

Tuition Advisory Council
Friday, February 12, 2021

Council Members (✓ indicates the member was present)

- ✓ Sarah Grulikowski – Student
- ✓ Niko Hatch – Student
- ✓ Leslie Eldridge – Faculty Member

Tara Othman - Student

- ✓ Dennis Slattery – Faculty Member
- ✓ Matt Stillman – Administrator
- ✓ Susan Walsh – (Chair) Provost and Vice President for Academic Affairs
- ✓ Quinn Youngs - Student

Guests Present

Greg Perkinson, Josh Lovern

The meeting started at 9:30am.

Terms and Conditions

Lovern shared a PowerPoint presentation (Part 2_Competitive landscape & Enrollment Projections). He started by explaining some frequently-used acronyms and terms:

- SCH – Student Credit Hours, the basic unit of income for the university; one course is typically 4 SCH
- Headcount – Each student counted once, not based on number of courses/hours taken
- FTE – Fulltime Equivalent per Academic Year (AY) – Takes student headcount and divides it by 45 credits for undergraduate students and 36 credits for graduate students (we also use the acronym FTE when talking about employees: Full-time Employee 1.0 FTE)
- Academic Year (AY) – September to September
- Fiscal Year (FY) – July 1 through June 30
- Fees:
 - Mandatory Enrollment Fees – includes building and health services fees
 - Matriculation Fee – one-time assessment
 - Other Fees
- Tuition Rates:
 - Resident – graduate of Oregon high school
 - WUE – Western Undergraduate Exchange (150% of resident tuition rate)
 - Others

Minutes

Stillman/Grulikowski moved to accept the minutes from the February 5th meeting; the motion passed, 7Y/0N/0A.

The Competitive Landscape

Lovern displayed a slide from 2016 from Ruffalo Noel Levitz, SOU's financial aid leveraging partner, with projections for changes in high school graduation rates. He said Oregon is doing better than we were projected, and the same is true for California. He moved to the next slide and discussed the projected number of high school graduates in the western region. He pointed to the 2025-26 "cliff" and said this projected drop in high school graduates relates to demographics affected by great recession. He highlighted the states where most of SOU's enrollment comes from. He said the good news is we're expecting a slight uptick for a couple years, but the bad news is then we face a cliff around the middle of this decade. He said this gives us time to plan and prepare. Walsh said we have been planning for this trend for several years now, and it's one reason we've been focusing on diversifying our appeal to different student populations like adult learners. Lovern then looked at Oregon specifically and pointed out that the projection is for much steeper growth between 2022 and 25, then it levels off before going down sharply.

Lovern moved to the next slide and discussed SOU's competition in Oregon. He noted that the continuation rate in Oregon is pretty low, then discussed how many high school graduates leave the state to go to college. Around 14,600 students per year stay in Oregon and go on to college, so once the students going to OU, OSU, and PSU—around 5,600—are subtracted, the other 54 institutions are competing for the remaining students—around 9,000 students. Lovern then looked at the number of students enrolling at SOU for the last two years and where they came from. In Academic Year 2020-21, SOU enrolled 311 students from Oregon (down from 352 in AY 2019-20), 137 from California (down from 156 in AY 2019-20), and 27 from Washington (up from 23 in AY 2019-20). Lovern showed the relative percentage change in tuition from the prior academic year for the Oregon Public Universities (OPUs) from 2015-16 through 2020-21.

Historical Analysis and Influence on Projections

Next, Lovern discussed SOU's undergraduate enrollment history, looking at 93 years of 3-term FTE starting in 1926-27. He pointed out the dips in enrollment corresponding to World War II and the Korean War, and the large growth in enrollment between the early 1950s and the early 1970s, attributing much of that growth to the GI bill. He moved to the next slide and discussed SOU's enrollment since 2000-1, which shows a dip before the recession of 2008-09, then an upswing in enrollments lasting until 2012-13 before another decline. He said our enrollment for this year is currently on looking on track to be down by about 13.4%, and we aren't sure what next year is going to look like. Looking at SOU's graduate enrollment, he pointed out that graduate student enrollment has been on an upward trend over last 30 years. He said when the

economy is hot enrollment tends to go down. Looking at Full-time versus Part-time numbers since 2016, he said we've stayed pretty steady, though we would like to have our full-time numbers go up. He noted that part-time numbers are going up, but part-time enrollment doesn't generate as much SCH, so doesn't drive as much revenue.

SCH Projection Modeling for Pro Forma

Before moving on to look at the projection model Lovern said that budgeting is based solely on past performance, which can be like driving while only looking in the rearview mirror, so that's why we have to integrate external environmental variables into our projections. He described how the projection model is put together using data provided by SOU's Institutional Research office. He said this data is rolled up by term and tuition categories, then a fall to fall rate and an attrition factor or 'melt factor' is added. He discussed some of the statistical methods behind the model, which include using a 5-year moving truncated average to make projections for next fall, then basing the melt factor on behavior over the past 5-years and most recent fall-to-fall attrition. He said summer is projected using a linear regression looking at the summer terms of the past 5 years. This data is then rolled up to a full academic year, with summer split over the fiscal year (because the Academic Year and Fiscal Year start at different times), so 2/3 of summer goes to the prior year, while the remaining 1/3 goes to the next year. Lovern pointed out that this standard model currently projects a 13.9% increase in total SCH for FY 22.

Lovern said the methods discussed so far are the 'science,' and we can use levers to add 'art' to the picture, allowing us to modulate our projections. For example, he said that an increase of 13.9%, as projected by the standard model, may not feel right, so we can use levers to change the enrollment projections, tuition rate, and other variables to get to a more accurate projection. He said the levers we change in these models will affect what is displayed in the pro forma to better inform our decision-making.

Lovern said that this is not the only type of modeling we do; there is alternative forecasting done in the Budget office, and other models are put together in the Registrar's office and the office of Institutional Research. He showed one model that uses exponential smoothing to give different confidence intervals and said there are various different ways to adjust modeling. He added that other things that influence our models are captured in the admissions funnel. Stillman said the admissions funnel captures a point in time for fall term enrollment, and it's designed to demonstrate how students are progressing through a funnel toward enrollment, starting with total applications, then completed applications, admits, and confirmed students. Like a funnel getting narrower as it goes down, the numbers get smaller the farther you go. He said we'll discuss more nuances in the future, but as of now it looks like we're pretty sharply down in applications at the moment. He pointed out that at this point last year we were pre-pandemic. He said we saw our normal spike early last year, but haven't seen that spike so far this year. Walsh asked if previews are on about the same schedule this year. Stillman said he's not sure. Walsh said once we start doing previews we start to see a spike in applications. Stillman said one issue we're hearing about is lack of access to students in the high schools, so everything is going more slowly and taking longer. He said on the plus side, we're not too far

behind when it comes to completed applications. It's still early, especially for transfer students, who are a population that tends to come in later. Lovern said these are things we keep an eye on to inform the pro forma.

Lovern discussed what success looks like, including increasing headcount, increasing net revenue, decreasing discount rate, increasing in-state enrollment (which has been hit by the effects of the pandemic and the fires), increasing out-of-state enrollment, and further shaping the class. He said those who would like to download this presentation will find additional slides with more data and different charts.

Institutional Perspective

Walsh said there was a Higher Education Coordinating Commission (HECC) meeting yesterday, which had a large agenda, including quite a bit of focus on what's happening with Free Application for Federal Student Aid (FAFSA), among other things. She said there were a lot of question marks on the ends of people's sentences, including about why students aren't completing the FAFSA. Perkinson said looking at external economic pressures relating to the pandemic and how families are affected, it's not surprising how it's affecting prospective students and creating uncertainty. Stillman said he and his team are hearing from a lot of students that they're waiting to see what the landscape will look like, whether things be in-person or remote, etc. He said students tend to sync up their application process with the financial aid process, so we may see a lot of activity all at the same time at the last minute. Walsh said she's been hearing a lot of push for being in-person in the fall. She said there is also uncertainty around what the new administration in the White House will mean for the financial outlook of higher education; if there's an influx of financial assistance for students, that may change things. Perkinson said he had just read about the administration closing the deal on getting enough vaccines for all adults, so the timeline is looking more promising. Walsh said that timeline is key; there are many variables around that from institutional standpoint.

Student Perspective

Walsh said she is curious about what people are hearing from students. Eldridge said her experience so far is that students are taking it one moment at a time. She said she thinks people are hopeful but not making plans with an assumption that things are going to change. She said she doesn't have as much 1-on-1 interaction with students as she normally would, so it's a small sample size. Walsh said she also doesn't have a lot of face time with students, so a lot of what she hears tends to be data-oriented and abstract. Slattery said he thinks people want to get back to face-to-face but safety is a big concern. He said he's looking forward to doing a class in spring term face-to-face. He added that there are people who are holding off on progressing through some of their courses because they don't want to do them online or remote. He said it's important to give people enough lead time to know when things will be face-to-face.

Hatch said most of what he's heard from students is that their expectation is that fall will be face-to-face. He said one fear he's heard is that if it's not mandatory for students to have been vaccinated some students would be concerned that it's not safe to be in-person. Walsh asked if he is hearing from students that they feel vaccination should be required. Hatch said yes and Grulikowski nodded her agreement. Lovern said that has been mentioned in recent Student Fee Committee meetings as well. Slattery said he hears that a lot, too. Grulikowski agreed that students are concerned about safety and said she's also hearing a lot about burnout. She said a lot of students are missing student-to-student interactions, and other in-person experiences. She said she really thinks there is a significant amount of burnout with online classes and also a lot of insecurity around information about fall term. She said a lot of her peers have a lot of questions, like will professors be expected to monitor students' wearing of masks, what are my protections, what's guaranteed, and so on. She said there's not a lot of set-in-stone info, so students are not committing to anything. She added that perhaps because of the burnout many are not reaching out for info. Eldridge said within faculty meetings when there has been talk about the next academic year she has pushed hard to have a spectrum of options for students; for example, some students now have full-time jobs. She said a new normal is going to be expected because a lot of people have adjusted to new realities. Even if most people are vaccinated by the fall there are people who won't want to show up. Walsh said we're making a huge push to convert many classrooms to remote capability, but it takes time. Slattery said when he goes back in the classroom it'll be hybrid, and he agrees that there will be a new reality, we'll have to work out some of the bugs. Grulikowski added a note in the chat that she thinks that while a lot of students would like to be in person, many don't feel convinced that in-person/hybrid instruction/a re-entry to campus can be done safely. As a result, they're hesitant/unwilling to register.

Hatch said he's also heard that professors have been good about making the transfer from in-person to online courses and being understanding of challenges, but some students are worried that the swing back to in-person classes might be jarring to students, who may find that things are harder. Eldridge agreed with this in the chat, saying that raising the bar again is going to be tough. Lovern said his son is a Computer Science major and on that side of things they're loving it. Some of his peers who may be more introverted are thriving in the current environment, so it's interesting to see how different types of students are affected. Walsh thanked people for sharing what they've been hearing.

Eldridge asked if there's an option for SOU to require vaccination if it's not required by state. Perkinson said the administration has we've looked into that question on the employee side, and the state does not and will not mandate vaccination for employees. He said there is some precedent for requiring a vaccine, with the MMR shot being required of students currently.

Slattery asked if the approach would be that we wouldn't want to deny access if a student doesn't want to get vaccinated perhaps, but we might not allow them to participate in face-to-face class. Walsh said she has no answer to that yet. Slattery said it seems like we could set boundaries for participating in-person. Walsh said there are some universities that are fully face-to-face right now, and that's a good question, but she has no answer at the moment.

Slattery said there are similar restrictions currently in place—buildings are shut down, people can't eat indoors in restaurants, and so on. Hatch said even with the one required vaccination there's no double check, so a student could just lie about having been vaccinated.

The meeting ended at 10:32am.