20	FY21	FY22	FY22
Annual 12-month Salary	Benefits as %:	Benefits as %:	Benefits as %:	Benefits as %:
$30,000	90.4%	92.9%	96.0%	98.5%
$47,000	69.7%	71.3%	73.8%	75.3%
$82,000	54.2%	55.0%	57.0%	57.9%
$110,000	48.8%	49.4%	51.3%	52.0%
	Benefits as $:	Benefits as $:	Benefits as $:	Benefits as $:
$30,000	$27,110	$27,868	$28,806	$29,544
$47,000	$32,768	$33,497	$34,674	$35,412
$82,000	$44,416	$45,085	$46,756	$47,494
$110,000	$53,734	$54,356	$56,422	$57,160

	Benefit Increase year over year		
Annual salary	FY20 to FY21	FY21 to FY22	FY22 to FY23
$30,000	2.8%	3.4%	2.6%
$47,000	2.2%	3.5%	2.1%
$82,000	1.5%	3.7%	1.6%
$110,000	1.2%	3.8%	1.3%

DRAFT

DRAFT

Shared Responsibility Budget Model Review: Next Steps

The workplan assumes that conversations in winter term will be used to refine the identified recommendations for budget model and budget process revisions. Proposed solutions for technical elements and for changes with limited impact will be discussed in winter quarter 2022 and implemented for the FY23 budget cycle. Larger changes, including those resulting from changes in the structure of the Bacc Core, will be proposed in spring quarter 2022 and discussed through fall 2022 for implementation in the FY24 budget cycle.

- January, 2022:
    - Final summary document and summary of major review findings posted for campus community discussion.
    - Meet with Provost's Council of Deans and Senior Leadership Teams to discuss findings.
    - Release draft of summary and of findings to UBC workgroup.
    - Provost thanks workgroups and directs development of implementation structure. Provide recommendation for when to engage with FS Executive Committee.
- February-March, 2022
    - Create implementation structures/working groups to move recommendations forward and create timelines. (Potentially keep University Mission Workgroup as overarching steering/review committee).
    - Develop communication plan around implementation of short-term recommendations across campus and plans for further work on longer-term and emergent issues
        - College and workgroups
        - University Budget Committee
        - Campus forums
        - Faculty Senate BFP and Executive Committee
        - Service and Support unit leadership
- March-April, 2022
    - Budget Office develops revised budget model workbook implementing technical changes (roughly revenue neutral to units relative to FY22 budget)
    - UBC workgroup considers recommendations and offers observations and suggestions
- April-June, 2022
    - FY23 budget model is released (likely late April)
    - Campus discussion on recommendations for major revisions continues
    - Implementation structure/workgroup finalizes recommended changes
- Summer, 2022
    - Budget Office works on revised model incorporating recommended changes (there may be more than one working version of this depending on the changes and Bacc Core revision direction)
- Fall, 2022
    - Proposed revised model is discussed and reviewed with campus community (meetings/forums similar to those above)
    - Revised model is used for preliminary budget model in April 2023.

DRAFT

Charge by Campus Update

UBC has had extensive discussions about the idea of charging by campus rather than by course modality (Corvallis, Cascades, or Ecampus). The big issues that prompted that discussion included:

- Appropriately recover non-resident campus student charges to help cover costs of campus infrastructure.
- Recover the appropriate incidental fee amount for students on Corvallis or Bend campuses (fix discounting because of Ecampus credits).
- Address the added cost for graduate students in research programs with tuition plateau structures.

As the committee discussed the assessment of the costs and benefits, a couple other issues came up:

- If it became complicated for students to change campuses, it could get in the way of OSU's goal to allow students to move between modalities and locations easily so OSU "meets them where they are".
- This would create a disparity between resident students taking Ecampus courses depending on whether they were in Corvallis, Bend, or truly at a distance.
- That disparity comes in part from how the state contribution for resident Ecampus students is viewed.
- The change did not generate as large a net revenue gain as was thought initially because while there was a gain in non-resident tuition (assuming only small losses of enrollment) there were large losses in resident and graduate tuition offsetting much of that. There is also a possibility that a change in approach would create systems or staffing costs.

Since our January 7th meeting, the Budget Office has had more discussions with the Registrar's Office on the issue of changing campuses if a student wanted to shift modalities. The original statement that "right now it is really easy to do" is true, but as the Registrar's staff explored this it became clearer that to date it is really easy because it has not really mattered. There is no oversight or checking and no system to readily check every student's campus code against their mix of courses. If we started to charge by campus, it is very likely that non-resident students, would find that changing their campus code to Ecampus produced a substantial savings for them. Monitoring that would require a major change in process and might significantly complicate making that change for students. We would have to consider, as well, how to manage Ecampus or Portland Center students who wanted to mix one or two campus-based classes into their schedule of largely Ecampus courses (analogous to how campus students can use Ecampus courses).

These discussions suggest that we might want to assess the overall goals of the change and see what the trade-offs are for different approaches and whether the charge-by-campus solution is the preferred one.

DRAFT

Table 1: Discussion of goals that led to the charge-by-campus discussion and issues for different approaches.

Goal	Current Charge by Modality	Charge by campus solution	Alternate solution
Allow students to move between modalities and locations easily so OSU "meets them where they are"	Students are charged by the campus providing the course (Bend, Corvallis, Ecampus) so mixing and moving between them is easy, though it does have pricing differences (good and bad depending)	This would require students to pay attention to their campus code; it would make it more complicated (potentially) to mix course modalities for non-traditional students	Retain current solution which makes course modality transparent to students (though it does have cost consequences)
Appropriately recover non-resident campus student charges to help cover costs of campus infrastructure	Non-residents students on a campus can take Ecampus courses at a substantial reduction in cost	Non-resident students coded as campus students would pay non-resident tuition regardless of course modality. Might encourage non-residents to change campus code. Ecampus coded students could take campus courses at Ecampus rates (only an advantage for non-resident Ecampus students	Consider either restricting institutional financial aid awards to only campus-based courses (not federal or state aid); or consider adding an occasional increase to non-resident tuition to offset the erosion of revenue from the use of Ecampus credits
Reconcile the difference (or potential) differences in cost for resident students using Ecampus in different locations	Residents pay the same amount when they take an Ecampus course regardless of location	Residents in Corvallis or Bend would pay less for an Ecampus course than resident students in LaGrande or Redmond	Retain current system and view the distance fee as something every student pays to support the Ecampus infrastructure; view state funding as supporting the cost of campus infrastructure (offices, business services, etc.) regardless of student location; enforce requiring on campus sections of required courses
Recover the appropriate incidental fee amount for students on Corvallis or Bend campuses (fix discounting because of Ecampus credits)	Fees are currently charged just on campus based credits. So a student taking 6 campus credits and 6 Ecampus credits pays fees only on the 6 campus credits not the full 12 credits.	Students based on a campus would pay full fees regardless of course load. Ecampus students who took one campus course would not have a charge (currently they would be charged)	ASOSU has considered going to a flat fee (the same at all credit hour loads). This would charge full incidental fees at any course load (including for an Ecampus student taking a campus course)
Address the added cost for graduate students in research programs with tuition plateau structures	Graduate students in most MS or PhD programs pay per credit to 9 credits then have no additional charge till 16 credits. When they take an Ecampus course within the plateau though, it generates an extra charge. This is an issue for departments and grants paying those charges.	Campus-based graduate students would be charged within a plateau structure. Ecampus students would be charged per credit. This could create discontinuities if the same degree programs are offered online and on campus.	Pricing for Ecampus and campus programs that are the same could be structured the same (PhD programs with plateaus in both, something like the MBA with per credit in both)

DRAFT