

Tuition Advisory Council
Monday, March 11th, 2019

Council Members (✓ indicates the member was present)

- ✓ Lee Ayers – Administrator
- Caroline Cabral – Student
- ✓ Leslie Eldridge – Faculty Member
- Dakota Gonzales – Student
- Betsy Leclair – Student
- Johanna Pardo – Student
- ✓ Dennis Slattery – Faculty Member
- ✓ Susan Walsh – (Chair) Provost and Vice President for Academic Affairs

Guests Present

Josh Lovern, Deborah Jones, Greg Perkinson, Neil Woolf, Matt Stillman.

The meeting started at 1:33pm.

Meeting Minutes

Walsh discussed the Council's meeting minutes and the level of detail expected. She noted that the similar bodies at other universities don't provide the same level of detail and said that we are trying to strike a balance between faithfully capturing the Council's discussions and not making Council members feel reluctant to speak frankly because their words will be recorded. Perkinson said he has also had a discussion with President Schott on this topic. He said she suggested that it might be best to continue capturing the discussion, but with slightly less detail and less attribution. Walsh said she would encourage all Council members to read the minutes and be mindful of how things might be construed. Slattery said it is worthwhile to remember that this is an advisory body, not a policy-making body, so it makes more sense in this case that we might not need as much attribution.

[Walsh checked and a quorum was not present, so there was no vote on the minutes from the previous meeting.]

Salem Visit Update

Perkinson said that he, President Schott, and Jeanne Stallman recently met with a number of legislators in Salem, several of whom are affiliated with the Ways and Means Committee and its Education subcommittee. He said they also spoke with the Speaker of the House. In summary, Perkinson said the main message we wanted to convey is that we're transparent and we're accountable. He said this was a response to feedback we've heard from the legislature, and this message was generally well-received. He said that different legislators had different

perspectives. One spoke about the importance of data literacy, another said there's a "weird vibe" going on around the universities. Walsh said nationally, there seems to be a question around the need for college degrees, the value of the "ivory tower," etc. She said there's a whole conversation about why legislators, not just in Oregon but around the country, have negative views about higher education.

Discussing the meetings with legislators, Perkinson said that several had very positive things to say about the recent creation of the Southern Oregon Higher Education Consortium (SOHEC), the agreement between SOU, OIT, RCC, and KCC to foster additional collaboration among themselves and improve transfer processes. Others responded well to information about SOU's efforts to cut costs where possible.

The Council continued to discuss the meetings with legislators. Some legislators seemed not to have a very clear understanding of the current funding model. There was also a confusing message to the effect that institutions can't just keep doing what they're doing, when as a regional university SOU is doing exactly what it is supposed to be doing. It was suggested that some people may not realize how differently Community Colleges and Universities are funded, and this might be an opportunity to educate people upstate about the model. Others said this process isn't about not being informed, but about setting budget priorities. The legislature is looking for ways to fund some things less so they can fund others more. It can seem that legislators want to feel better about the fact that they're not funding higher education or that they're funding other things, so they turn it around on the universities by saying that we're not doing enough around transferability or other things. The Council agreed that one important way to address that is to make sure people hear from the students and hear about student debt.

ENROLLMENT UPDATE

Woolf provided an enrollment update. He said we are currently 29 weeks out from fall 2019. There was a preview event over the weekend, and we saw a little spike in enrollment. He said we don't usually see big spikes from those. He said the number of confirmed students looks good at this time, and we have good number of completed applications as well. He said it's likely that we're ahead in admitted students and confirmed students because we have a more serious pool to start with. He said one of the big things we'll be able to look at in the relatively near future will be continuing student enrollment.

Stillman said Woolf challenged him to think about why we start fall preregistration so late in the term. Stillman said after looking into it we've decided to open up fall preregistration a week earlier than previously planned. He said we may try to move it an additional week earlier next spring. Having fall preregistration start earlier gives us more time to catch students before they start getting away for the summer. We don't want it to be too early because then students and faculty advisors aren't ready. Woolf said we could also look at doing new student registration earlier.

PRO FORMA

Perkinson discussed the pro forma. He said an ending fund balance at least above 5% above operating revenue might be a reasonable goal. [Lovern entered a 13% tuition increase into the pro forma for undergraduate and graduate students. The result was an ending fund balance of 5.2% of operating revenue].

Perkinson recommended playing with the idea of splitting a tuition increase over 2 years, for example something like 8% one year and 7% the next, rather than 13% and then 5%. [With 8% one year and 7% the next, the ending fund balance was between 2% and 3% of operating revenue. With a 9% increase one year and 9% the next the ending fund balance was 3.2%.] Slattery said we would need to decrease enrollment in our projections if we raise tuition. Walsh said that when you look at a graph of enrollment in the last 10 years it's a sine wave with pretty regular ups and downs. Slattery said though we may not have noticed an enrollment decrease immediately after raising tuition considerably in the recent past, there may be a lag. He said if we were to raise tuition by 12% two years in a row he doesn't know how we wouldn't see an enrollment decrease. Perkinson said that the comparators matter. If you look at all 7 public universities in the state, our tuition raise didn't have that big of a negative effect. Slattery said he would caution against using that as a bible. If tuition goes up everywhere, fewer students total might choose to go to college. Stillman said he is worried about WUE student enrollment. Colleges in California aren't sounding like they will go up as much as us.

Perkinson said one lever we haven't discussed much here is cost-cutting. For example, we've cut about \$500K in costs by holding positions unfilled. This is not huge, but it makes a difference, and it's just one example. Other schools are all talking about significant cost reductions, but we've already made considerable cuts as part of our recent retrenchments. This was something we communicated in some of our meetings in Salem. Walsh clarified that when Perkinson discussed holding positions unfilled, our enrollment was down, so we didn't need as many term by term instructors, for example. She also said that it's important to look at dollars when we talk about tuition increases because we can get bogged down when talking in percentages. It doesn't make it any better to think about it that way, but it puts it into a different perspective. She said percentages are important, but there is an equally important conversation to be had around dollars.

Perkinson discussed the total cost increase for students for 4 years. Woolf said the average debt of our graduates is \$22K. Slattery said that's only student debt according to the loans they receive through educational channels. He said many students are also coming out with other debt, including credit cards, car loans, and so on. Walsh said Woolf's number is the one that rolls up to where we report. Slattery said he understands, but real debt is often considerably higher.

Slattery said it sounds like there are a series of policy decisions that almost need to be made before the Council can make its decision. For example, is an ending fund balance of 5% of operating revenue going to be supported. Perkinson said he would think of 5% as the floor.

The Board has discussed with President Schott something in the range of 8%-10% as the softer goal. Walsh said she thinks the Council should consider making more than one recommendation. Slattery said it sounds like having a small, medium, large approach might be good. Walsh said the Council can give several recommendations and provide the reasons for each.

The meeting ended at 2:37pm.