

## MINUTES

### Agenda

1. Introductions
2. Charge and questions
  - a. Tuition rate recommendations
  - b. Consider the tuition pricing policies of the university as a whole
  - c. Engage with a review of unit budget practices, particularly potential revisions to the Corvallis Shared Responsibility Budget Model
  - d. With the Graduate School review policies on centrally funded support for graduate support
3. Orientation and background materials

### Committee Members Present

Allison Hurst, Sherm Bloomer, Jon Boeckenstedt, Amy Bourne, Michaela Canete, Joanna DeMeyer, Jessica Dupont, Taha Elewfati, John Gremmels, David Park, Javier Nieto, Deja Preusser, Mackenzie Thibault, Lisa Gaines

### Committee Members Absent

Jackie Thorsness, Alison Johnston, Edgar Rodriguez, Staci Simonich, Kelly Sparks

### University Staff Present

Nicole Dolan, Laurie Henry

#### 1. Introductions

Allison Hurst, UBC Chair and Associate Professor, School of Public Policy began with introductions of committee members and support staff.

#### 2. Charge

Sherm Bloomer, Associate Vice President for Budget and Resource Planning discussed the purpose of UBC and the standing charge as directed by Ed Feser, Provost and Executive Vice President.

UBC standing charge:

- Make annual recommendations on tuition and mandatory enrollment fee rates to the Provost and President as part of the University's development of an annual tuition and fee proposal for the Board of Trustees in March of each academic year.
- Oversee the process of development of tuition recommendations consistent with ORS 352-102 and the policies of the University's Board of Trustees.
- Review and propose edits to policies regarding tuition, differential tuition, course fees, and areas that impact the E&G budget.
- Identify, research, and review issues of concern brought forward by committee members, or the university community, and provide recommendations to the Provost.

[Shared Responsibility Budget Model](#) – OSU's process for the allocation of the Corvallis-campus Education and General budget (E&G).

The UBC will form subcommittees and/or invite members of the university community to participate on an *ad hoc* basis as necessary in order to address specific issues. Non-UBC participants and guests will not participate in voting.

*Action Item:* Discuss formation of subcommittee.

*Follow up:* Transparency brief to help students better understand structure of tuition pricing.

### 3. Orientation/Overview of the University Budget

Bloomer gave an overview of the legislature that created requirements of the formal tuition process at each of the public universities in Oregon.<sup>1</sup> The University Budget Committee serves as OSU's tuition advisory board as described in ORS 352.102 as amended by HB4141. Bloomer then gave an overview on tuition and the tuition setting process and gave an overview of the FY21 university budget.

#### Tuition and the Tuition Setting Process

Big takeaways –

- The university budget is funded mostly by tuition and fees (more than 68%) with more than 80% of gross tuition coming from undergraduate instruction.
- Tuition is only one part of the cost for students. Students also have costs for fees, room and board, books, transportation, and incidentals.
- Tuition only sets the list price for attendance. For many students, the actual cost is reduced by awards of financial aid. Grant aid (that students do not have to pay back) including university aid, governmental grants and privately funded scholarships.
- Tuition rates are set by the Board of Trustees. The President recommends tuition rate increases to the Board of Trustees based on advice from the University Budget Committee.

*Follow up:* Year-over-year tuition increases for the last 10 years requested.

#### Overview of the FY21 University Budget

There are three main buckets to the university operating budget –

1. Education and General Funds (E&G)
  - Corvallis
  - Cascades
  - Statewide Public Services
2. Restricted Funds – monies that come to the university that must be directed toward predetermined expenses.
3. Self-Support Funds – units that operate off of the revenue they generate.

Big takeaways –

- Tuition and fees is the biggest component of Cascades and Corvallis E&G revenue (~70%).
- In FY20, labor expense (e.g. salaries, faculty and staff benefits) made up 77% of Corvallis E&G expenditures.

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<sup>1</sup> Statute requirements described in ORS 352-102 can be explored further at [https://fa.oregonstate.edu/sites/fa.oregonstate.edu/files/fy21\\_abc\\_budget\\_and\\_tuition\\_process\\_overview.pdf](https://fa.oregonstate.edu/sites/fa.oregonstate.edu/files/fy21_abc_budget_and_tuition_process_overview.pdf)

### Trends

Bloomer discussed trends in state funding and resident undergraduate tuition. State funding for higher education declined significantly during the recession in Oregon as in many other states. State support has grown back significantly but has still not reached the inflation adjusted level it was at in 2003.

*Action Item:* Committee to review Cost Management Strategies section of the FY21 UBC Budget and Tuition Process Overview handout to discuss further during the next scheduled meeting.

### Approach to Tuition Recommendation

Bloomer went over the Tuition Scenario Table found in the FY21 UBC Budget and Tuition Process Overview handout and the impact of increased or decreased state funding on tuition recommendations.

#### **4. Adjournment**

Meeting adjourned at 3:30 p.m. by Sherm Bloomer. Next meeting will be held November 6, 2020 from 2:00 – 3:30 p.m. via Zoom.