

Tuition Advisory Council
Friday, March 12th, 2021

Council Members (✓ indicates the member was present)

- ✓ Leslie Eldridge – Faculty Member
 - ✓ Sarah Grulikowski – Student
 - ✓ Niko Hatch – Student
 - ✓ Stasia Maxwell – 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, Neil Woolf, Linda Schott, Kristen Gast

The meeting started at 9:30am.

Minutes

Slattery/Grulikowski moved to approve the minutes from the March 5th meeting; the motion passed, 7Y/0N/0A.

President Schott's Remarks

President Schott thanked the members of the Council and said she knows that the Council does not have an easy task. She thanked the Council on behalf of everyone on campus for their hard work and said she joined today's meeting so she can hear the discussion to get a sense of how the group is thinking. She said she's particularly interested in hearing the perspective of the students and learning what they're hearing from their peers. She said the remote environment we're currently operating in makes communication difficult, so she wants to make sure that we're being as transparent as we would like to be. She said her plan today is just to listen in.

Assumptions Behind Enrollment Projections

Woolf said enrollment projections have been updated. He said things are still developing, but we need to have a planning factor for fall. Because it's a uniquely challenging and weird year, we've looked at what fall term enrollment looks like as a proportion of the previous winter and spring enrollment. Looking at enrollment for the previous fall, as we might usually do, wouldn't include the impacts of COVID. He said spring registration is ongoing but we've looked at winter numbers and taking everything into account we're using a projection of enrollment being down by 3% for the fall of 2021. We'll update that as spring registrations continue and fall

registrations begin. Stillman said we're taking educated guesses at this point. He said we usually model and predict based on history, but that type of modeling is not as useful now as it has been in the past, so we're doing our best to find better ways to predict enrollment. He said our approach is pretty conservative, but we have a pipeline issue. We're hopeful that announcing the pivot back to in-person in the fall may help. Lovern said this is probably model number 7; we looked at student persistence on a single term rate rather than fall to fall, which we believe gives a much more insightful view of where enrollment is going. Woolf said one analogy people use when talking about enrollment is the 'pig' and the 'python.' He said there are 4 'pigs' in this 'python,' and this last year's 'pig' was smaller. He said there's a lot of talk about the hope that students will come back now that we've announced being in-person for the fall; this model doesn't model hope, but it does have room to grow. Walsh said in preparing for a Chairs and Directors meeting with the Provost's office next week, there was discussion about what we can do to incentivize students to enroll. She said faculty have a really important role in that effort, so we'll be working to get faculty, Student Success Coordinators, and others more involved in that push.

Slattery asked if there is a confidence factor associated with the -3% projection. Woolf said in normal years when we look at fall enrollment there is a confidence factor, which can include some different math around smoothing and things like that. He said the challenge now is that on average fall continuing enrollment is usually 1.4% smaller than the previous winter, but we also have to add what new student enrollment will look like, and that's all over the map right now. He added that rug has been pulled out from under the transfer market, so our transfer numbers are expected to be down considerably. For these reasons, we can't really put a confidence factor on our projection. Walsh said people may not know that Rogue Community College was down something like 20% in the fall. President Schott added that it sounds like a large part of RCC's decline was in the students who would be likely to transfer, so that decline is likely to affect us negatively for years. She said we believe part of that decline is related to the fire last fall.

Pro Forma Updates

Lovern displayed the latest version of the budget pro forma. He said it's been updated since February's numbers came in. He showed the sliders that can be changed to reflect different things like SCH projections, tuition changes, Raider Aid, etc., to show how changing them affects the budget. Woolf reminded the Council that Raider Aid is a percentage of tuition revenue set aside for merit- and need-based scholarships for new and returning students. Lovern said remissions show up elsewhere in our accounting as well. He said with the American Recovery Plan signed yesterday, we now have a dollar amount on what we expect to receive from that; it looks like around \$5.4 million will come to the institution. Initial indications are that we'll have clear ideas about how we can use this money. Lovern said this does not include the student portion, which is separate. He said we're still waiting on some rules. Walsh reminded the Council that this is one-time money. Lovern said we are running pretty much to plan on other expenses. He said we have also modeled out what the staff furlough amount will be with furloughs extended through the beginning of September, and we've modeled transfer

adjustments, including transfers to auxiliaries. Walsh asked Lovern to address why we're still waiting to hear about rules for how we can use CRSSA money. Lovern said the Department of Education has given the general guidance that this money can be used for revenue, but they haven't given the specific rules for how this is to be reported to them, so we don't know what expenses we can apply that to yet. He said there are some generalized rules relating to the student portion, but with regard to the institutional portion we don't know. Walsh said this can make it hard to plan. Lovern agreed and said that we're being careful to make sure we follow the rules so we avoid a potential audit on that revenue. Slattery said it feels like some of that money is going to slide forward. If we haven't gotten rules to use it, then we won't use it. Perkinson said this year is different than others; we've had significant losses that have been offset by cuts in costs and stimulus money coming in. He said bringing the total stimulus funding into the Education and General (E&G) fund this fiscal year gives us a really nice fund balance, but it's just one-time money. Slattery asked whether it would make sense to split the new \$5.4 million in stimulus funding over two years. Perkinson said the funds flow as a grant through the feds, and we pull those dollars down from a federal system, so when we can pull them down we will. He said Lovern's comment about the audit trail is worth reiterating because we want to make sure the way we receive those funds passes the audit smell test. He added that the funds expire, so we want to pull them down before they expire. He said the money will stay in the fund balance.

Lovern said the only other thing he wanted to bring to the Council's attention in the updated pro forma is that the tuition change is currently modeled at a 3% increase. Eldridge said there was discussion at last week's meeting about the potential for different rates for returning students and new students. She asked if it's possible to model this in the pro forma. Lovern said he was not able to find a way to do this without significant changes to the model. He said he did look at it but could not find a way to easily model it. Woolf said the different tuition rates conversation is a good one to bring up, but that type of approach tends to only benefit larger institutions who have economies of scale; you need a big body of continuing students to make it feasible. Eldridge mentioned Grulikowski's idea from last week about considering some type of refund or other incentive for returning students and asked if that's also difficult to model. Lovern said he could probably do that a little bit more easily. Walsh said for the sake of moving the conversation forward we can put a pin in that for now, but we may be able to look at that later.

Cost of Attendance

Woolf said we look every year at what's called the cost of attendance, which, in addition to tuition and fees, includes room and board, books, transportation, and other costs. The cost of attendance number affects the maximum amount a university can receive in financial aid. Woolf said it's kind of like the sticker price, but more often than not, it's not what any individual student would actually pay. Gast said the cost of attendance numbers are different at each institution, and it's important to note that you don't necessarily want to be the highest in your region or the lowest; you try to be in the middle. If your cost of attendance number is too low it reduces the amount of financial aid available. She said we look at the different costs in detail

and look for areas to increase and decrease. Gast shared a chart showing the cost of attendance at the Oregon Public Universities (OPUs). She said last year SOU's total cost of attendance was \$29,242 and pointed out how it compares with the cost of attendance at the other OPUs. She said our estimation for cost of attendance for 2021-22 is now \$29,796, which is very comparable to the other institutions as shown in the chart. She said some of the other OPUs plan to stay flat and some plan to increase their cost of attendance. Lovern said for modeling we looked at on campus off campus housing and different fees, trying to look at differences between last year and this year. He said we provide this as a table to the HECC, which they then use to build out the cost of attendance schedule. Gast said we use these costs for a variety of things; we build a financial aid budget with it, and it's also marketed on our SOU.edu page, so these are the numbers that prospective students and parents see. We want them to see that we are affordable, because we are affordable, but also, the Department of Education looks at where different universities stand in the state; you don't want to be the highest, which might cause them to ask why you're not more affordable. Lovern said one area where we've increased where others aren't increasing as much is in room and board. He said this is usually where we're on the higher end.

Walsh said this discussion is helpful because it gives the fuller picture of cost of attendance. President Schott noted that SOU is not really in the middle of the pack, we're at the top of the Technical and Regional Universities (TRUs). She asked if that impacts our competitiveness. Woolf said it can, if that's what students see when they're shopping around. He said we have a net price calculator so students can see what their actual cost is more likely to be. He said the challenge for SOU is always going to be the difference that we have in housing. We're the most expensive for room and board, so that's always going to be the anchor. President Schott said she understands the point about cost of attendance and the availability of financial aid. She asked how much room do we need, because there's a cap on Pell grants and other things. Gast said right now with the current financial aid package students have a gap of around \$8,000, so we have to find Raider Aid or some other aid to help them fill that gap so they can come. Lovern said it's a fine balancing act. Woolf said he appreciates President Schott's question, but the challenge is that not all of our students get financial aid. He said the purpose of the cost of attendance calculation is different from the way it is actually used, so that's why we've got to market other things like the net price calculator, the benefit of living in our residence halls, and so on. Gast said we do break out the aid details in our letters to students. Having the unmet need portion allows us to subsidize that gap with other aid.

Student Health and Wellness Center Fee and Building Fees

Woolf said the two fees that come to this Council for a recommendation are not proposed to change this year. He said the Student Health and Wellness Center fee is proposed to stay flat.

Eldridge/Slattery moved to recommend keeping the Student Health and Wellness Center fee flat; the motion passed, 7Y/0N/0A.

Lovern said the other fee to discuss is the Building fee, which has two components, a tech component and the actual buildings and debt service that goes to pay the bonds for the buildings. Perkinson said the Building fee had been \$45, but the Board approved adding \$15 to it a couple years ago to focus on the tech component. Walsh said there's been a desire to rethink how we calculate this fee now that we've gone mostly remote and some of the thinking is changing around what is really an infrastructure fee. Eldridge asked if this fee could be renamed. Walsh said that has been part of the discussion.

Eldridge/Walsh moved to recommend keeping the Building fee flat; the motion passed, 7Y/0N/0A.

Straw Polling

Lovern said it might be helpful to take a straw poll so we can get a 'gut check' about how the Council is feeling ahead of the Finance and Administration Committee meeting next week. Walsh said we now have more information about what other institutions are thinking with regard to their tuition rates. Also, a memo from the Oregon Council of Presidents has been circulated which indicates that none of the institutions will increase tuition by more than 5%, so at least we have that as a starting point. She said because of the unusual circumstances this year we're receiving less feedback than in other years, when we might have had a student forum. She said she is interested to hear what the students on the Council are hearing from their peers, and also interested to hear from the faculty members on the Council what they're hearing.

Slattery said he's heard from students that any way to keep tuition from going too high would be good. He asked whether there is any possibility of not changing tuition at all and said if that would be feasible that is likely where he would land. He said he wants to give strong consideration to trying to get everybody back on board with as little friction as humanly possible. Eldridge said she agrees from a moral or ethical standpoint, but looking at the pro forma, you can see the impact on our finances in the second year of the biennium. She said she's thinking of something like a 1% increase across the board or flat for returning students and a 2-3% raise for new students. She said she wants to recognize what returning students have gone through in last year. Hatch said from the limited interaction she's had, the students are not expecting a large increase. She said in part this relates to a mistaken assumption that online school is not expensive to run, so costs should be lower. She said something in the 2-4% range at largest is where she would expect to land. She said she's hearing two different student perspectives: a smaller group who are very involved and informed are concerned about affordability, but also about the survivability of the institution; a larger group of students are less involved and less well-informed, and are generally dissatisfied with the online experience. They have stuck around but the online experience is nobody's favorite. She said a small tuition increase would probably not bother this second group. She said she thinks all students would appreciate the possibility of a discount as an incentive to enroll. She added that she feels like she hasn't been able to share the Council's thoughts with her peers yet to get their reaction. Walsh said that is a good point; we've been waiting around for loose ends to be tied up to look

at rates. Maxwell said she would feel better about a higher increase for new students rather than returning students. She said she attributes most of the grumbling about a possible tuition increase to less well-informed students' thoughts about online education not being as expensive. She said student involvement in general has decreased because of COVID, so there has been a lot less opportunity to educate people.

Eldridge said she wonders if SOU were able to announce something like "we're switching to open source for all textbooks, so there will be no longer be any textbook costs," that might have a greater impact on students' thinking than a smaller tuition increase. Walsh said she definitely agrees about the importance of reducing textbook costs. She said we're making efforts to move in that direction, but we would have to have all of the faculty on board to accomplish that.

Walsh said for the sake of communicating the Council's current thinking to the Finance and Administration Committee, the pro forma is currently modeling a 3% increase and she hasn't heard anyone say that's not an appropriate range for us to be in, but has heard ideas about how that might look different for one student population or another. She said she hasn't heard any interest in going higher than that. Perkinson said this helps him, so for the Finance and Administration Committee meeting he'll present the pro forma with the 3% increase currently modeled, but make sure to add the caveat that the Council has not yet decided on a recommendation.

Maxwell added a comment in the chat saying that she totally agrees about the importance of open educational resources, and that the student voice is powerful. President Schott agreed that the students are the ones who can best influence faculty willingness to move to open source. Woolf said that even just a commitment that we'll work toward open source would be big and helpful. Walsh said others across campus are interested in this issue, including Dale Vidmar in the Library, so it is poised to get some traction, but it will depend on faculty support. She said she welcomes the conversation, but she wants to be careful to separate the more immediate tuition and fee conversation from the conversation around open educational resources, which is unlikely to happen in the same timeframe.

Woolf discussed student forums. President Schott said it's important to offer a forum on tuition and fees to make our best effort to let the students know where we are financially, communicate what we're thinking around tuition and fees, and get their feedback.

The meeting ended at 10:53am.