

To: Michael Schill, President
From: Jamie Moffitt, Vice President for Finance and Administration and CFO, TFAB Co-Chair, and Kevin Marbury, Vice President for Student Life, TFAB Co-Chair
Date: February 12, 2021
Re: Recommendations of the FY2021 Tuition and Fee Advisory Board (TFAB)
Cc: Patrick Phillips, Senior Vice President and Provost

Executive Summary

The TFAB is making the following recommendations related to tuition and mandatory fees:

- **Incoming Cohort of New Undergraduate Students:**
 - Non-residents: 3.0% increase to combined total rate for tuition and administratively controlled mandatory fees
 - Residents: 4.5% increase to combined total rate for tuition and administratively controlled mandatory fees

Please note that with the new Guaranteed Tuition Program, these tuition and fee rates for incoming undergraduate students will be locked for five years. The tuition and administratively controlled mandatory fee rates for current first-year undergraduate students are also locked for five years. Tuition and administratively controlled mandatory fee rates for continuing undergraduate students (who started at the institution prior to summer 2020) will increase 3.0% per year for the next three years as determined by the Board of Trustees in March of 2020.

- **Graduate Students:** The TFAB is supporting and passing along for your consideration all of the proposed increases for graduate programs. All of the proposed increases are 3.0% or less, with the exception of the MBA and law programs, which are discussed further in this memo.

This memo provides detailed information about these recommendations and is organized around the following topics:

- Tuition and Fee Advisory Board Process
- E&G Fund Budget and Financial Information
- FY22 Budget Assumptions
- Other Key Issues Related to Tuition and Fees
- Tuition Scenarios Considered
- Proposed Tuition Increase for Incoming Cohort of Undergraduate Students
- Proposed Graduate Tuition Rates
- Fee Increases for Existing Administratively Controlled Mandatory Fees
- New Proposed Athletics Ticket Fee
- Clark Honors College Differential Tuition and Matriculation Fee
- Other Cost of Education Reviewed
- Tuition and Fee Policy Book

Tuition and Fee Advisory Board Process

The FY21 Tuition and Fee Advisory Board (TFAB) included five students (one graduate student and four undergraduate students, including the Associated Students of the University of Oregon [ASUO] president and the ASUO finance director), faculty, deans, vice presidents, vice provosts, and administrative staff engaged in budgeting, institutional research, and financial aid. A list of TFAB members is included at the end of this memo. Other students and staff regularly participated in TFAB meetings throughout the year.

The TFAB met 10 times between October 2020 and February 2021. All meetings were held virtually using Zoom technology, and all were open to the public. We regularly had guests join our discussions, including students and reporters from the *Daily Emerald*. A full list of guests is included at the end of this memo.

Fall meetings focused on the TFAB charge, historical and comparative information, the university budget, mechanisms by which moneys are appropriated by the Legislative Assembly to the Higher Education Coordinating Commission (HECC) for allocation to public universities, the impact of COVID-19 on university finances, the Guaranteed Tuition Program, cost drivers, and a plan for cost management. The fall meetings focused on helping TFAB members understand foundational budget information; members who were unable to attend the regularly scheduled meetings were offered make-up sessions with TFAB co-chairs to ensure all members understood the information. Winter meetings covered the university's long-term financial projections, course fees, graduate tuition proposals, housing rates, proposals related to administratively controlled mandatory fees, tuition rates for the new cohort of undergraduate students, as well as planning for and discussing feedback from the student forum on tuition. The TFAB also spent time discussing the trends in UO student recruitment and enrollment, the potential long-term impacts of COVID-19 on the student body, how proposed tuition and fee increases compare to other schools, and the difficulties faced by students considering attending the UO.

In addition to 10 TFAB meetings, the TFAB and ASUO co-hosted a virtual student forum on the tuition-setting process in mid-January. The forum included a presentation on UO budget information, anticipated cost drivers for the coming year, an overview of the Guaranteed Tuition Program, and the role of the TFAB. Students also participated in small-group discussions facilitated by TFAB members in breakout rooms. Every effort was made to replicate the experience of previous student tuition forums despite the necessity of the virtual format to keep participants safe. Student attendance at the forum was lower than in recent years, potentially a result of Zoom fatigue and the fact that the new Guaranteed Tuition Program means that tuition rates for all current undergraduate students have previously been set by the Board of Trustees. Feedback from the small-group discussions was discussed by TFAB members at a subsequent meeting. A second student forum, which you will host, is scheduled for Thursday, February 18th.

The university's tuition website (<https://tuition.uoregon.edu/>) has been kept up to date throughout the 2020-21 TFAB deliberation process, with the meeting schedule posted weeks in advance. In addition to the schedule, the website provides links to agendas and all relevant documents and data that the TFAB considered during deliberations. Meeting summaries from each TFAB session were also posted. Finally, the website provides updated information about tuition and fees, the tuition-

setting process, state appropriations, cost drivers, the university’s budget, and budget and tuition information for Pac-12 and Association of American Universities (AAU) comparator schools.

As you are aware, in FY21 the university implemented a new Guaranteed Tuition Program for undergraduate students. All undergraduate students who started at the university during the summer of 2020 or later during AY 20-21 are part of the first cohort of students in this program. Tuition and administratively controlled mandatory fee rates for these students are guaranteed and will not change for five years. Last spring, as part of the transition into the new Guaranteed Tuition Program, the Board of Trustees approved a rate schedule for all other current undergraduate students (those who started prior to the summer of 2020) that locks in annual increases in tuition and administratively controlled mandatory fees for this group of students at 3.0% per year for the next three years. Therefore, this year the TFAB focused on developing a recommended tuition rate for the incoming cohort of undergraduate students. The rate that is set for these students will then be locked for a period of five years and will not increase.

E&G Fund Budget and Financial Information

In the current fiscal year, FY21, the Education and General (E&G) fund, which covers the majority of the operations of the academic and non-auxiliary administrative functions of the university, is projected to be in deficit, with projected revenues unable to cover projected expenditures by approximately **\$3.4 million**. The university’s finances have been dramatically impacted by the COVID-19 pandemic. This past fall, the entering freshmen class dropped by almost 600 students from the prior fall, creating a drop of approximately \$17.5 million in recurring tuition revenue. The only reason that the FY21 E&G fund deficit is not projected to be greater than \$3.4 million is that the university has taken many steps to reduce expenditures during the pandemic (e.g., hiring freeze, pay action freeze, workshare program, and travel freeze). The TFAB discussed the fact that the tuition revenue drop caused by the pandemic will likely affect the university’s finances for the next four to five years during the time that the lost students would have otherwise been attending the institution, whereas the pandemic-related savings (e.g., travel costs, hosting costs, etc.) will likely disappear once the pandemic is over. All of these financial issues were considered by the TFAB when assessing the financial position of the institution for next year, FY22. The TFAB also considered anticipated FY22 cost drivers (shown below), as well as projected student enrollment and estimated state appropriations.

For FY22, the following major cost increases are projected in the E&G fund:

Cost Driver	Estimated FY22 Cost Increase
Faculty, Staff, and Graduate Employee Salaries and Wages	\$7.3 million
Health Insurance Costs	\$1.2 million
Institutional Expenses	\$1.2 million
Strategic Investments	\$600,000
Minimum Wage Increase	\$320,000
Total Projected Cost Increases	\$10.6 million

The total projected cost driver increases for FY22 are lower than last year (\$18 million), and far lower than increases that the institution has faced over the last five years. This is due to the fact that (1) there were no annual salary increases for faculty and Officers of Administration this past January, (2) the strategic investment process and associated investments have been cancelled, and (3) PERS rates came in lower than previously expected. The \$10.6 million projected increase represents a 1.96% increase on the overall E&G fund budget.

FY22 Budget Assumptions

The TFAB discussed the significant E&G fund budget gap facing the institution. Given the heightened level of uncertainty that the institution is facing, there are a number of factors that could affect next year's E&G fund budget. Specifically, the following budget factors were considered when discussing options and potential actions around tuition and fees:

- Existing FY21 E&G fund budget gap \$3.4 million
- Estimate of FY21 one-time COVID-related cost savings \$15 million
- Projected FY22 cost drivers \$10.6 million
- Additional investments in student fee remissions \$4.3 million

In addition to these factors, the TFAB spent quite a bit of time discussing two issues which will have a very large impact on the financial position of the institution next year: state appropriations, and first-year fall enrollment. Each are discussed in more detail below.

State appropriations: Currently the university receives approximately \$82.2 million in operating support from the state in the E&G fund. It is unclear whether this figure will increase or decrease next year and this information will not be known until the legislature completes its session next summer (most likely in early July 2021). In December, Governor Brown put together her recommended budget (GRB) that “flat funded” higher education. If implemented as released, due to the way the biennial funding is distributed to universities (49% in year one / 51% in year two), this level of funding would result in a cut of approximately \$3 million per year in FY22. However, the legislature could adopt a budget that differs from what is in the GRB. Depending upon how Oregon's economy fares this spring and projected state tax receipts, this figure could change. If the federal government ends up providing support to state governments in the next federal stimulus package, this could also affect the final approved legislative budget. For this reason, in its deliberations, the TFAB looked at various scenarios for FY22 state funding that ranged from a cut of \$3 million to an augment of \$2.5 million.

Fall 2021 enrollment of first-year students: Assumptions made about the incoming first-year undergraduate class have a very significant impact on the institution's financial position. Two years ago, the university brought in its largest freshmen class with over 4,600 students, whereas this past fall the entering class was closer to 4,000 freshmen. As long-term projections demonstrate, this potential variance in enrollment has a tremendous impact on the institution's financial position. If we are able to return to our previous pre-COVID enrollment targets, and possibly even capture some of the “gap year” students who took this year off, the institution would only be facing a small one-year deficit in FY22. If, on the other hand, fall 2021 first-year enrollment ends up closer to the number of students that started this past fall, the institution will be facing recurring annual E&G fund deficits in the \$20 million to \$25 million range. For this reason, in its discussions, the TFAB

looked at a broad range of scenarios where first-year enrollment fluctuated from numbers resembling last fall, all the way up to 105% of pre-COVID recruiting targets.

Other Key Issues Related to Tuition and Fees

In addition to the budget and financial issues outlined above, TFAB members discussed a number of key issues related to tuition rates and fees. These included:

- (1) financial challenges resulting from the pandemic,
- (2) increasing cost of higher education to students,
- (3) ongoing uncertainty around the global pandemic,
- (4) market conditions and comparator schools,
- (5) positive impact of the Guaranteed Tuition Program, and
- (6) the necessity of maintaining a funding gap.

Financial challenges resulting from the pandemic: TFAB members spent time discussing the financial and emotional burdens faced by students and their families as a result of COVID-19. The group acknowledged that many people have faced the loss of jobs, unstable family income, rapidly changing work situations, and increased emotional strain and mental health challenges as a result of the pandemic. Current and prospective UO students and their families have had a very challenging year, and many continue to face uncertainty and difficulty as they consider their options for the next academic year. The TFAB spent time considering this very difficult reality when analyzing options for tuition and fee recommendations.

Increasing cost of higher education: The TFAB recognized that even before the global pandemic, students and their families were facing increasing costs of higher education and a growing financial burden. While the group accepted that inflation affects institutional costs—the bulk of which are made up of employee salaries, wages, and benefits—TFAB members noted that the increasing cost of higher education place significant burdens on students who are not on the PathwayOregon program or receiving financial aid. While the Guaranteed Tuition Program does shield both prospective and first-year students from tuition increases, the TFAB acknowledged that the cost of higher education represents a significant investment for many students and their families.

Ongoing uncertainty around the global pandemic: In addition to the ongoing uncertainty faced by students and families, the TFAB discussed the ongoing uncertainty confronting the university. In any year the financial future of the university is unclear—based in large part on changes in student enrollment and state appropriations—but the uncertainty stemming from the global pandemic has led to unprecedented challenges in university operations and forecasting future financial projections. The group discussed extra COVID-related costs the university has taken on, the emotional and intellectual challenges resulting from the transition to a mostly remote learning environment, and the difficulty of predicting enrollment levels or state appropriations in the midst of a pandemic. The TFAB also reviewed data regarding the significant losses that have been incurred by auxiliary operations (e.g., University Housing, the Student Recreation Center) during both FY20 and FY21. The topic of federal funding was covered, including a discussion of the funds that the university has been allocated that are to be distributed directly to students (\$16 million) and the funds that have been allocated to support the institution (\$24 million). While these are much appreciated funds that can be used to cover costs related to COVID-19 in both E&G fund and auxiliary operations, it was noted that they are one-time funds and do not solve recurring budget

issues. To date, the funds have been allocated to cover COVID-19 related costs in auxiliary operations (e.g., student fee refunds) and in the E&G fund (e.g., testing program, investments in technology, PPE, and cleaning) that would otherwise have been charged to regular budgets, which would have resulted in even larger deficits than currently projected. The TFAB discussed that while the university anticipates a return to in-person instruction as soon as safely possible, the ongoing uncertainty regarding the pandemic is resulting in even more financial unpredictability than usual. Similarly, TFAB members noted that financial considerations may not be the only factor driving enrollment decisions; COVID-19 rates within Oregon as compared to other states and how the university handles COVID also may factor significantly into enrollment decisions, with some people preferring to stay closer to home.

Market conditions: Throughout the process, TFAB members discussed the university's resident and non-resident tuition rates in relation to competitor schools, realizing that students have a lot of options for quality higher education and that tuition rates play a very large part in deciding which school to attend. The group discussed potential trends in tuition increases across higher education institutions for FY22, noting that some schools have indicated they may not increase tuition rates this year. While the current budget deficit and inflationary pressures facing the University of Oregon makes this option unrealistic, the TFAB did note the importance of considering the UO tuition rates in relation to competitor schools in the Pac-12 and AAU.

Positive impact of guaranteed tuition: TFAB members noted the positive impact of the UO Guaranteed Tuition Program, which provides prospective and first-year undergraduate students a fixed tuition and administratively controlled mandatory fee rate that is guaranteed for five years. Additionally, to help with the transition into the program, undergraduate students who started at the institution prior to the summer of 2020 have predictable, fixed annual increases of 3% per year. While this program creates more risk to the institution, particularly during the challenging financial realities brought on by the global pandemic, the Guaranteed Tuition Program offers students the ability to plan for their investment in higher education goals. Particularly during these uncertain times, the guarantee program offers students and families some certainty regarding the future.

Funding gap: The TFAB spent time discussing the need to offer quality higher education at an affordable price to Oregon and non-resident students, while also understanding the financial pressures the university faces. Members talked about university actions taken to reduce expenditures in the midst of the pandemic, including freezes on hiring, pay actions, and travel; voluntary pay reductions by senior leadership; and HR actions in auxiliary operations. Despite this, the university faces a budget shortfall. The group also looked at various long-term financial scenarios, noting that decisions made about tuition rates for the incoming cohort of undergraduate students not only affect the FY22 E&G fund budget, but also impact the financial position of the institution in future years. Similarly, TFAB members noted that, because tuition revenue makes up 80% of the university budget, it is not feasible to try to close the entire E&G funding gap in FY22. This would place untenable financial burdens on incoming students and families and create a barrier for students trying to access higher education.

Tuition Scenarios Considered

Given all of these issues, the TFAB reviewed and discussed a broad range of tuition rate scenarios for new undergraduate students entering the UO. It is important to note that the rates considered would be guaranteed for the incoming cohort for five years. In the discussions of scenarios, the following factors were considered, along with differing assumptions for state appropriations, fall enrollment, and tuition rates for resident and non-resident students:

- current budget shortfall: \$3.4 million;
- estimated non-recurring COVID-19 expense impacts: \$15 million;
- cost drivers: \$10.6 million; and
- additional undergraduate recruitment investment in fee remissions (scholarships): \$4.3 million.

The TFAB considered the following scenarios:

Tuition Rates		% Target Enrollment First-Year Class			Annual Change in State Approp- riations	Net Budget Gap
New students rate guaranteed for 5 years (% increase & resulting \$ cost per student credit hour)		Resident	Non- resident	Int'l		
Resident	Non-resident					
4.50% \$266.08	3.0% \$844.83	100%	100%	100%	\$2.5m	(\$7.4m)
4.50% \$266.08	3.0% \$844.83	100%	105%	100%	\$2.5m	(\$3.5m)
4.0% \$264.80	3.0% \$844.83	100%	105%	100%	\$2.5m	(\$3.7m)
4.0% \$264.80	3.0% \$844.83	100%	100%	100%	\$2.5m	(\$7.6m)
4.0% \$264.80	3.0% \$844.83	97%	97%	97%	\$2.5m	(\$10.8m)
4.0% \$264.80	3.0% \$844.83	100%	100%	100%	(\$3m)	(\$13.0m)
4.0% \$264.80	3.0% \$844.83	95%	95%	95%	(\$3m)	(\$18.4m)
4.0% \$264.80	3.0% \$844.83	85%	85%	85%	(\$3m)	(\$29.0m)
1.0% \$257.17	1.0% \$828.43	100%	100%	100%	\$2.5m	(\$10.2m)
2.0% \$259.71	2.0% \$836.63	100%	100%	100%	\$2.5m	(\$9.0m)
3.0% \$262.26	3.0% \$844.83	100%	100%	100%	\$2.5m	(\$7.8m)
4.0% \$264.80	4.0% \$853.03	100%	100%	100%	\$2.5m	(\$6.7m)
5.0% \$267.35	5.0% \$861.24	100%	100%	100%	\$2.5m	(\$5.5m)

Tuition Rates		% Target Enrollment First-Year Class			Annual Change in State Appro- priations	Net Budget Gap
New students rate guaranteed for 5 years (% increase & resulting \$ cost per student credit hour)		Resident	Non- resident	Int'l		
Resident	Non-resident					
4.5% \$266.08	3.0% \$844.83	100%	100%	100%	\$2.5m	(\$7.4m)
4.5% \$266.08	3.0% \$844.83	100%	95%	95%	\$2.5m	(\$11.6m)
4.5% \$266.08	3.0% \$844.83	102%	95%	95%	\$2.5m	(\$11.1m)
4.5% \$266.08	3.0% \$844.83	100%	100%	60%	\$2.5m	(\$9.8m)
4.5% \$266.08	3.0% \$844.83	100%	100%	100%	(\$3m)	(\$12.9m)
4.2% \$265.31	3.0% \$844.83	100%	100%	100%	(\$3m)	(\$13.0m)
4.2% \$265.31	3.0% \$844.83	100%	100%	100%	\$2.5m	(\$7.5m)
4.3% \$265.57	3.0% \$844.83	100%	100%	100%	\$2.5m	(\$7.5m)
3.7% \$264.04	2.7% \$842.37	100%	100%	100%	\$2.5m	(\$7.9m)
3.8% \$264.30	2.7% \$842.37	100%	100%	100%	\$2.5m	(\$7.9m)
3.8% \$264.30	2.7% \$842.37	100%	100%	100%	(\$3m)	(\$13.4m)
3.8% \$264.30	2.7% \$842.37	95%	95%	95%	(\$3m)	(\$18.7m)
3.8% \$264.30	2.7% \$842.37	104%	105%	100%	\$2.5m	(\$3.1m)
4.50% \$266.08	3.0% \$844.83	100%	100%	100%	\$2.5m	(\$7.4m)
4.50% \$266.08	3.0% \$844.83	100%	100%	100%	(\$3m)	(\$12.9m)

Proposed Tuition Increase for Incoming Cohort of Undergraduate Students

Although the TFAB spent considerable time focused on reviewing and discussing different tuition rate scenarios, the group decided that this year they wanted the recommendations to focus on the **combined rate** of tuition and all administratively controlled mandatory fees. This was mainly due to the fact that Intercollegiate Athletics is proposing a new ticket fee (see details on page 13) and the TFAB wanted to provide advice to you about how tuition rates might vary depending upon whether you decide to propose implementing this new fee.

Considering the wide range of issues outlined earlier, along with uncertainty about whether or not the proposed Athletics Ticket Fee will be adopted, the TFAB is recommending the following rates for the **total combined increase of tuition and administratively controlled mandatory fees** for the incoming undergraduate student cohort:

- **Resident tuition increase:** The TFAB recommends a *4.5% increase* in full-time tuition and administratively controlled mandatory fees for incoming FY22 resident students.
 - If the Athletics Ticket Fee is adopted, the guaranteed resident tuition rate will be set at \$264.30 per credit hour (3.8% above FY21 rate). This tuition rate is guaranteed for five years, and will not increase during that time. Annual full-time tuition for new resident undergraduates will be locked at \$11,893 per year for five cohort years.
 - If the Athletics Ticket Fee is not adopted, the guaranteed resident tuition rate will be set at \$266.08 per credit hour (4.5% above FY21 rate). This tuition rate is guaranteed for five years, and will not increase during that time. Annual full-time tuition for new resident undergraduates will be locked at \$11,974 per year for five cohort years.

- **Non-resident tuition increase:** The TFAB recommends a *3.0% increase* in full-time tuition and mandatory fees for incoming FY22 non-resident students.
 - If the Athletics Ticket Fee is adopted, the guaranteed non-resident tuition rate will be set at \$842.37 per credit hour (2.7% above FY21 rate). This tuition rate is guaranteed for five years, and will not increase during that time. Annual full-time tuition for new non-resident undergraduates will be locked at \$37,907 per year for five cohort years.
 - If the Athletics Ticket Fee is not adopted, the guaranteed non-resident tuition rate will be set at \$844.83 per credit hour (3.0% above FY21 rate). This tuition rate is guaranteed for five years, and will not increase during that time. Annual full-time tuition for new non-resident undergraduates will be locked at \$38,017 per year for five cohort years.

Scenarios for full-time undergraduate students FY22

Athletics ticket fee is adopted					
Full-time <u>resident</u> tuition and fees			Full-time <u>non-resident</u> tuition and fees		
Tuition	Fees	Total	Tuition	Fees	Total
\$11,893	\$1,731	\$13,624	\$37,907	\$1,731	\$39,638

Athletics ticket fee is not adopted					
Full-time <u>resident</u> tuition and fees			Full-time <u>non-resident</u> tuition and fees		
Tuition	Fees	Total	Tuition	Fees	Total
\$11,974	\$1,643	\$13,616	\$38,017	\$1,643	\$39,660

Proposed Graduate Tuition Rates

The deans were asked to provide their recommendations for graduate tuition rates for FY22. Those rates were reviewed and discussed by the TFAB during multiple meetings in winter term. With the exception of programs in the Lundquist College of Business and the School of Law (Law hereafter), proposed graduate tuition increases range from 0% to 3.0%. The TFAB held separate sessions with the deans of the Lundquist College and Law to discuss proposed FY22 tuition rates.

Lundquist College of Business

Lundquist College proposed a graduate tuition increase in only one program for FY22: the MBA program. The college proposed a 4.3% increase for new resident students and a 5.0% increase for new non-resident students. The increases enable the college to move to a guaranteed tuition plan for full-time MBA students, whereby rates for incoming students will be locked for the length of their program. The proposed structure will also enable Lundquist College to increase access to experiential learning for all MBA students, making the program as a whole more attractive to new students. The proposed tuition increases will only apply to new MBA students entering the planned guaranteed tuition program; current full-time MBA students will not see a tuition rate increase. Furthermore, the college proposes to eliminate the seminar fees (\$650 per term) which had previously been charged to students focused on specific specializations. TFAB members were generally supportive of the proposal, particularly as other Lundquist College graduate programs saw no increases.

The group recommended Lundquist College develop more detailed guidelines around the proposed MBA guaranteed tuition program. A technical team is working with the college on the guidelines.

School of Law

Law is proposing 4.0% increases for both resident and non-resident students in its Juris Doctorate (JD) program and the Master of Laws (LLM) program. Law is proposing a 4.1% increase for residents and a 4.0% increase for non-residents in the cost of the Conflict and Dispute Resolution (CRES) Master's program. Prior to sharing the proposal with the TFAB, the proposed increases were discussed with law students, faculty, and staff during an open town hall and with the Student Bar Association. In the discussion with the TFAB, Dean Burke shared that Law has been operating with a yearly operating deficit for some time, which is a result of the 2015 precipitous decline in student interest in law school education across the country. Dean Burke shared that after years of spending down its reserves and running a deficit, Law has started to work its way back towards being able to cover its own expenses, noting that the plan involves tuition increases to help with financial stability. TFAB members noted the challenging realities faced by current law students, even while understanding the necessity for Law to work towards financial stability. In particular, the TFAB acknowledged the adverse impacts of the pandemic on the creation of a supportive Oregon Law community. The TFAB considered the proposed increase in relation to competitor schools and market conditions, and also noted improved fall 2020 Law enrollment. In this context, the TFAB was generally supportive of the increases, particularly as Law was initially aiming for a 5% increase and instead proposed a 4% increase, cognizant of the financial difficulties facing law students.

The full schedule of proposed graduate program tuition rate increases is attached at the end of this document. Please note that we are recommending that one proposed new tuition rate schedule, for the new CAS Online Psychology Program, be effective for spring term FY21. The proposed rates for this new program, which launched winter of this year, are actually **lower** than CAS's standard master's program rates. The rates were proposed last spring, but unfortunately due to a technical error, were left off of the formal table of approved rates for FY21. This winter, the department provided students with fee remissions so that the net tuition rate charged was effectively that which had been advertised by the program. In order to rectify this situation, we propose that this specific rate schedule go into effect for spring term, FY21.

The TFAB recommends that the graduate, MBA, and Law recommendations be adopted.

Fee Increases for Existing Administratively Controlled Mandatory Fees

The TFAB reviewed all of the proposals for existing administratively controlled mandatory fees, with the exception of the Incidental Fee (which runs through the ASUO process). Administratively controlled mandatory fees are part of the guaranteed tuition system, which means the rates that are set for the incoming cohort of undergraduate students will be locked for five years. Fee rates paid by current first-year students are also locked for five years. This means that the TFAB only needed to consider FY22 rates for the following groups of students:

- incoming cohort of undergraduate students,
- continuing undergraduate students (those who started at the university prior to the summer of 2020), and
- graduate students.

The following is a summary of proposed rates for existing mandatory fees for FY22:

Student Classification	Current FY21 Fees	Proposed Increase	Proposed FY22 Fees	% Increase
Incoming Cohort Undergraduate Students	\$ 527.67	\$ 19.83	\$ 547.50	3.76%
Continuing Undergraduate Students	\$ 515.81	\$ 15.44	\$ 531.25	2.99%
Graduate Students	\$ 518.50	\$ 15.50	\$ 534.00	2.99%

Mandatory Fees - Incoming Cohort Undergraduate	Current FY21 Fees	Proposed Increase	Proposed FY22 Fees	% Increase
EMU Facility Fee	\$ 78.54	\$ 3.21	\$ 81.75	4.09%
Recreation Center Fee	\$ 120.88	\$ 12.12	\$ 133.00	10.03%
Health Service Fee	\$ 233.25	\$ 3.00	\$ 236.25	1.29%
Building Fee	\$ 45.00	\$ -	\$ 45.00	0.00%
Technology Fee	\$ 50.00	\$ 1.50	\$ 51.50	3.00%

Incoming Cohort Students - Fee Increases	\$ 527.67	\$ 19.83	\$ 547.50	3.76%
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Mandatory Fees - Continuing Undergraduates	Current FY21 Fees	Proposed Increase	Proposed FY22 Fees	% Increase
EMU Facility Fee	\$ 77.00	\$ 3.00	\$ 80.00	3.90%
Recreation Center Fee	\$ 110.56	\$ 7.94	\$ 118.50	7.18%
Health Service Fee	\$ 233.25	\$ 3.00	\$ 236.25	1.29%
Building Fee	\$ 45.00	\$ -	\$ 45.00	0.00%
Technology Fee	\$ 50.00	\$ 1.50	\$ 51.50	3.00%

Continuing Students - Mandatory Fees	\$ 515.81	\$ 15.44	\$ 531.25	2.99%
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Mandatory Fees - Graduate	Current FY21 Fees	Proposed Increase	Proposed FY22 Fees	% Increase
EMU Facility Fee	\$ 77.00	\$ 3.00	\$ 80.00	3.90%
Recreation Center Fee	\$ 113.25	\$ 8.00	\$ 121.25	7.06%
Health Service Fee	\$ 233.25	\$ 3.00	\$ 236.25	1.29%
Building Fee	\$ 45.00	\$ -	\$ 45.00	0.00%
Technology Fee	\$ 50.00	\$ 1.50	\$ 51.50	3.00%

Grad/Law Students	\$ 518.50	\$ 15.50	\$ 534.00	2.99%
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The TFAB held discussions with each unit proposing increases to existing mandatory fees and had an opportunity to review their proposals and ask questions. TFAB members were generally supportive of the mandatory fee increases, noting the underlying cost driver budgetary pressures as well as the need to maintain high-quality, updated services to students in the areas of technology, health, recreation, and student union services. The TFAB also noted the cooperation by a number of the mandatory fee stakeholders to work together in an effort to minimize the overall impact of their respective fee needs

Below is a brief summary of key issues noted about each proposal.

Building Fee: No increase

Health Service Fee: The proposed increase is \$3 per term (1.29% for all three group of students). The proposed 1.29% across-the-board increase is in line with inflationary budget pressures and will help to continue to support resources for increasing mental health challenges as well as other health supports for students. It was noted in the meeting that this fee has not increased for the last two years.

Recreation Center Fee: The proposed increase varies by student group.

- Incoming undergraduate cohort: \$12.12 increase per term (10.03%)
- Continuing undergraduates: \$7.94 increase per term (7.18%)
- Graduate students: \$8.00 increase per term (7.06%)

The proposed increases will help mitigate a very difficult year for the Recreation Center, which experienced dramatic swings in revenue resulting from issues such as reduced enrollment, a dramatic drop in community memberships and other outside revenue, and the decision to refund student fees in spring 2020 when the facility was completely shut down.

EMU Facility Fee: The proposed increase varies by student group.

- Incoming undergraduate cohort: \$3.21 increase per term (4.09%)
- Continuing undergraduates: \$3.00 increase per term (3.90%)
- Graduate students: \$3.00 increase per term (3.90%)

The proposed increases will help the EMU to keep up with inflationary cost increases, as well as help make up for COVID-related revenue pressures due to loss of income from outside sources (e.g., room rentals and food vendor contracts).

Technology Fee: The proposed increase is \$1.50 increase per term (3.00% for all three groups of students). The proposed 3% increase is the first increase since the fee's inception in 2017. The proposed increase is not enough to meet all of the technology needs of the university but will help expand and replace necessary technology infrastructure, including cyber-security tools, mission-critical software, and wireless access points, with the focus on upgrading aging technology.

Summary: Continuing undergraduate students (those who started prior to summer of 2020) and graduate students will see existing, administratively controlled mandatory fees increase by 2.99% for FY22. This is in line with the institution's commitment to lock in fee increases for continuing undergraduates at 3% or less. The incoming cohort will have a fee increase of 3.76% compared to the previous cohort; the fee rate will be locked in for five years as part of the Guaranteed Tuition Program. Current first-year students will see no increase to mandatory fees.

Incidental Fee: The Incidental Fee (I-Fee) proposal is developed by the ASUO and does not run through the TFAB review process. ASUO leadership will provide a recommendation regarding the Incidental Fee for your review before the Board meeting.

New Proposed Athletics Ticket Fee

The UO Department of Intercollegiate Athletics (Athletics hereafter) is proposing the implementation of a new Athletics Ticket Fee for incoming FY22 students. This proposed fee is the result of the ASUO Senate's decision to reallocate approximately \$1.8 million of Incidental Fee revenue from the Athletics Student Ticket Agreement to other initiatives. The proposed fee is \$29.50 per academic term and would only be charged to new undergraduate and graduate students. The fee would be part of the Guaranteed Tuition Program and would be locked for each cohort of students for five years. It also would not be charged in the summer when athletic events are not regularly occurring. The proposed fee was set at the same rate as the dollars per student that were previously collected by ASUO each term to pay for athletic tickets for students. Because the fee would not be charged to current students, however, it would take four years before Athletics would receive a similar amount of revenue as previously allocated through ASUO for student tickets.

The Athletic Director and Deputy Athletic Director presented the new fee proposal to the TFAB and provided data about other public PAC-12 schools. Information shared showed that nine out of the 10 other public PAC-12 institutions either charge a direct student athletics ticket fee or allocate significant funds to athletics to pay for student athletics tickets out of a student incidental fee. The only exception is the University of Washington, which instead provides \$4.5 million of non-resident tuition waivers to their athletic department each year.

The proposed fee would provide incoming students with complimentary access to most athletics events, and access to a specified number of football and basketball tickets—this arrangement mirrors the previous ASUO-Athletics student ticket agreement (in place since 1987). Going forward, Athletics will work with the Division of Student Life to determine how best to manage access to UO Athletics events for current undergraduate UO students who would not be charged the new fee. TFAB members asked if the funds collected for athletic tickets in FY21 could be used to offset the current student ticket prices.

As the proposed Athletics Ticket Fee is new, the TFAB spent time in two meetings discussing the proposal and potential impacts on the student body. TFAB members discussed the importance of intercollegiate athletics in connecting UO students to each other, prospective students, alumni, and the local community. They also noted that without some sort of fee structure in place, many students would not be able to afford to pay for individual football or basketball tickets and may be less inclined to attend other sporting events without the current level of student access. Further, the TFAB worried that lack of student access may have adverse impacts on the UO's ability to provide new students with a well-rounded, positive student experience and on the success of student-athletes and athletic programs.

Another issue raised during the discussion related to financial aid. The group discussed the fact that without an Athletics Ticket Fee, students would have to pay for tickets to individual athletics events and financial aid could not be used to cover this cost. However, if the Athletics Ticket Fee were part of mandatory fees then students with full tuition and fee scholarships would have the cost of such a

mandatory fee covered by their financial aid. For example, students participating in the PathwayOregon program, which serves low income Oregonians, could have more equitable access to athletics events as the Athletics Ticket Fee would be covered for them.

The TFAB also discussed some of the challenges of implementing the proposed Athletics Ticket Fee at this time. These included the optics of adding a new fee like this during the pandemic and the fact that since the ASUO is investing in other new programs and does not intend to significantly reduce the Incidental Fee next year (the ASUO proposal is to reduce the I-Fee by \$1.75 next year and redirect \$27.75 dollars per student per term into new programs and reserves), the combined cost of the Incidental Fee and the new Athletics Ticket Fee (which would be paying for tickets previously covered with the incidental fee) will increase roughly 10%. Given the various pros and cons of moving forward with this proposed new fee, the TFAB decided to provide you with guidance around the total recommended increase for all tuition and mandatory fees. This enables the TFAB recommendation to include different proposals for resident and non-resident tuition rate increases, depending upon whether you decide to move forward with the Athletics Ticket Fee.

Clark Honors College Differential Tuition and Matriculation Fee

The differential tuition paid by Clark Honors College students and the matriculation fee paid by all new students are traditionally increased at the same rate as the increase to undergraduate resident tuition. We are recommending that the institution continue this practice. It should be noted that the Honors College differential tuition is part of the guaranteed tuition program and the rate charged to the entering cohort of students will be locked for five years. Please also note that students only pay the matriculation fee once, in their first term.

Other Costs of Education Reviewed

The TFAB reviewed major changes to proposed course fees, as well as projections on housing costs for FY22. The group discussed some specific course fees where questions arose; this feedback will be incorporated into the Special Fees, Fines, and Penalties process for consideration.

University Housing presented to the TFAB the proposed room and board rates, including a summary of percentage increases, for FY22. Housing rate increases vary by room type and meal plan, but the overall average increase is about 3.5%, which is lower than last year's increase. Discussions by the TFAB focused on financing for new buildings as well as the work being done to support residence hall students during COVID-19 while helping them safely build community, excel academically, and have success in progress towards degree completion. TFAB members discussed the housing proposal and were generally supportive of the increase, particularly considering the efforts to continue to keep housing rates low compared to other Pac-12 schools.

Tuition and Fee Policy Book

The TFAB reviewed draft proposed changes to the Tuition and Fee Policy Book and had an opportunity to provide suggested edits and comments.

2021-22 Academic Year Graduate Tuition Increase Proposals

2021-22 ACADEMIC YEAR GRADUATE TUITION INCREASE PROPOSALS			
<i>Note: All rates are expressed according to the academic year.</i>			
	ACADEMIC YEAR		
	2020-21	2021-22	Tuition
	Tuition	Tuition	Pct
			Increase
GRADUATE (annual tuition at the plateau rate)			
COLLEGE OF DESIGN			
<i>Architecture & Interior Architecture</i>			
Resident	23,334.00	23,685.00	1.5%
Nonresident	33,984.00	34,551.00	1.7%
<i>Landscape Architecture</i>			
Resident	18,735.00	19,086.00	1.9%
Nonresident	29,985.00	30,552.00	1.9%
<i>Historic Preservation</i>			
Resident	17,586.00	17,937.00	2.0%
Nonresident	28,986.00	29,553.00	2.0%
<i>Art</i>			
Resident	17,241.00	17,403.00	0.9%
Nonresident	18,861.00	19,023.00	0.9%
<i>Sports Product Design¹</i>			
Resident	35,016.00	35,313.00	0.8%
Nonresident	35,016.00	35,313.00	0.8%
<i>Planning, Public Policy, & Management</i>			
Resident	18,210.00	18,561.00	1.9%
Nonresident	28,770.00	29,337.00	2.0%
<i>History of Art and Architecture</i>			
Resident	17,022.00	17,346.00	1.9%
Nonresident	26,904.00	27,417.00	1.9%
COLLEGE OF ARTS AND SCIENCES			
<i>MA/PhD</i>			
Resident	15,417.00	15,714.00	1.9%
Nonresident	27,621.00	28,161.00	2.0%
<i>CAS Electrochemistry Masters Internship (EMIP)</i>			
Resident	15,012.00	15,255.00	1.6%
Nonresident	15,012.00	15,255.00	1.6%
<i>Online MS Program in Psychology⁶</i>			
Resident	14,958.00	14,958.00	0.0%
Nonresident	14,958.00	14,958.00	0.0%
COLLEGE OF EDUCATION			
<i>Base</i>			
Resident	18,729.00	19,107.00	2.0%
Nonresident	26,856.00	27,423.00	2.1%
<i>Supervision</i>			
Resident	20,190.00	20,595.00	2.0%
Nonresident	28,317.00	28,911.00	2.1%
<i>Clinical</i>			
Resident	21,993.00	22,452.00	2.1%
Nonresident	30,039.00	30,660.00	2.1%
<i>DEd</i>			
Resident	18,729.00	19,107.00	2.0%
Nonresident	26,856.00	27,423.00	2.1%
SCHOOL OF JOURNALISM AND COMMUNICATION			
<i>MA/PhD</i>			
Resident	16,011.00	16,416.00	2.5%
Nonresident	25,164.00	25,785.00	2.5%
<i>Strategic Communication</i>			
Resident	17,739.00	18,171.00	2.4%
Nonresident	24,435.00	25,056.00	2.5%
<i>Multimedia</i>			
Resident	17,739.00	18,279.00	3.0%
Nonresident	24,435.00	25,164.00	3.0%

SCHOOL OF JOURNALISM AND COMMUNICATION (cont.)			
<i>Advertising and Brand Management</i>			
Resident	16,011.00	16,416.00	2.5%
Nonresident	25,164.00	25,785.00	2.5%
SCHOOL OF LAW			
<i>JD</i>			
Resident	38,088.00	39,618.00	4.0%
Nonresident	47,952.00	49,878.00	4.0%
<i>LLM</i>			
Resident	46,458.00	48,312.00	4.0%
Nonresident	46,458.00	48,312.00	4.0%
<i>CRES</i>			
Resident	22,653.00	23,571.00	4.1%
Nonresident	30,618.00	31,833.00	4.0%
COLLEGE OF BUSINESS			
<i>PhD</i>			
Resident	14,364.00	14,364.00	0.0%
Nonresident	24,057.00	24,057.00	0.0%
<i>MBA</i>			
Resident	29,235.00	30,498.00	4.3%
Nonresident	40,461.00	42,498.00	5.0%
<i>Accounting</i>			
Resident	19,917.00	19,917.00	0.0%
Nonresident	27,627.00	27,627.00	0.0%
<i>Finance²</i>			
Resident	24,840.00	24,840.00	0.0%
Nonresident	32,565.00	32,565.00	0.0%
<i>Oregon Executive MBA³</i>			
Resident	40,500.00	40,500.00	0.0%
Nonresident	40,500.00	40,500.00	0.0%
<i>Sports Product Management (Face-to-Face)⁴</i>			
Resident	46,800.00	46,800.00	0.0%
Nonresident	46,800.00	46,800.00	0.0%
<i>Sports Product Management (Online)⁴</i>			
Resident	33,426.00	33,426.00	0.0%
Nonresident	33,426.00	33,426.00	0.0%
SCHOOL OF MUSIC AND DANCE			
<i>MA/PhD</i>			
Resident	15,024.00	15,024.00	0.0%
Nonresident	24,198.00	24,807.00	2.5%
KNIGHT CAMPUS			
<i>Industrial Internship Program⁵</i>			
Resident	20,340.00	20,700.00	1.8%
Nonresident	20,340.00	20,700.00	1.8%
<i>Bioengineering</i>			
Resident	NEW	15,876.00	-na-
Nonresident		28,458.00	-na-

Notes:

- (1) Students in Sports Product Design pay Portland-based fees.
- (2) The cost reported in the table for the Master's in Finance is for three terms of a four-term program.
- (3) The cost reported in the table for the Executive MBA is for three terms of a six-term program.
Students in the program pay Portland-based fees.
- (4) The cost reported in the table for the SPM (Face-to-Face) is for three terms of a five-term program and SPM (Online) is for three terms of a seven-term program.
Students in the SPM (Face-to-face) program pay Portland-based fees and SPM (Online) pay the Off-campus fee.
- (5) Costs calculated at 12 credit hours. IIP students pay Eugene campus fees when they are enrolled on the Eugene campus and the Off-campus fee when they are enrolled off-site.
- (6) Last year, when CAS submitted rates for the new Online Psychology program, rates for regular CAS programs were inadvertently used instead. The new proposal includes a rate that is lower than the CAS rate and will begin Spring 2021.

Source: UO Office of Institutional Research.

Members of the 2020–21 Tuition and Fee Advisory Board

Melynn Bates	Associate Dean of Finance and Operations, School of Music and Dance
Isaiah Boyd	ASUO President; undergraduate student
Jim Brooks	Associate Vice President for Student Services and Enrollment Management, and Director, Student Financial Aid and Scholarships
Robin Clement	Director of the Master of Accounting Program and Senate Budget Committee member
Lara Grant	Accounts Receivable Fiscal Coordinator
Patricia Hersh	Professor of Mathematics
Stuart Laing	Director of Budget and Resource Planning (BRP)
Kevin Marbury	Vice President for Student Life; Co-Chair
Jamie Moffitt	Vice President for Finance and Administration & CFO; Co-Chair
Juan-Carlos Molleda	Dean and Professor, School of Journalism and Communication
JP Monroe	Director of Institutional Research
Doneka Scott	Vice Provost for Undergraduate Education and Student Success
Aidan Short	Doctoral student
Conrad Sproul	ASUO Finance Director; undergraduate student
Kathie Stanley	Associate Vice President and Chief of Staff, Division of Student Life
Edna Ventura	Undergraduate student
Whitney Warth	Undergraduate student and Vice-Chair of the SRC Student Advisory Board
Harry Wonham	Divisional Dean of Humanities
Janet Woodruff-Borden	Executive Vice Provost for Academic Affairs

Guests at the TFAB meetings October 2020–February 2021

Leo Baudhuin	Reporter, <i>Daily Emerald</i>
Debra Beck	Assistant Vice President for Student Services and Enrollment Management, and Executive Director, University Health Services
Connie Brady	Associate Dean of Finance and Administration, Lundquist College of Business
Marcilynn Burke	Dean, Dave Frohnmayer Chair in Leadership & Law, School of Law
Connor Burton	Undergraduate student
Keith Frazee	Assistant Vice President and Chief of Staff, Student Services and Enrollment Management
Michael Griffel	Assistant Vice President for Student Services and Enrollment Management, and Director, University Housing
Bill Harbaugh	Professor, Economics
Reina Harwood	Reporter, <i>Daily Emerald</i>
Saul Hubbard	Media Relations and Communications Manager
Kay Jarvis	Director of Public Affairs and Issues Management
Zack Johnson	Graduate student
Andy Karduna	Associate Dean, Graduate School
Nick Keough	ASUO Senator
Rocco Luiere	Assistant Vice Provost for Budget and Strategy
Joanna Mann	Reporter, <i>Daily Emerald</i>
Ella Meloy	Undergraduate student
Jessie Minton	Vice Provost and Chief Information Officer
Rob Mullens	Director of Intercollegiate Athletics
Lynn Nester	Director, Physical Education and Recreation
Sarah Nutter	Edward Maletis Dean, Lundquist College of Business
Hayley Porter	Graduate student
Eric Roedl	Deputy Athletic Director
Greg Stripp	Chief of Staff and Senior Advisor to the President
Donna Sutton Chittenden	Program Manager and Fee Book Administrator, BRP
Ray Sykes	Associate Dean for Finance and Operations, School of Law
Roger Thompson	Vice President for Student Services and Enrollment Management
Kate Tobin	Undergraduate student
Quynh-Chi Tran	ASUO Senate representative for music, art, and public policy
Jenna Travers	ASUO Athletics and Contracts Finance Committee Senator
Angela Wilhelms	University Secretary and Advisor to the President
Timothy Withrow	Undergraduate student
Laurie Woodward	Director, Erb Memorial Union (EMU)