



**Oregon State**  
**University**

**Budget and Resource Planning**

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**University Budget Committee Meeting Agenda**

Friday, April 14, 2023

2-3:30 p.m.

Covell 117 and via Zoom:

<https://oregonstate.zoom.us/j/98606307307?pwd=K3B5d2dYOE5OSVFLSExtY2l4TW5WQT09>

1. Discussion of the work group report on course fees and differential tuition.
2. Discussion of the work group report on the charge-by-campus model for tuition
3. Update on the work on “calibration” of the Corvallis budget model.
4. Other business?

## Course Fee Guidance

Course<sup>1</sup> fees are charged to support activities in a particular instructional course, laboratory, or studio section. Course fees are approved only for instructional activities that provide an educational experience of particular benefit to the student and which cost more than a typical course of similar type in the same academic college. Course fees must be expended only for materials or activities in that course for which they were raised. Course fees must benefit all students in a course equally.

Departments should be aware that the added cost of course fees are not always captured in financial aid awards. Course fees can be an unexpected cost to students and units should be confident that an additional charge for a particular course is warranted.

Course fee requests are limited to cover documented costs for:

- **Field trips** off campus as part of the instructional program. Costs may include transportation and admission charges. Costs for food, lodging, and incidentals which are usually considered personal expenses, may only be included in the charges if they are incurred directly as part of the trip and if provision as a group results in a substantial reduction in cost to the student or provide necessary logistic or safety efficiencies.
- **Services or activities provided by a third-party** or a self-support unit at the university as part of instruction. Examples include ski lift tickets, admission to plays, charges for laboratory analyses by service centers or private providers. In some cases, this can include charges for space of facilities not managed by the offering unit (rental of a field for example).
- **Private lessons, modeling, or professional services** provided by staff not normally part of the academic unit. An example is individual lessons in music.
- Materials for projects that yield **a tangible product retained by the student** or equipment retained by the student, if that equipment has value outside of the specific course activities (for example, a stethoscope, camera, or musical instrument retained by the student).
- **PAC courses**

Fees assessed should be at a sufficient dollar level to justify the administrative expense to the university's overall operation. The University Budget Committee's (UBC) recommended threshold for what constitutes a sufficient dollar level is \$30.

Course fees may not be charged or used for:

- Costs for faculty of any rank or graduate assistants, except as noted above.
- Expenses (air travel, mileage reimbursement, meals, hotel, etc.) or fees for guest speakers or instructors.
- Use or maintenance of equipment, specimens, licenses, or other materials retained by the department or college. Examples include:
  - Maintenance and replacement parts of scientific equipment or instrumentation or appliances used to clean, store, and prepare chemicals for student use.
  - Maintenance for key locks on student lockers.

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<sup>1</sup> Course as used here denotes any lecture, laboratory, studio or other scheduled instruction activity.

- Health and safety equipment required for carrying out assigned class activities, as this equipment is unlikely to have any useful value after the course.
- Regular instructional materials or equipment (syllabi, text books, test books, class handouts, blackboards, projection equipment, blue books, binders, folders, sheet protectors, etc.).
- Course packets which can be sold through the OSU Bookstore.
- Renovation or repair of instructional facilities or equipment.
- Consumable materials, including lab and art materials (gloves, mineral spirits, soap, tape, cleaning rags, and paint/medium).
  - Cleaning supplies consumed by students doing required assignments
  - Disposable gloves and disposable glassware (pipettes, cuvettes)
  - Test papers, aluminum foil, plastic wrap, cups, marking pens, labels, cotton, glass wool, batteries, weigh boats, vials, filters, sponges, and soaps
  - Chemicals (reagents, standards, solutions)
- Other materials and supplies consumed in the instruction process, except for certain non-required physical activity courses.

Fee requests must be made before registration for the term in which the fee is to be assessed. Course fees will not be added after registration begins. Course Fees must be published in the University's Catalog or the Schedule of Classes and made visible to students when they register.

Course fees must be approved by the Provost or their designated representative after review and recommendation by the Course Fee Committee. The Course Fee Committee will include the Course Fee Administrator, a representative from the Registrars, and faculty and students from the UBC.

The Course Fee Committee will be responsible for establishing a process for the submission, documentation, and review of course proposals, including approval by department chairs and deans.

### Differential

Units that charge differential tuition are expected to have few, if any, additional course fee charges. Such charges must be clearly documented as outside the scope of what differential tuition charges were approved to support.

### Course Fee Proposal Process

Course fee proposals are submitted in the Fee Book for the Course Fee Committee review.

Requests for new course fees or increases in existing fees will normally be reviewed once per year in mid-February for the following academic year.

Fees must be published in the Fee Book before they can be applied to courses. All fees must go through the review process, which begins February 15<sup>th</sup> to be effective beginning summer term (~June 16).

### *Calendar*

- Mid-February (~February 15<sup>th</sup>) - fee deadline for proposals to be submitted in the OSU Fee Online system (Fee Book).
  - Day after the deadline, the Course Fee Administrator will send all proposals submitted to the Dean (or designee) for approval.

- March-April - fees will be reviewed by the Course Fee Administrator and originators will be contacted for additional information as necessary.
  - Course Fee Proposals will be reviewed by the Course Fee Committee which includes members of UBC.
  - The Course Fee Committee will recommend course fees that should be approved to the Provost or their designated representative.
- April 1 - the Course Fee Administrator will approve or deny the proposals in the Fee Book and notify the originators. The Fee Book will list all approved fees.
- Approved fees are effective beginning the next academic year (starting summer term).

#### Out-Of-Cycle Process

The Course Fee Committee is responsible for establishing a process for “out-of-cycle” approvals to accommodate new programs or rapidly growing programs. “Out-of-cycle” requests should demonstrate the need for a deviation from the annual review process (ex: change in curriculum or emergency).

Requests submitted outside the annual process must be entered in the Fee Book by the following deadlines.

- Winter course fee proposals are submitted in mid-September.
- Spring course fee proposals are submitted in mid-December.

After the deadline, the Course Fee Administrator will route the proposals to the Deans (or their designee). The Course Fee Administrator and Registrar’s representative will review and recommend to the Provost (or designee) whether to approve the proposals. The Course Fee Administrator will approve/deny the proposals in the Fee Book system and notify the originators.

#### Review Process

Existing course fees will be reviewed at least every three years to confirm the appropriateness of the charge.

In September, the Course Fee Administrator will review fees in the Fee Book that have an effective date greater than three years from the current academic year. Fees that meet these criteria will be terminated effective the spring term of the current academic year. For example, in academic year 2024, proposals submitted in academic year 2020 will be terminated in the fee book effective spring term (202403). The Course Fee Administrator will notify the units of the course fees that will be terminated. By the February 15<sup>th</sup> deadline, originators will need to submit new or revised proposals in the Fee Book.

The Course Fee Administrator will conduct a quarterly audit of course fees that are in current use. A sample of fees will be pulled after the close of each term (Fall, Winter, Spring). The review will look at the fee revenue collected versus actual allowable expenses that should tie to the approved course fee proposal. Units will be responsible for detailing the expenses incurred to support the fee. If a unit is accumulating revenues consistently exceeding expenditures, an action plan will be recommended.

## Course Fee and Differential Workgroup Report

### Meetings

The course fee and differential workgroup met three times via Zoom on December 13<sup>th</sup> (90 minutes), February 3<sup>rd</sup> (60 minutes), and February 17<sup>th</sup> (60 minutes). The group included student, faculty, and staff representatives from the UBC, Bursar, and Registrar's office. Members included: Lonni Ivey, Xander Robertson, Mya Kuzmin, Staci Simonich, Nicole Von Germeten, Marc Norcross, Greg Balck, Lissa Perrone, Mike Jefferis, Russell Brown, and Nicole Dolan.

### Why

The current course fee guidelines are broad, and the potential for proliferation is high. There are over 1,100 course fees in the Fee Book system for lab, field trip, music, PAC, and other miscellaneous course fees. The fees range from \$2 to \$1,600. A great deal of effort goes into the preparation, maintenance, and billing of fees. Once a course fee proposal has been approved, the College can attach the fee to the course. There is no end date for course fees in the Fee Book; some fees have been there since 2006. Course fees generate less than 1% of initial budgets, with 75% of the course fee revenue going to PHHS, Science, and Liberal Arts (based on FY22). This year the UBC was tasked with revising a set of guidelines for course fees to reduce the number of fees, clarify when fees are appropriate, and establish an annual submission cycle (with an option for emergency approvals) that includes a mechanism for periodic review.

The current differential tuition guidelines are also broad and would allow for most colleges to apply. This could lead to the proliferation of colleges or majors with differential tuition and further obscure an already complicated tuition structure. Additionally, there needs to be an increase in review and communication regarding differential tuition. The UBC was asked to identify a preferred strategy for differential tuition (focusing on undergraduate rates) and write a revised set of guidelines consistent with that strategy.

The UBC has discussed course fees and differential tuition over the past couple of years. This workgroup was tasked with bringing a summary of recommendations to the full UBC for review and discussion.

### Observations and Issues

Course fees and differential both directly impact students. They should be student-centric and relate to the student experience in programs.

#### Course Fees

- Over 1,100 course fee proposals in the Fee Book System, and 900 were created from 2006 to 2020. The Schedule Desk will only attach fees to courses in the fee book. That means that fees from 2006 can be added.
- Generate less than 1% of initial budgets to Colleges.
- 75% of the course fee revenue goes to PHHS, Science, and Liberal Arts (FY22).
- ~90% of the course fees are for Undergrad Corvallis Campus.
- The revenue collected has been \$2.6M in FY19 and \$1.9M in FY22.
- In fall 2022, approximately 31% of students paid a course fee (including field trip, PAC, music, lab, etc.).

Since the guidelines are broad for course fees, the committee discussed developing narrower guidelines and when course fees might be appropriate. Field trip fees, items retained by the student, and services provided by third parties were considered reasonable. PAC fees were also considered appropriate since many are for field trips or services provided by third parties (ex: scuba gear rental and a trip to the lake to scuba). Students registering for PAC courses gain an enhanced experience.

Based on the narrower guidelines, the remaining fees (mainly lab fees) could be rolled into undergraduate tuition. The increase is estimated to be less than 0.4%.

In FY22, it was estimated that the University collected less than \$10,000 for fees that were \$9 or less. It's estimated that the University collected approximately \$240,000 for fees that were \$29 or less. The College of Science accounted for 60% of the fee revenue collected, which was \$29 or less, and it was mostly for lab fees.

- The group discussed a range of \$20-\$40 as a minimum course fee amount.
- There needs to be a mechanism to protect against units increasing fees to reach a minimum amount. Otherwise, course fees will increase and become more of a burden on students.

### *Differential*

- Differential is a significant portion of initial budget for Business (20.2%), Engineering (31.3%), and Honors (49.9%).
- In fall 2022, approximately 50% of the undergraduates paid differential tuition.

The current tuition strategy has the potential to lead to a proliferation of tuition rates. Which can make it confusing and difficult for students to understand. Especially when factoring in that our undergraduate tuition rates will have up to six cohorts.

The group favored a tiered approach where colleges would have to justify how they would get into that tier by focusing on cost factors.

It is difficult to determine what the differential tuition is for, which makes it challenging for Accounts Receivable to explain charges. They are aware of some costs that might be included. For example, Engineering differential covers printing costs for students. The workgroup felt that each college that has differential needs to have a website that communicates what the differential charge is used for. This will help improve communication and transparency to students. The group liked an example from Texas A&M which can be found in the appendix.

The group reviewed various university or system websites to determine when they deemed differential was appropriate. It was difficult to find many that explicitly define when it was appropriate and most were vague. Themes included: high cost, specialized equipment, job market value, unique to a specific program, student experience, and demand.

The group determined that differential tuition might be appropriate when the cost of instruction is higher and enhances the student experience available to students in that program (ex: Honors). High costs might result due to required accreditation, specialized services, limited course sizes, additional support activities, or costs that increase the value of the program. The discussion always came back to increasing the student experience. There are legitimate cost differences between different kinds of course and course offerings in certain disciplines.

The group did recognize that it is difficult to determine what high cost is or what metrics to use to assess. The following bulleted items are comments from workgroup members:

- The current guidelines state that the costs for delivering the program (as documented by national norms) are significantly higher than for other majors at OSU (approximately 20% above the median program cost). The group acknowledged that using CIP code-based weights to identify cost differences are rooted in the history of disciplines which includes long-standing gender and racial inequities.
- The group discussed whether the market value of a degree would be an appropriate reason to charge differential. The consensus is that they would rather focus on cost factors than value of the degree. The group did recognize that those same degrees likely have high costs. The perceived value of a degree could be subjective.
- Differential tuition can create a perception that some programs are of higher quality than others.
- Differential tuition is not appropriate to augment budgets, support general college costs or costs that might occur in any college, for things not specific to student experiences, and for very specific (single course) costs.
- There was discussion around whether differential was appropriate at all levels (not just junior or senior). Not allowing differential at the freshman level would allow students the flexibility to explore majors. As long as the College can justify why a differential is appropriate at the freshman or sophomore level the group felt that differential at any level might be appropriate.
- There was discussion about whether the differential should be assessed at either the college or major level. Most of the committee favored the college level for simplicity to students. In this case, a mix of high and low-cost programs would have to be managed at the college level. Differential at the major level would provide colleges more flexibility for some of their high-cost programs. However, it would significantly increase the list of differential tuition rates that a student would have to filter through.
- There does not appear to be a periodical review of the uses of existing tuition.
- The group determined that differential proposals should be resubmitted every three years for continuing differential. This would align with the Internal/External Fee Book as well as the recommended process for course fees. Proposals for continuing differential should have two components. The first is future-focused, which focuses on what the differential will be used for going forward. The second component is a retrospective that reviews how the existing differential was used for the previous 3 years. This time frame also allows for proposed changes to be made.

### Recommendations

The workgroup recommends to the UBC that the committee recommend to the Provost that:

- The course fee and differential changes be effective FY25 to allow time for communication.

### *Course Fees*

- Adopt revised course fee guidelines that:
  - Sets a minimum course fee amount of \$30.

- Has a narrower scope of when fees are appropriate (PAC, Music, Field trip, services provided by a third party, or items retained by the student).
- Moves to a single submission per year with faculty and students from UBC reviewing the submitted proposals.
- Establishes a process for out-of-cycle submissions to accommodate new or rapidly growing programs.
- Require that proposals will need to be resubmitted every three years to confirm the appropriateness of the charge. This may need to be phased in by college and year as there are about 900 proposals that have been effective between 2006 and 2020.
- Establishes a quarterly random sample process that looks at how the fee revenue is being expended to ensure accountability of fee use.
- Roll course fees that no longer meet the narrower guidelines (such as lab fees) into undergraduate tuition and distribute to colleges through the budget. The specific increase and strategy should be part of the FY25 Tuition Setting Process and Budget Model Review discussions. While all colleges will be affected by the narrower guidelines, the College of Science will be the most impacted.

### *Differential*

- Differential tuition might be appropriate when the cost of instruction is higher and enhances the student experience available to students in that program (ex: Honors). High costs might result due to required accreditation, specialized services, limited course sizes, additional support activities, or costs that increase the value of the program.
- Differential tuition proposals should focus on the cost factors.
- Implement a tiered system where colleges were assigned one of a limited number of tuition tiers (base costs, higher costs, and highest costs). The committee discussed that 3 to 5 tiers would be appropriate but favored having 3 to reduce the complexity of tuition. This should be part of the FY25 Tuition Setting Process.
- Next year's UBC should draft guidelines for differential, which would include:
  - Developing a framework for the proposal submission process of new or continuing differential tuition. The framework should include how to evaluate high-cost programs.
  - Developing a framework to communicate what each differential is used for. Websites should be developed by colleges with a differential that explains what the differential is used for and updated as part of the continuing differential tuition process. The Budget & Resource Planning tuition website should link to the college website.

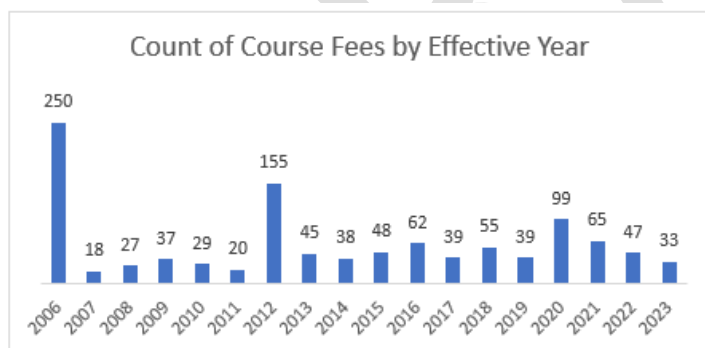


## Appendix

An analysis was conducted to determine how much the course fee revenue would be reduced by college if minimum fee amounts were introduced. For example, if a \$10 minimum was introduced the University would see a reduction of \$9,606 in course fee revenue. A minimum fee amount would remove any fees that were \$9 or less (fees that are \$10 or more would stay). This was repeated for various minimum fee amounts. A \$40 minimum fee amount would reduce the course fee revenue by approximately 25%. A \$50 minimum fee would reduce the minimum fee amount ~55%.

2022- Difference if Minimum in Place							
Course College	10	20	30	40	50	75	100
College of Pharmacy	-	-	(1,900)	(6,490)	(6,490)	(17,670)	(29,070)
College of Forestry	(180)	(1,916)	(4,826)	(9,494)	(16,669)	(17,839)	(17,839)
College of Agricultural Sci	(3,550)	(23,817)	(35,442)	(48,330)	(49,638)	(56,764)	(63,502)
Public Health & Human Sci	(3,594)	(6,529)	(12,962)	(36,120)	(506,548)	(550,467)	(570,839)
University Honors College	(138)	(2,461)	(4,909)	(13,039)	(15,075)	(16,792)	(16,792)
College of Liberal Arts	(145)	(3,234)	(17,704)	(22,244)	(22,244)	(27,784)	(29,453)
College of Education	-	-	(3,175)	(3,175)	(3,175)	(3,225)	(8,850)
College of Science	-	(24,035)	(149,688)	(305,688)	(371,969)	(374,624)	(382,784)
College of Engineering	-	-	-	-	-	(37,612)	(48,862)
Academic Learning Services	-	-	-	-	-	-	-
College of Veterinary Medicine	-	-	-	(35)	(35)	(35)	(35)
Defense Education	-	-	-	-	-	-	-
Coll of Earth, Ocean and Atmos	(1,999)	(8,091)	(8,443)	(9,183)	(9,183)	(13,884)	(13,884)
Graduate School	-	-	-	-	-	-	-
Overseas Study	-	-	-	-	-	-	-
College of Health & Human Perf	-	-	-	-	-	-	-
College of Business	-	-	-	-	-	-	-
	(9,606)	(70,083)	(239,049)	(453,798)	(1,001,026)	(1,116,695)	(1,181,909)

Below is the distribution of active course fees listed in the Fee Book. The effective year is the year the proposal was created. Some go back to 2006!



Example of [A&M Engineering Differential Tuition Website](#)



## What is differential tuition for engineering students?

Differential tuition is an additional charge that pays for enhancements to the learning experience of undergraduate students in engineering. These enhancements include extra sections of overfull courses, new computers and equipment and professors of practice.

## Why does the Texas A&M University College of Engineering charge differential tuition?

Technology continues to change increasingly quickly. To provide a relevant engineering education and to prepare you for entering the workforce, we have to make sure our equipment and laboratories keep up to pace with these advancing technologies.

And it's not just at Texas A&M. Seven out of nine public institutions with undergraduate engineering programs ranked equal to or higher than Texas A&M Engineering charge differential tuition. So in 2010, the Board of Regents of The Texas A&M University System approved differential tuition to help make sure that we can keep up with our peers in terms of resources available to our students.

## Who pays differential tuition?

All undergraduate students majoring in engineering.

## How will my differential tuition dollars be spent?

All money raised through differential tuition will help fund enhancements in undergraduate education, including:

- Financial aid and targeted scholarships
- Laboratory upgrades
- Enrichment of targeted programs (including Study Abroad, the Undergraduate Summer Research Grant Program, student design projects and others)
- Hiring professors of practice

## Charge by Campus Workgroup Report

### Meetings

The charge by campus workgroup met three times via Zoom, on December 16<sup>th</sup> (90 minutes), January 23 (60 minutes), and February 6<sup>th</sup> (60 minutes). The group included Sherm Bloomer, Joe Page, Shaun Bromagem, Russel Brown, Jessica DuPont, Terri Libert, and Jennifer Ajeto. Nicole Dolan and Kayla Campbell joined some of the meetings. **Comments were also solicited from the leadership teams in Ecampus and the Office of the Registrar.**

### Why?

Students at OSU are identified by a primary campus code, the three principal ones being Corvallis (C), Cascades (B), and Ecampus (DSC). Some students do change campuses each year but it is a relatively small percentage of students (Table 1). Tuition, however, is charged by the campus offering a course, so an Ecampus course is charged at one rate, a Corvallis course at another, and Cascades at another (though Corvallis and Cascades are now the same for incoming cohorts). This has raised three major issues as students at Corvallis and Cascades have made more and more use of Ecampus courses:

1. There has been a steady increase of non-resident undergraduate students in Corvallis taking Ecampus courses. In FY12 it was 4% to 5% for undergraduates (Table 2) Last year it was 24% of non-resident credit hours and this year about 22%. In the last three years, non-resident use has taken a big jump up from what resident students take (about 14% of SCH through Ecampus). Because Ecampus tuition is significantly lower than non-resident tuition, that is a loss of about \$21M in non-resident tuition that is intended to support operations, services, and maintenance of the physical campuses the students are using. For resident students, the state has supported campus development and operations. This erosion of non-resident tuition shifts those operating costs onto other funds. Financial aid is also awarded on the assumption of on-campus non-resident tuition and is not adjusted when students use lower-cost Ecampus courses.
2. Resident undergraduate students have also increased their use of Ecampus as part of their courses of study (now about 14% of resident credit hours) but those students pay more for an Ecampus course than for the identical course on campus. It is a difficult case to make that those rates should be different. Changing this would be about a \$9M loss of resident undergraduate tuition so the net of changing how undergraduate tuition is charged is on the order of \$13M (Table 3) if there were no erosion of non-resident credit hour enrollment.
3. Graduate students on campus are charged tuition (in most programs) in a plateau structure that has the same charge for 9 to 16 credits. When a graduate student uses an Ecampus course as part of their program there is an additional charge as Ecampus is a per credit tuition structure. This is an ongoing issue for departments and grants that support graduate assistants.

A charge by campus model would charge students by their primary campus. Corvallis or Cascades students would pay tuition at the rate defined for their residency, program, and level (resident, non-resident, graduate with or without a plateau, etc.) regardless of modality. Ecampus (DSC) students would be charged at Ecampus tuition rates. We are also getting questions about how to charge for hybrid or new kinds of modalities. By campus charges would take modality out of the calculation.

The UBC has discussed this over the last couple of years and the direction from university leadership was to identify what issues need to be addressed to implement this change. The workgroup is to bring a summary back to the full UBC for discussion.

## Observations and Issues

- About 1.5% to 2% of students make a change of campus in a given year (Table 1). The numbers have been fairly low but it has not been too important in terms of cost of attendance up to now.
- Use of Ecampus credits by campus-based students is extensive. For Corvallis students in FY22 14% of resident undergraduate credit hours were taken through Ecampus, 22% of non-resident undergraduate credit hours were through Ecampus, and about 4% of graduate credit hours were through Ecampus. Usage by resident undergraduates is growing by a percentage point a year, usage by non-resident undergraduates is growing faster, particularly in the last three years (2.5 percentage points a year on average) likely in part to changes in behavior because of the pandemic.
- While the use of Ecampus courses decreases costs for non-resident undergraduates, it increases costs for many graduate students and for resident undergraduates. These increased costs are particularly an issue when the course in question is required and is only available through Ecampus (or only limited in-person seats are offered).
- The revenue change in a charge-by-campus model would include a large increase in non-resident charges (about \$21M, Table 3), a savings for resident students (about \$10M), and a savings for graduate students because of the plateau (about \$2M). The net change in revenue (if the charges were all changed in one year for all students) would be about \$5M to \$8M a year, depending on losses of non-resident enrollment because of the higher costs.
- The change would benefit resident undergraduates and most graduate students in Bend and Corvallis, would have no effect on charges for DSC students, but would significantly increase costs for current non-resident students on the Corvallis and Bend campuses who have planned on using Ecampus courses to reduce their cost of attendance. For a non-resident student taking one 3-credit Ecampus course per quarter (20% of a 15 SCH load) the change would be an 11% increase or \$3,267 in list price tuition (before financial aid).
- DSC students do make minor use of campus courses in Corvallis and Cascades (mostly Corvallis). Over the last six years 0.8% of credit hours taken by undergraduate DSC students were Corvallis or Cascades campus courses and 1.4% of graduate DSC student credit hours were from a campus course. This is less than a credit a year in a full load of 45 credits for an undergraduate student and 36 credits for a graduate student.
- The change in cost could change student choice of courses. Resident campus students may choose to take more Ecampus courses (as they are no longer more expensive) and non-resident campus students may choose to take fewer Ecampus courses (as there is no longer a cost savings in doing so). The choices would, presumably, be guided more by what fit students' schedules and learning styles but it is hard to forecast. A practice of providing DSC students priority registration for DSC courses might address concerns about those students being closed out of DSC sections (which apparently is already a concern Ecampus is hearing).
- The current process to change campuses is accessed through a student's academic advisor and linked with change of program process. The change must be made by 5:00PM on Friday of Week 2 to be effective the current term. Requests made after Friday of Week 2 will be effective the following term. There isn't anything very specific about what to consider or what the consequences are for changing campuses.
- Some programs, particularly in Intercollegiate Athletics, have intentionally directed students to use Ecampus courses. While those courses do work well for student schedules, the practice also allows scholarship support to larger FTE numbers (as financial aid is a fixed amount for some programs and the lower cost of Ecampus courses allows more scholarship offers to non-resident students). While Ecampus courses are valuable for student athletes who have complex travel and practice schedules, the tuition structure was not intended to intentionally provide discounts to non-resident

student athletes. Budget Office staff have talked with Intercollegiate Athletics about the impacts of the recommendations and how to manage phasing in such a change. Phasing in the transition for undergraduates by cohort could help programs manage the change.

- A change of campus does trigger a review and repackaging of financial aid awards as the cost of attendance changes. This is a manual process in financial aid and a significant amount of work.
- Some of the issues raised in the discussions included:
  - This would be an increase for continuing non-resident students they have not planned on and if done should be phased in only for new student cohorts.
  - This would benefit resident students in Corvallis and Bend and would align graduate costs for programs and grants supporting graduate assistants.
  - Graduate students have no cohorts so making this change would happen all at once. The phasing in of the undergraduate change and the one-time graduate change means the revenue shift is spread over a few years (Table 4). The change is about revenue neutral in the first year in this scenario and revenue positive afterwards.
  - This would have an impact on incoming non-resident students. However, the “hidden” discount in the increasing use of Ecampus courses shifts costs for supporting the Corvallis and Bend campuses onto other revenues.
  - We want students to move easily between modalities as is appropriate for their needs. This change would make the choice of Ecampus modalities (or hybrid or others in the future) easier for resident undergraduates and graduate students as there would be no cost consequence. We want a DSC student to still be able to make the very occasional use of a campus course if it makes sense for them. For non-resident undergraduates, this aligns the price of courses across all modalities but does create an incentive to change to DSC campus status and then just take campus courses and be charged the lower rate.
  - This last issue is the crucial one---how to appropriately allow changes of campus but prevent “gaming” campus designations by non-resident undergraduate students who are in Bend or Corvallis. There are consequences to changing the campus code from C to DSC---financial aid is repackaged to the lower cost of attendance, access to student fee-funded services would end (as the fees would not be charged), and many majors that are available on campus are not available via Ecampus. There may still need to be some guardrails on a DSC campus designation.
  - Two possible approaches to such a guardrail have been suggested. One is to require an advisor’s override when a DSC student wishes to take a campus-based course. This would require some orientation and training for advisors on when such an override is appropriate (i.e. not simply to reduce costs for a non-resident student who is actually on campus). The second approach is to provide DSC students with priority access to registration for DSC courses, Corvallis students with priority for Corvallis courses, and so on. Ecampus leadership has actually raised this issue in other discussions as they are seeing DSC students closed out of online classes because of use by campus-based students.

### Recommendations

The workgroup recommends to UBC that the committee recommend to the Provost that:

- Tuition charges should move to a charge-by-campus code approach for all students.
- This should be phased in by undergraduate cohorts (so current students would continue under the current structure but new students would be charged in the new structure). The change for graduate students should be made at the same time as the change for the first undergraduate cohort in the new system.

- 140 • The change would be effective for fall, 2024.
- 141 • Clear criteria should be established for the use of campus-based courses by DSC coded students.
- 142 This could be a limit on the number of courses or credits per time period or per total credit hours.
- 143 A commitment to resources necessary to monitor any such criteria will be necessary.
- 144 • Short, clear communications should be made for students on how to change campuses and the
- 145 consequences of such a change. A similar communication should be crafted for advisors to explain
- 146 why this change is being made and when it is appropriate for a student to make such a campus
- 147 change.
- 148 • Summer session (which does not have a resident/non-resident tuition distinction and is typically
- 149 part-time study) would continue to be charged by course campus as it is now. Summer charges
- 150 would not change for any courses (Corvallis, Cascades, or Ecampus).
- 151 • Discussions on implementation needs and consequences should include:
- 152     ○ General Counsel on how to communicate and document the nature of the tuition charge
- 153     structure during the transitions.
- 154     ○ Financial Aid on the workload consequences of monitoring campus changes.
- 155     ○ Enrollment Management on when such a change can be implemented and communicated
- 156     with the least impact on new student enrollment.
- 157     ○ Academic Affairs on how to communicate the change to students appropriately.
- 158     ○ Bursar's Office on needs for programming the tuition changes and charges appropriately.
- 159     ○ Registrar's Office on what may be required to manage, implement, and/or monitor the
- 160     change of campus requests and the guardrails established for appropriate use of campus
- 161     courses by DSC students.
- 162     ○ Head advisors on workload for and communication to college advising staff.
- 163     ○ ASOSU and ASCC to consider how to communicate the planned changes to students
- 164     (though currently enrolled students will not be impacted).
- 165 • A small workgroup should be charged to lead these discussions on implementation and prepare
- 166 communication materials about this change.



**Table 1.** Number of students changing campus designation in recent years. 20% are between Corvallis, Cascades, LaGrande campuses; 18% from Ecampus to one of the physical campuses (mostly to Corvallis); 52% from Corvallis to Ecampus, and the balance from Cascades, LaGrande or Portland to Ecampus. Of the students moving from Corvallis to Ecampus, 71% are residents; of those moving from Cascades to Ecampus 84% are residents.

Number of students who changed campuses by Summer and Academic Year										
From - To	AY19	Summer AY20	AY2020	Summer 21	AY21	Summer 22	AY 22	Summer 23	Fall- Winter 23	% of total
OSU-Corvallis - Ecampus	149	44	211	52	157	80	344	95	220	52%
OSU-Corvallis - LaGrande EOU	4	1	1	0	2	1	2	0	0	0%
OSU-Corvallis - OSU-Cascades	50	7	42	13	43	6	39	8	29	9%
OSU-Corvallis - OSU-Portland	4	1	3	2	1	1	0	0	0	0%
Ecampus - OSU-Corvallis	56	18	57	18	55	26	71	21	79	15%
Ecampus - LaGrande EOU	1	1	0	1	0	0	1	0	0	0%
Ecampus - OSU-Cascades	9	2	4	1	14	2	7	0	10	2%
Ecampus - OSU-Portland	18	1	0	0	1	0	0	0	0	1%
LaGrande EOU - OSU-Corvallis	5	0	2	0	1	1	2	1	1	1%
LaGrande EOU - Ecampus	1	0	0	2	4	0	2	1	1	0%
LaGrande EOU - OSU-Cascades	1	0	0	0	0	0	0	0	0	0%
OSU-Cascades - OSU-Corvallis	36	16	34	11	26	31	49	22	35	10%
OSU-Cascades - Ecampus	13	9	15	10	19	13	40	8	31	6%
OSU-Cascades - LaGrande EOU	0	0	0	0	0	1	0	0	0	0%
OSU-Portland - OSU-Corvallis	1	0	0	0	0	2	2	1	0	0%
OSU-Portland - Ecampus	5	2	4	1	18	2	15	3	7	2%
OSU-Portland - OSU-Cascades	0	0	1	0	0	0	0	0	0	0%
Total	353	102	374	111	341	166	574	160	413	100%

	% Ecampus resident undergrad	% Ecampus Non-resident undergrad	% Ecampus Graduate
FY12	4.3%	5.0%	0.6%
FY13	5.1%	5.8%	1.1%
FY14	5.4%	6.1%	0.9%
FY15	6.6%	7.9%	1.1%
FY16	8.0%	9.4%	1.0%
FY17	9.2%	9.8%	1.1%
FY18	10.6%	11.8%	1.5%
FY19	11.5%	13.2%	1.7%
FY20	12.6%	15.3%	2.7%
FY21	12.6%	23.7%	3.4%
FY22	14.4%	22.0%	4.3%

**Table 2.** Change in percentage of credit hours taken through Ecampus of total credit hours taken by campus-based Corvallis (C-coded) students by student type.

**Table 3:** Estimate of the total revenue change if charge-by-campus were implemented on all students currently taking courses at OSU at once.

Academic Year FY22					
Undergraduate		Gross res. change	Gross NR change	Discount Non-res -15%	Net
	Cascades	(641,800)	375,000	318,800	(323,000)
	Corvallis	(9,478,400)	20,640,500	17,544,400	8,066,000
	DSC		-	-	-
	Lagrande	(61,000)	69,000	58,700	(2,300)
	PDX		-	-	-
Graduate					
	Cascades	(10,528)	(3,158)		(13,686)
	Corvallis	(1,718,558)	(230,702)		(1,949,261)
	DSC		-	-	-
	Lagrande		(1,579)		(1,579)
	PDX		-	-	-
					<b>5,776,174</b>

**Table 4:** Estimates of revenue change if undergraduate charge-by-campus is phased in by cohort but the graduate change is made in the first year. The top estimate assumes about 15% erosion of non-resident credit hours in the change, the bottom table assumes no non-resident credit hour losses.

15% non-resident SCH losses					
Assume about 20% per cohort, five major cohorts at a time					
	FY24	FY25	FY26	FY27	FY28
Undergraduate					
Cascades	(64,600)	(133,076)	(205,602)	(282,361)	(363,539)
Corvallis	1,613,200	3,323,192	5,134,332	7,051,149	9,078,354
DSC	-	-	-	-	-
Lagrande	(460)	(948)	(1,464)	(2,011)	(2,589)
PDX	-	-	-	-	-
Graduate					
Cascades	(13,686)	(14,097)	(14,519)	(14,955)	(15,404)
Corvallis	(1,949,261)	(2,007,739)	(2,067,971)	(2,130,010)	(2,193,910)
DSC	-	-	-	-	-
Lagrande	(1,579)	(1,626)	(1,675)	(1,725)	(1,777)
PDX	-	-	-	-	-
	<b>(416,386)</b>	<b>1,165,707</b>	<b>2,843,100</b>	<b>4,620,087</b>	<b>6,501,135</b>

No non-resident SCH losses					
Assume about 20% per cohort, five major cohorts at a time					
	FY24	FY25	FY26	FY27	FY28
Undergraduate					
Cascades	(53,360)	(109,922)	(169,829)	(233,232)	(300,286)
Corvallis	2,232,420	4,598,785	7,105,123	9,757,702	12,563,042
DSC	-	-	-	-	-
Lagrande	1,600	3,296	5,092	6,993	9,004
PDX	-	-	-	-	-
Graduate					
Cascades	(13,686)	(14,097)	(14,519)	(14,955)	(15,404)
Corvallis	(1,949,261)	(2,007,739)	(2,067,971)	(2,130,010)	(2,193,910)
DSC	-	-	-	-	-
Lagrande	(1,579)	(1,626)	(1,675)	(1,725)	(1,777)
PDX	-	-	-	-	-
	<b>216,134</b>	<b>2,468,698</b>	<b>4,856,221</b>	<b>7,384,774</b>	<b>10,060,669</b>



## Appendix A

Comments from reviews by Ecampus and the Office of the Registrar not addressed in edits to the report. The comment is in italics, the response is in plain text.

**Line 26:** *Can't financial aid be adjusted for the mix of Ecampus and campus courses?* This isn't really possible as aid is often awarded before students have finished registering or adjusting their registration. The student coding is the principal guide to estimating cost-of-attendance.

**Line 33:** *The estimates of revenue impact have changed since this was first discussed in 2021-22. How come they have moved so much?* These have been updated as the discussion has gone along. Appendix B provides a history of those estimates.

**Line 42:** [Hybrid or new kinds of modalities} are..... *currently assessed by campus code. Corvallis Remote Section, Cascades Remote Section, Ecampus Remote Hybrid, etc.*

**Line 58:** *At OSU, if a course is required in a program, they must offer that course in the modality/location that the program was approved for. So, I don't think this should be included in the document as it's misleading.* It is a formal requirement but Ecampus is anecdotally hearing more and more about campus students who end up [using] Ecampus to stay on track for graduation because the campus course is only offered 1x/year. And some departments have also only offered Ecampus sections and not equivalent campus sections at times. Members of the UBC have heard similar reports from students. Departments may not always be following this rule or may be offering a minimum number of in-person seats when the demand for the requirement is much higher.

**Line 86.** *The OtR can build acknowledgment statements into the current change of campus/program process for advisors to address the consequences with students before submitting the requests.*

**Line 105:** There is a concern for those administrative units that need to report tuition rates to outside agencies, or who need to explain to students why students in one class all have different tuition for that class. We already have different tuition tables by campus, program, level, and cohort. Phasing in the change across new cohorts for several years would complicate this so much more. Why couldn't all undergrads starting in, say, SU/FA 2025 have the new tuition model? The proposed change would not add additional categories of tuition rates—those would remain as they are set now and there is a recommendation to limit the cohorts to six. This would change the criteria by which tuition is charged within an undergraduate cohort. So for a time some of the six cohorts would be charged by campus, some by course. The UBC felt strongly the change had to be phased in because students already here have planned on using the Ecampus courses (at Ecampus rates) as part of their program.

**Line 111.** *What are the criteria for residency that we might need to unpack with this?* The residency requirements (and criteria for establishing resident status) are agreed upon between the seven public universities. If a non-resident student met those criteria their status would be changed for the purpose of billing tuition.

**Line 114:** *How will this be operationalized? This is a complicated process if it requires an override process and is not allowable for all students.* Any DSC student could take a campus course but the

suggestion is to require an advisor's override. The current number of such requests is very low. But this is an issue to be considered in the implementation work.

**Line 135:** *There was a reference above to the "charge by campus" and not charging campus fees, etc. We should be clear about this but I know that some folks, if they register for a campus based course that requires use of campus services (climbing course needs access to the climbing wall in Dixon, etc.), will need the service and therefore should pay the fee. We need a plan for it. Yes, there may be occasions when a DSC uses a campus course and needs to use a fee-based service. We believe there is an existing option for DSC students to opt-in to fees for Rec Sports and Health Services.*

**Line 136:** *Are we suggesting a phased approach for UG but affecting all grad students right away? That's how this reads. Yes, that is the intent. There are no cohorts for graduate students so all at once is the only answer without setting up cohorts for them.*

**Line 141.** *What about criteria for campus students taking Ecampus courses? Truly online students (DSC) may be impacted in registering for classes if they are full with C students taking Section 400/Ecampus. Ecampus is hearing more and more about campus students who end up supplementing Ecampus to stay on track for graduation because the campus course is only offered 1x/year. And some departments have also only offered Ecampus sections and not equivalent campus sections at times. This seems like an issue currently whether the charge by campus change is made or not. It is likely we would see fewer non-resident campus enrollments in Ecampus and more resident campus enrollments in Ecampus. The larger issue, if we want a focus on DSC student growth, is how to ensure those students seats in classes. Managing priority registrations might be a way to do this.*

**Line 141:** *The criteria should be for when to give an override into the campus-based course (rather than trying to monitor/penalize for going over a limit). Yes, this seems a good approach and the recommendations have been edited to reflect that suggestion.*

**Line 159:** *We already manage these changes. I'm not sure I understand the purpose of the OtR monitoring campus changes? Or, are we simply talking about OtR providing the data needed to review the impact of the program? Most likely more providing the data needed to assess any impacts of the program.*

**Appendix B:** Tracking the revenue estimates of charge-by-campus change as the conversation has evolved from the 2021-22 UBC to now.

**Version 1: 2021-22 UBC discussions**

Academic Year FY21					
		Gross res. change	Gross NR change	Enrollment loss non-res 15%	Net
Undergrad	Cascades	(534,900)	256,000	217,600	(317,300)
	Corvallis	(7,848,700)	17,017,300	14,464,700	6,616,000
					-
Graduate	Cascades	(15,700)	(1,700)		(17,400)
	Corvallis	(1,064,000)	(2,054,100)		(3,118,100)
<b>Total without summer</b>		<b>(9,463,300)</b>	<b>15,217,500</b>	<b>14,682,300</b>	<b>3,163,200</b>

This used FY21 credit hours and FY21 average tuition rates, yielded a net of \$3.2M.

**Version 2: 2022-23 UBC shared in fall 2022.**

Academic Year FY22					
		Gross res. change	Gross NR change	Discount Non- res -15%	Net
Undergraduate	Cascades	(641,800)	375,000	318,800	(323,000)
	Corvallis	(9,478,400)	20,640,500	17,544,400	8,066,000
	DSC	-	-	-	-
	Lagrande	(61,000)	69,000	58,700	(2,300)
	PDX	-	-	-	-
Graduate	Cascades	(10,528)	(3,158)		(13,686)
	Corvallis	(2,131,294)	(1,049,742)		(3,181,036)
	DSC	-	-	-	-
	Lagrande	-	(1,579)		(1,579)
	PDX	-	-	-	-
					<b>4,544,398</b>

This fall I used FY22 actual credit hours but used FY23 tuition rates (to try to get a more real time estimate). Comparing the two you can see graduate delta didn't change much, but both undergraduate resident and non-resident grew substantially—a combination of two years of rate growth and of credit hour use growth. But the difference between them also grew and is the primary reason for the additional \$1.4M in estimated revenue.

**Version 3: 2022-23 UBC shared in January 2023.**

Academic Year FY22					
Undergraduate		Gross res. change	Gross NR change	Discount Non-res -15%	Net
	Cascades	(641,800)	375,000	318,800	(323,000)
	Corvallis	(9,478,400)	20,640,500	17,544,400	8,066,000
	DSC	-	-	-	-
	Lagrande	(61,000)	69,000	58,700	(2,300)
	PDX	-	-	-	-
Graduate					
	Cascades	(10,528)	(3,158)		(13,686)
	Corvallis	(1,718,558)	(230,702)		(1,949,261)
	DSC	-	-	-	-
	Lagrande	-	(1,579)		(1,579)
	PDX	-	-	-	-
					<b>5,776,174</b>

So this came from asking what happened in more detail around graduate credit hours and the plateau. It turned out about 25% of graduate credit hours were in Business which is a per credit hour program (no plateau). So I was overestimating the loss in graduate tuition by about \$1.2M.

**Version 4: 2022-23 UBC shared in January 2023.**

		FY24	FY25	FY26	FY27	FY28
Undergraduate						
	Cascades	(64,600)	(133,076)	(205,602)	(282,361)	(363,539)
	Corvallis	1,613,200	3,323,192	5,134,332	7,051,149	9,078,354
	DSC	-	-	-	-	-
	Lagrande	(460)	(948)	(1,464)	(2,011)	(2,589)
	PDX	-	-	-	-	-
Graduate						
	Cascades	(13,686)	(14,097)	(14,519)	(14,955)	(15,404)
	Corvallis	(1,949,261)	(2,007,739)	(2,067,971)	(2,130,010)	(2,193,910)
	DSC	-	-	-	-	-
	Lagrande	(1,579)	(1,626)	(1,675)	(1,725)	(1,777)
	PDX	-	-	-	-	-
		<b>(416,386)</b>	<b>1,165,707</b>	<b>2,843,100</b>	<b>4,620,087</b>	<b>6,501,135</b>

And finally I just tried to estimate amounts going forward if undergraduate cohorts were phased in using a 3% annual escalator so the net is higher after a few years (these versions all assume a loss of 15% of non-resident student credit hours which is likely too pessimistic).