

To: Michael Schill, President
From: ASUO Executive
Date: May 10, 2019
Re: Minority Report Memo regarding the FY2019 Tuition and Fee Advisory Board (TFAB) recommended Resident Undergraduate Tuition Rates

This minority report memo will provide the ASUO Executive perspective on the FY2019 tuition-setting process, based on the participation of Maria Gallegos-Chacón (ASUO President), Imani Dorsey (ASUO Internal Vice President), and Odalis Aguilar-Aguilar (ASUO State Affairs Commissioner) as official members of the Tuition and Fee Advisory Board (TFAB), in collaboration with other members of our executive cabinet whom attended TFAB meetings over the course of the process. Additionally, this memo will provide our suggestions regarding the resident undergraduate tuition rate contextualized with our analysis of the University of Oregon budget structure, as a whole.

Participation on TFAB

The makeup and function of this FY2019 TFAB began in accordance with the requirements of HB 4141. In regards to ASUO representation, we can confidently say these implemented changes have improved the operation of the advisory board in pursuit of better student inclusion in the tuition-setting process. Although, it should be noted that the students ASUO was not responsible for appointing were not fully present; Tova Kruss and Aimée Marquez were the two members who did attend every meeting. The graduate student and the other undergraduate student did not attend regularly, but occasionally, ASUO members brought an additional student, which made up for absences in student representation. We encourage incoming ASUO leadership, TFAB co-chairs, and Debbie Sharp to continue to partner to build on the progress TFAB has made to be more accessible to the general campus population. Additionally, we are disappointed with the lack of advocacy on behalf of co-chair and VP Marbury in which he represents student life but seldom advocated for students, despite attempts President Gallegos-Chacón has made requesting his aide. It is critical that students are not the only ones advocating for students.

Legislative Budget Advocacy

ASUO officials have been in Salem multiple times a week, in partnership with the Libby Batlan, Hans Bernard, and other UO representatives, advocating that \$120 million be allocated to the PUSF. We brought updated knowledge from the legislature to the TFAB to get a better sense of the funding levels the UO would receive, in order to provide the TFAB with more certainty on how this could affect the budget hole. At this moment, it appears that the most likely funding scenarios for the PUSF will fall somewhere between \$60 million, with the UO receiving an

additional \$2 million, and \$80 million, with the UO receiving an additional \$3.9 million. We are doing our best to continue advocating for funds until the session is over.

Perspective on Budget and Actions Taken to Address the Budget

Recognizing the \$34.2 million E & G budget shortfall, we recommended the University make cuts and move money around to alleviate the burden students would take on through paying an increasing cost of education and ensure that money is most effectively spent in accordance with the purpose of a university, which is to provide a quality post-secondary education. We are most concerned about those students most susceptible to tuition increases, meaning low-income, Pell-eligible and non-Pell eligible students, first-generation, and students of marginalized backgrounds.

In response, the University is proposing \$11.6 million in strategic cuts, claiming to protect student success, affordability, campus safety, and revenue-generating areas of campus. As a result, we are seeing the financial well-being of our unionized workers on campus be threatened, despite the disproportionate amount of work they provide in comparison to their benefits and wages to keep this institution operating. The Labor and Education Research Center, the Jordan Schnitzer Museum of Art, the Oregon Bach Festival, demonstrate the devaluation of unions and the arts by this university. We cannot support cuts that hurt the learning environment. For example, this means protecting GEs and the critical work they do directly with students whether it be teaching, grading, or enriching the community with their research.

We are highly concerned about the incongruence between the seemingly, highly-sensitive and unprotected E&G side of the budget compared to the, as described, “untouchable Other Funds” side of the budget, comprised of Grants and Contracts Revenue, Auxiliary Revenue, Student Center Revenue, Designated Operations Revenue, and Restricted Gifts. We understand this side of the budget is majority self-sustaining, contains money from non-tuition funded outside sources, and are protected by various legal contracts, but the priorities of this side are, in our opinion, targeted more towards providing a lavish experience at the UO, which is significantly less important than providing a quality, secure, and sound education. The claim that these construction projects and gifts from donors are integral to investing in this long-term financial well-being of the university in the face of disinvestment from the state, is relying on the status quo notion that increasing enrollment and growing campus will fix these budget problems. As we have seen with enrollment, it is constantly in flux and has hurt the university immensely. The campus is beautiful and we provide an illustrious non-educational experience, but students are not coming because it is too expensive in comparison to the quality. The strategy of investing, growing campus, and accepting frivolous gifts is not the concern of students today who risk being priced out.

It is not on student's backs to fix an unbalanced budget. ASUO groups are held accountable to every penny they spend and are vigilant when it comes to being fiscally responsible. We find it hard to believe the University is consistently in a deficit and instead of looking for transformative, creative, and sustainable budget solutions, we continue to raise tuition and cut employees as our only solution. We expect more from our university, and this fiscal irresponsibility has hurt us this legislative session in which legislators have been aware for years that UO has an issue with overspending as a result of poor priorities. Further, last year, there was a transfer of approximately \$14 million from the E&G budget to Plant Funds on the "Other Funds" side of the budget. We recognize this is under the discretion of departments to work on capital projects they see necessary and we do not completely disagree with this. The point is, if money is able to move, and in these amounts, we believe it is imperative to explore options for flowing money from the "Other Funds" to E&G, especially in financial conditions as dire as these in an effort to bring our focus back to providing an affordable, accessible, and quality education as the number one priority.

Financial Aid

We are in agreement with the suggestion from TFAB to allocate tuition to financial aid, and it should be noted that ASUO leadership have been pushing this kind of idea from the beginning.

From the FY2019 TFAB Undergraduate Resident Tuition Recommendation:

"The advisory group also recommends that the university set aside additional scholarship funds, beyond what is normally budgeted, to support low-income resident students not covered by the PathwayOregon program. The figures in the chart below assume that in addition to the normal 10% of tuition revenue that is set aside for fee remissions, that an additional 10% of net tuition revenue from the resident tuition increase will be set aside to help students according to needs-based criteria. In total we are recommending that 20% of tuition revenue is allocated for students who are likely most vulnerable to tuition hikes. These funds could be used in a number of different ways to support students who are not eligible for PathwayOregon but who have significant income needs (e.g., fully offset the proposed tuition increase, partially offset the proposed tuition increase, focus on keeping the impact of the tuition increase below 5%, creation of a new emergency fund, etc.). The group discussed the fact that creating additional support funds (whether scholarship or emergency funds) would impact the budget and could result in a slightly higher tuition increase. It was noted that many other schools provide much greater levels of scholarship support than the UO and that these fee remissions are often funded with a higher tuition rate (i.e., high tuition/high aid model). It is important to note that all students in the PathwayOregon program (2,360 low income resident students in FY19) who remain eligible for the program will continue to have all tuition and fees fully covered by the university and will not be directly impacted by this tuition increase."

In this meeting members also discussed that these funds should be consulted with student leadership from ASUO to get a sense of how the student body would be best served with this model of increased financial aid.

There is no doubt that the tuition setting process is difficult and that this year has had many challenges. With that being said, ASUO has found the suggestion of an 11.06% in state tuition

increase to be unfair and irrefutable towards students. Far too long students have had to carry the burden of funding public universities across the United States, and this burden is resulting in homelessness, hunger, and students being priced out or all together left out of a chance at a better life. It is the duty of the ASUO to protect and advocate for students which is why we have submitted this minority report today. Throughout the tuition setting process we have been left with several unanswered questions, namely; why some budgets are deemed as “untouchable” and therefore non transferable (athletics, housing, etc.) when other public universities use transfers to fill holes in times of deficit. The reliance on students and enrollment projections has proven time and again to be an irresponsible tactic. We encourage President Schill and the Board of Trustees to seriously consider putting in the extra work to restructure this budget to reflect this true priorities of the University of Oregon and ensure students are protected in pursuit of their education. Students are highly critical of these budget issues, but we also have many creative ideas for how to fix it. Listen to us. It may be strenuous to shift from the status quo, but it will be well worth it.