

Tuition Advisory Council
Monday, February 24, 2020

Council Members (✓ indicates the member was present)

Stephen Battaglia – Student

- ✓ Katie Carr – Student
- ✓ Leslie Eldridge – Faculty Member
- ✓ Sarah Guenther – Student
- ✓ Johanna Pardo – Student
- ✓ Dennis Slattery – Faculty Member
- ✓ Matt Stillman – Administrator
- ✓ Susan Walsh – (Chair) Provost and Vice President for Academic Affairs

Guests Present

Josh Lovern, Greg Perkinson, Neil Woolf

The meeting was called to order at 1:32pm.

Walsh noted some minor adjustments to the February 17 Tuition Advisory Council (TAC) minutes provided by Perkinson, highlighted in yellow. She requested approval of the minutes as amended or any further changes. Slattery moved to approve as amended; Pardo seconded. The minutes were approved.

Walsh said Lovern's presentation on tuition and mandatory fees for academic year 2020-21, which he began on February 17, would be continued. He asked if there were any questions from the last discussion; no questions were voiced.

Lovern talked about SOU's budget and said revenues included state allocations, tuition revenues and fees while expenses included personnel, other personal expenses (OPE – retirement and core benefits) and supplies and services (S&S).

The first S&S expense highlighted for discussion was travel, which was growing above the CPI and had served as a downward pressure on SOU for years. Travel and lodging expenses were incurred campus-wide, including for faculty development and other segments. Walsh said that in order to get promoted and receive tenure as a professor, faculty were required to advance themselves in various ways, including attending workshops and trainings (professional development). It was important for faculty to reach out and take part in those types of activities as they were essential for excellent academic performance and tenure-track promotions. On the administrative side, Lovern said it was also important to attend conferences to stay current on technologies and other work-related topics. Walsh noted that unfunded mandates from the legislature also required staff and faculty to attend meetings in Salem, with all associated costs supported solely by SOU.

Lovern talked about IT expenses, which he said had dramatically increased over the years. Lovern said CIO Battaglia was doing an incredible job of reining in expenses but there were still unavoidable must-pay costs. Slattery asked if the high cost of technology improvements had resulted in any technological efficiencies. Perkinson said Battaglia had reduced costs as much as possible but he was not aware of any gain in efficiencies. Pardo asked if computer system upgrades were still needed regularly. Perkinson said yes, computers were on a leasing system and cycled through for upgrades on a regular basis. Sometimes costs came down as technology improved but not always. Pardo asked if Chromebook computers could be considered for staff and faculty, as they were a little cheaper. Walsh said research would not be possible using those devices; only basic computer work could be handled on Chromebook computers.

Lovern moved on to infrastructure costs, which included replacing boilers and other deferred maintenance for buildings and machinery. He said those expenses kept going up as well. With regard to University Housing, he said the cost for replacing roofs had tripled over the past five years.

The next item discussed were contracts. When up for renewal, they often increased in cost. The last item discussed was fuel, including electricity and natural gas, which were also rising steadily. Perkinson noted that the cost of natural gas and electricity increased in FY 19-20 by over \$400,000.

Lovern said the largest expenses for SOU were employee salaries and OPE. Perkinson said our liability with regard to PERS continued to increase, year over year.

Lovern moved on to expenses related to salary steps and COLAs or cost-of-living-adjustments. Then, wrapping back to PERS, Lovern showed a chart of the progression of PERS costs over the past ten years. He talked about PEBB, the state employee benefits program. Walsh said we have very little choice with regard to our benefits as they are generated at the state level (for example, medical coverage is managed by the Public Employee Benefit Board).

Lovern gave an overview of the TAC makeup and said this council would ultimately make tuition rate recommendations to the President and the President would advise the Governing Board. The Governing Board would then adopt recommendations and forward them to the HECC, with possible approval by the HECC. Any tuition rate recommendations above 5% would necessitate a "stringent review process."

Lovern showed a slide outlining the TAC process and said that once the main part of the process was completed, feedback would be gathered from around campus. Lovern said this was a very deliberate effort on behalf of the TAC, as they needed to produce a deliverable in the form of a recommendation. He said some differential tuition rate proposals or other non-traditional tuition rates could also be considered.

Lovern showed a slide about mandatory enrollment fees, established under ORS 352.102. Woolf said there was a one-time matriculation fee of \$300 for onboarded / new students. Other mandatory fees included a health center fee and a building fee, which included a technology fee. There were also mandatory incidental fees, established under ORS 352.105, which were student-led / processed fees. These included Green Tag fees and a Student Recreation Center fee. He said incidental fees were not the responsibility of the TAC.

Lovern then showed a slide explaining why ending fund balances (EFB) were so important. He said the EFB on the Pro forma was an elastic metric; and its “levers” include changes in tuition, state funding and enrollment growth (recruitment and retention).

Lovern said he regularly reviewed and discussed enrollment projections with Registrar Stillman and the Institutional Research Director, Chris Stanek.

Walsh said both recruitment and retention of students were important. Pardo asked if enrollment was projected to be lower next year; Lovern said that was not known at this time. He talked about creating a weighted moving average, which was more helpful and accurate than the previous model.

Lovern continued to discuss the Pro forma, last shown at the Feb 2020 Board of Trustees meeting. He said the big items for consideration were beginning and ending fund balances. The blue column was approved by the Trustees while the green column showed year-to-date actuals and the estimate to complete the FY. Perkinson said the blue represented the plan and the green represented how we’re doing on implementing the plan. Lovern said the goal for EFB was to get to 8%.

Pardo asked about the Student Success and Completion Model (SSCM) working group process so far. Perkinson responded, stating that they were meeting once a month to whittle away at objectives. General Counsel Jason Catz and Student Body President Britney Sharp were also involved. SOU’s best chance of getting additional funding support would be to increase our regional support in the Mission Differentiation area.

Walsh asked about the deadline for getting the SSCM report out; Perkinson said it was generally expected for completion in mid-April.

Walsh said student Stephen Battaglia would begin attending TAC meetings again next week.

Walsh said enrollment projections would be discussed at the next meeting and IR Director Stanek would be invited to attend.

The meeting was adjourned at 2:28pm.