

Tuition and Fee Advisory Board of the University of Oregon
Meeting Summary | January 30, 2019

The 2018–2019 Tuition and Fee Advisory Board (TFAB) of the University of Oregon met in the Johnson Hall Conference Room on the UO’s Eugene campus at 8:30am on January 30, 2019. Below is a summary of the meeting.

Attending: Odalis Aguilar (guest), Erica Daley, Zack Demars (guest), Imani Dorsey, Lizzy Elkins (guest), Maria Alejandra Gallegos-Chacón, Emily Halnon (guest), Tova Kruss, Stuart Laing, Kevin Marbury (co-chair), Aimée Marquez, Jamie Moffitt (co-chair), JP Monroe, Chris Murray, Sarah Nutter, Tan Perkins (guest), Philip Scher, Kathie Stanley, Janet Woodruff-Borden

Staff: Debbie Sharp (Office of the VPFA)

Welcome and introductions. Co-chair Jamie Moffitt, vice president of finance and administration and CFO welcomed the group and invited all participants to introduce themselves.

Undergraduate Tuition. Moffitt provided an overview of the meeting plan, which focused on examining various scenarios to help the group come up with recommendations for non-resident undergraduate tuition. She also noted the tight timeline for the coming week: the draft memo should go out from the co-chairs to TFAB on Friday night or Saturday morning; suggested edits should be submitted by midday on Monday; the next draft will go out on Monday night and any other comments should be submitted to co-chairs on Tuesday. Moffitt explained that ideally the memo should go to the president on Wednesday, giving Communications enough time to circulate the memo and notify campus of the President’s Tuition Forum.

Kevin Marbury, vice president for student life, noted that the President’s Tuition Forum is scheduled for 6pm on Monday, February 11 in the Redwood Auditorium and is an opportunity for the president to receive feedback on the TFAB memo before he makes his tuition recommendations to campus and to the Board. Moffitt explained that the president’s recommendations will go online later that week, allowing campus time to give feedback before the president makes his final decision on recommendations to the Board of Trustees (BOT). She noted that the BOT meets on March 4th and 5th, during which the president’s recommendations on tuition will be reviewed. When asked how closely the President and Board tend to follow TFAB’s recommendations, Moffitt shared that the TFAB recommendations are usually followed quite closely. However, she emphasized that TFAB’s recommendations are advisory to the president and the president’s recommendations are advisory to the board; the president and the board each have the authority to consider relevant advice and feedback and are not required to approve the recommendations that they are given.

Returning to the topic of TFAB’s memo to the president, Moffitt noted that TFAB co-chairs will do their best to incorporate the suggested edits of TFAB members into the memo. She shared that there is also the option for any TFAB members to submit a second memo to the president if they’d like to express their views directly.

Tan Perkins, chief of staff of the ASUO, provided an overview of the ASUO process to set the Incidental fee (I-Fee), which covers the cost of running the student government and also provides support to student groups who submit budget requests. Tan noted that the ASUO is looking at an operating deficit this year and therefore anticipates using the student reserve to ensure the I-Fee increase is under 5%.

Examining tuition scenarios. Before looking at specific tuition scenarios, Moffitt explained how the tuition calculator works, with the anticipated cost drivers and current budget shortfall accounted for, and allowing for various scenarios based on different assumptions regarding potential growth and state appropriations, and resident and non-resident tuition. She also noted that the model assumes that the student population is stable, whereas it has been decreasing in the last few years. Moffitt explained that in most years there has been a remaining gap that needs to be covered through increases in other revenue and/or cost cutting. When asked, Moffitt explained that in the past, TFAB members often ended up with figures that resulted in a gap range of \$3 - \$6 million but generally not higher than that. TFAB members discussed the likelihood of whether the full investment budget would be implemented and all of the things that would need to occur for this to be possible (e.g., more revenue identified, higher education included in the investment budget, etc.). Moffitt reiterated that there is a great deal of uncertainty this Spring related to the institution’s budget. TFAB members discussed the fact that UO non-resident undergraduate tuition is currently priced on par with other schools and raising it too much could affect enrollment.

TFAB members discussed various scenarios, as summarized below, all assuming a \$5.6 million current year E&G fund deficit.

Existing FY2019 E&G Fund Budget Deficit	FY2020 Projected Cost Drivers	FY2020 Change in State Appropriation	Incremental Funding – Growth Initiative	Resident Tuition Rate Increase	Non-Resident Tuition Rate Increase	Remaining Gap (to be covered by cost cutting and other revenue)
\$5.6 million	\$24.1 million	(\$2.7 million)	\$0	0.0% (\$0 per credit)	0.0% (\$0 per credit)	\$32.4 million
\$5.6 million	\$24.1 million	(\$2.7 million)	\$0	4.15% (\$9 per credit)	2.97% (\$22 per credit)	\$21.9 million
\$5.6 million	\$24.1 million	\$3.7 million	\$5.0 million	4.15% (\$9 per credit)	2.02% (\$15 per credit)	\$12.8 million
\$5.6 million	\$24.1 million	\$8.0 million	\$5.0 million	4.15% (\$9 per credit)	2.02% (\$15 per credit)	\$8.5 million
\$5.6 million	\$24.1 million	\$3.0 million	\$5.0 million	5.07% (\$11 per credit)	3.51% (\$26 per credit)	\$9.1 million
\$5.6million	\$2.4 million	\$3.7 million	\$5.0 million	0.0% (\$0 per credit)	2.02% (\$15 per credit)	\$15.9 million

TFAB members discussed a number of issues, including the increase in applications, the possibility of reducing tuition and trying to make up the resulting very large budget deficit with more students, how long the UO could run a deficit if the funding gap were not closed, and options for cutting costs. Other factors discussed include the impact of the Knight Campus, the use of the application fee by Enrollment Management, the impact of recent administrative cost-cutting measures, the importance of preserving the educational mission of the UO, and the value of offering recurring scholarships to ensure students and parents have cost predictability. TFAB members also discussed the fact that the large size of the funding gap means that tuition alone cannot be expected to cover it all, and that cost cutting measures can also not possibly make up the entire difference without seriously affecting programs offered at the UO.

Members spent a lot of time considering the perspectives of resident and non-resident students adversely impacted by increasing costs in higher education. This was discussed in relation to cost and educational quality comparisons with AAU public and Pac-12 schools, and the potential for students being priced out of school in the middle of their educational journey. Some participants encouraged TFAB not to raise non-resident tuition by more than 3%. The perspectives of vulnerable in-state students were also discussed, including the importance of finding more scholarships for juniors and seniors to help with retention rates.

Adjournment. The meeting adjourned at 9:57am.