

## MINUTES

### Agenda

1. Review undergraduate tuition scenarios and identify a preferred scenario. (See revised scenario document in meeting materials)
2. If there is time, talk about some of the other tuition rates (professional, differential, etc.).
3. Other questions or business
4. Adjourn

### Committee Members Present

Allison Hurst, Sherm Bloomer, Jackie Thorsness, Staci Simonich, Alison Johnston, Deja Preusser, Joanna DeMeyer, Lisa Gaines, Amy Bourne, Michaela Canete, Jessica Dupont, Kelly Sparks, Jon Boeckenstedt, Javier Nieto, John Gremmels

### Committee Members Absent

David Park, Taha Elewfati, Edgar Rodriguez, Mackenzie Thibault

### University Staff Present

Nicole Dolan, Laurie Henry

### 1. Review Undergraduate Tuition Scenarios/Identify Preferred Scenario

Sherm Bloomer, Associate Vice President for Budget and Resource Planning reviewed three items that are driving up the cost estimates for next year.

1. Continuing service level, ~2.7% (inflationary)
  - Raises, increase in retirement and healthcare, general inflation on services and supplies, etc.
2. Mandatory cost increases, ~.75%
  - Property insurance increase, new debt from building renewal projects, new operations costs, etc.
3. Strategic cost increases, ~.60% (discretionary)
  - Increase for OSU Foundation, etc.

Other drivers and assumptions for tuition scenarios include \$10-12M more institutional dollars into financial aid and enrollment assumptions. Expense assumptions assume we do all three buckets as described above.

The tuition scenario table<sup>1</sup> rows indicate different levels of state funding (the governor's budget is the middle row – state funding change YOY: -4%). The columns are different undergraduate tuition scenarios and they assume Ecampus undergraduate rates go up at the same rate.

- Scenario A: Resident 2.8%, Non-resident 2.8%
- Scenario B: Resident 3.5%, Non-resident 3.5%
- Scenario C: Resident 4.1%, Non-resident 4.1%

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<sup>1</sup> For more details on tuition scenarios go to <https://fa.oregonstate.edu/sites/fa.oregonstate.edu/files/ubc-combined-meeting-materials-8jan21.pdf>

Once the committee settles on a scenario it then becomes a budget management issue. This then indicates to the Provost and Vice President just how big of a gap needs to be closed when building next year's budget.

The governor's budget is flat funding for the biennium. This means the state gives OSU 49% in the first year, and 51% in the second year. This year OSU received 51%, next year (biennium) OSU will get 49% which is a 4% decline.

*Action item:* Model 5% cap to match other land grant institutions. Joanna DeMeyer, Student at Large shared that it would be beneficial to show parents and students how OSU compares to peer universities.

Kelly Sparks, Associate Vice President, Finance and Strategic Planning, OSU-Cascades shared some ideas from both ASCC President and Vice President indicating that this year has been incredibly challenging financially and OSU-Cascades has a much higher rate of Pell eligible students. Anything beyond Scenario B would be received very poorly by the student population.

Committee members present are in agreement that increases above 3.5% is not preferred.

**2. Other Tuition Rates**

Bloomer gave a brief overview of other FY22 tuition & fee recommendations for Corvallis and Cascades.

**3. Other Questions or Business**

No additional questions or business.

**4. Adjournment**

Meeting adjourned at 3:05 p.m. by Sherm Bloomer. Next meeting will be held January 22, 2021 from 2:00 – 3:30 p.m. via Zoom.