

Change to charging by campus rather than modality

In 2020-21, the UBC discussed at length whether to charge tuition and fees by campus (Corvallis, Cascades, or Ecampus) instead of by course delivery type. An Ecampus student is usually one who is enrolled through Ecampus to take all courses online. This would address the issue of non-resident students on campus in Corvallis or Bend paying less than the intended share of non-resident tuition supporting campus infrastructure and less than the intended incidental and mandatory fees. A decision to charge academic year tuition by the student's primary campus would reduce per credit hour tuition charges for resident students and increase charges per credit hour for non-resident students. It would change the basis for assessing fees from in-person credit hours to total credit hours for those students in Corvallis and Bend. It was assumed in the discussion that summer tuition would continue to be charged by course type since there is no non-resident tuition in summer and campus location likely have less bearing on where students are actually studying.

Based on FY20 credit hour distributions for Corvallis and Cascades (used on the assumption the distribution might be more "normal") such a change would net about \$2.5M in additional tuition, a combination of a net increase of \$12.5M in undergraduate non-resident tuition, a loss of \$8.0M in undergraduate resident tuition, a loss of \$0.1M of resident graduate tuition, and a loss of \$1.4M of non-resident graduate tuition. The model did assume a 10% decline in overall non-resident use of Ecampus courses. So, a change to charges based on campus code would net a modest increase in tuition but would have large changes in costs to different student groups.

Assumptions

- The change would principally impact base tuition rates (differential rates per credit are usually the same for campus or Ecampus courses).
- The change assumed a 10% decline in net tuition because of enrollment declines in response to the change.
- There is a discount of 15% applied to the increase in non-resident undergraduate tuition to account for institutional financial aid applied to those increased costs.
- The tuition cost for Corvallis or Cascades graduate students taking Ecampus courses would drop to zero as most of those students will be within the graduate tuition plateau (same price from 9 credits to 16 credits). While a cost to overall revenue this would provide a benefit to grant paid tuition and to department budgets for graduate remissions.
- FY20 rates were used. The relative proportions of losses and gains are likely to be proportionately similar even given the increased Ecampus enrollments in FY21.

Data

Table 5. Corvallis and Ecampus SCH

| Corvallis campus students, fall | | | |
|---------------------------------|-------------------|-----------------|-----------|
| | Corvallis courses | Ecampus courses | % Ecampus |
| FY12 | 286,750 | 11,817 | 4.0% |
| FY13 | 294,078 | 14,586 | 4.7% |
| FY14 | 302,285 | 15,839 | 5.0% |
| FY15 | 301,022 | 19,876 | 6.2% |
| FY16 | 299,588 | 23,802 | 7.4% |
| FY17 | 298,051 | 26,871 | 8.3% |
| FY18 | 296,177 | 31,740 | 9.7% |
| FY19 | 288,181 | 34,132 | 10.6% |
| FY20 | 283,173 | 38,416 | 11.9% |
| FY21 | 263,492 | 43,056 | 14.0% |

taken by Corvallis students in fall.

Credit hour data used for FY20 is on the next page, along with the financial summary. One additional piece of information is a review showing the percentage of credit hours taken by Corvallis students through Ecampus (here for fall terms) has been consistently increasing. There do not seem to be large differences between resident and non-residents student in the use of Ecampus courses. This would suggest that fee charges (which are tiered by credit hours taken) are likely a few percentage points less than what was intended since Ecampus credit hours are not included in the assessment of fee charges.

Table 6: Credit hours taught by Ecampus binned by campus of student and level of student.

| Ecampus SCH FY20 Fall, Winter, Spring | | | | | | | | |
|---------------------------------------|-----------|---------|----------|---------|------------|--------------|-----------------|----------------|
| | | Non-res | Resident | Total | % of Total | Ecampus rate | Campus rate res | Campus rate NR |
| Undergraduate | Cascades | 587 | 4,632 | 5,219 | 1.9% | 309 | 205 | 632 |
| | Corvallis | 44,917 | 77,730 | 122,647 | 44.4% | 309 | 212 | 632 |
| | DSC | 100,232 | 27,774 | 128,006 | 46.3% | 309 | N/A | N/A |
| | Lagrande | 267 | 592 | 859 | 0.3% | 309 | N/A | N/A |
| | PDX | 105 | 430 | 535 | 0.2% | 309 | N/A | N/A |
| | | | | | | | | |
| Graduate | Cascades | 13 | 25 | 38 | 0.0% | 560 | 491 | 0 |
| | Corvallis | 2,419 | 1,671 | 4,090 | 1.5% | 560 | 491 | 0 |
| | DSC | 8,534 | 5,694 | 14,228 | 5.2% | 560 | N/A | N/A |
| | Lagrande | - | - | - | 0.0% | 560 | N/A | N/A |
| | PDX | 132 | 452 | 584 | 0.2% | 560 | N/A | N/A |
| | | | | | | | | |
| | | 157,206 | 119,000 | 276,206 | 100.0% | | | |

Table 7: Financial assessment based on the credit hour data for FY20. The reduction of \$479,220 in the "Net" column is for the assumption of some loss of enrollment due to the change in pricing. The gains in revenue from non-resident tuition are reduced by 15% to account for increased financial aid allocations.

| Academic Year FY20 | | | | | |
|-----------------------------|-----------|----------------------|--------------------|--|------------------|
| | | Gross res. change | Gross NR change | Discounted positive Non- res 15% | Net |
| Undergrad | Cascades | (481,700) | 189,600 | 161,200 | (320,500) |
| | Corvallis | (7,539,800) | 14,508,200 | 12,332,000 | 4,792,200 |
| | | | | | (479,220) |
| Graduate | Cascades | (1,700) | (7,300) | | (9,000) |
| | Corvallis | (115,300) | (1,354,600) | | (1,469,900) |
| | | | | | |
| Total without summer | | (8,138,500) | 13,335,900 | 12,493,200 | 2,513,580 |

Potential stakeholder issues

These changes are significant but can provide more predictability for students and the institution, clearer links between tuition and location or modality, and fairer distribution of costs for tuition or fee supported campus-based programs.

Some particular issues to consider in proceeding with these changes:

- Tuition cohort model
 - This changes tuition and budget from an expense perspective (we have to raise tuition to cover everything we need to do) to a revenue perspective (we are going to raise tuition at inflation and find growth or expense reductions to balance our budgets).
 - This shifts the annual focus of tuition setting to estimates of inflationary pressures for the next year.
 - It will still require making sure programs are competitive in cost as higher education is a national and global market now.
 - Others?
- Tuition charges by primary campus
 - A communication strategy will be important so students are aware of the change in a timely manner.
 - Departments will need to know that Ecampus credit hours are still budgeted to them in the same way as now (i.e. all Ecampus credit hours will be counted—this is something embedded in the budget model).
 - This will need planning for athletics as there is likely a larger proportion of non-resident student-athletes using Ecampus courses than in the general population.
 - Others?