



OFFICE OF THE PRESIDENT

Nagi G. Naganathan, Ph.D.

To: Oregon Tech Board of Trustees
From: President Naganathan
Re: Academic Year 2019-20 Tuition Recommendation
Date: May 22, 2019

As required by statute, through this memoranda, I submit to the Oregon Tech Board of Trustees my recommendation for tuition and fees for the 2019-2020 academic year. This recommendation was developed through an open and consensus based process led by the Tuition Recommendation Committee (TRC), a dedicated group composed of students, faculty and administrators from both major campuses. The TRC met eight times beginning in late November of last calendar year and concluding their process after multiple campus forums in February and April. I sincerely complement their dedication to proactively reaching out to and involving students in what is a difficult process.

The TRC has recommended an increase of 9.0% to undergraduate resident tuition, and an increase in differential rates from 25% to 30% from the 2018-19 academic year levels. This increase equates to a \$16.55 per credit hour change for most students and a \$30.71 per credit hour for those in majors which have differential tuition. This recommendation was supported by a consensus opinion of all student, faculty and staff representatives on the TRC and by the ASOIT Presidents on each campus, please refer to Attachment II. The TRC and ASOIT recommendation also included guidance related to increasing remission levels to support students most impacted by tuition increases. Specifically increasing the remission budget by one percent of total net tuition revenue or roughly \$350,000. ASOIT, acting through the Incidental Fee Commission, has also recommended a moderate increase in the Klamath Falls Campus Incidental Fee which funds Student Services, Athletics and the College Union, please refer to Attachment IV.

After thorough consideration and counsel from members of the executive staff and university community I endorse the TRC and ASOIT tuition and fee recommendations. Despite the unenviable task of establishing tuition in what continues to be a hard budget climate, I applaud the group for focusing on supporting our most vulnerable students and sustaining the long-term health and robustness of Oregon Tech's hand on education. Further, through the budget recommendation provided separately to the Board's Finance and Facilities Committee I am recommending an increase in remissions in excess of the TRC recommendation. The exact distribution of these funds will be determined by the Financial Aid Department in conjunction with the Associate Vice President of Strategic Enrollment Management. Please refer to Attachment V for detailed tuition tables.

The TRC followed an extended and inclusive process which involved stakeholders within the university community; students, faculty and staff. The group held multiple meetings often early in the morning or late into the evening to accommodate all members class and work schedules, with participants from both university campuses, used a consensus driven decision making model, established guiding principles in accordance with and expanding upon those outlined in Board policy. This process continues to serve as a model for increasing the level of trust, transparency and rigor in decision making at Oregon Tech. I encourage you to review the Tuition Recommendation Committee Academic Year 2019-2020 Tuition Setting Process Report as it outlines their process and deliberations. It can be found in Attachment III.

The guiding principles and process requirements established by the TRC were as follows:

Guiding Principles:

- Consider long-term factors when recommending the single year decisions (important to have a forward looking vision)
- Recognize the importance of affordability for students
- Tuition levels should be developed using data and information, including internal budget, comparator institutions, and external cost indices
- Ensure we maintain the current service level, quality and support that Oregon Tech provides to students

Process Framework:

- Communicate openly and transparently with all stakeholders
- The committee will utilize data and information throughout the process
- Communicate respectfully and ask questions

The TRC and university administration spent considerable time analyzing tuition increase options both above and below the recommended amount. When reflecting on the principles articulated by the students, faculty and staff of the Committee, comparator university tuition, internal budget projections, salary data for graduates and many other data points it became clear that the best interest of students was and is served by maintaining quality programs and by continuing to invest in our unique hands on professional programs.

Recognizing the potential negative effects of both very low and very high tuition increases the TRC elected to move forward with what was deemed a middle course. Tuition increases at or below 5.0% would require such significant budget reductions either this academic year, or in future years that they were determined by the TRC to be impractical and imprudent, particularly given the likely future reductions in state funding during a recession and the known increasing costs associated with state mandates such as PEBB and PERS. Not increasing tuition at rates in excess of 5.0% would imperil the capacity of the institution to serve our most vulnerable students, sustain needed student services and reduce the quality of Oregon Tech's programs to the extent that it would reduce the institution's ability to meet its HECC approved mission. Thus, the TRC and the leadership team focused on strategies that pair as moderate a tuition increase as possible with supports the students least able to bear the impact of increasing tuition. These populations include low-income, under-represented minority, veteran, rural and first generation students, identified as vulnerable by the State, as well as those students nearing completion but running low on financial aid which Oregon Tech continues to target for support. In order to mute the impact of tuition increases on these

student populations, this tuition recommendation allows for an a more predictable and moderated tuition plan in future years and sustained investments in institution funded remissions.

Even with tuition increases of this magnitude the university will be making significant and meaningful reductions in budgets and positions to offset cost increases, use of reserves in order to fund growth initiatives, and the assigning of aggressive budget targets across all divisions and functional units of the university. These are detailed in my budget recommendation to the Board for the fiscal year 2019-2020.

It is my commitment to the students that a tuition increase at these rates can only be made as part of an equitable sharing of the burden by all members of the university community.

Tuition and Fees Comparison Table

Tuition & Fee Tables				
Oregon Tech Tuition Recommendation				
		2018-19 Per Credit	2019-20 Per Credit	% Change
Undergraduate	Resident	\$183.93	\$200.48	9.0%
	WUE	\$275.90	\$300.73	9.0%
	Non-Resident	\$585.45	\$638.14	9.0%
	Differential	25%	30%	
Special Programs	Medical Lab Sciences (Res)	\$256.82	\$269.66	5.0%
	Medical Lab Sciences (NR)	\$464.36	\$487.58	5.0%
	Paramedic (Res)	\$203.09	\$213.24	5.0%
	Paramedic (NR)	\$291.22	\$305.78	5.0%
	Chemeketa Dental Hygiene (Res)	\$203.09	\$213.24	5.0%
	Chemeketa Dental Hygiene (NR)	\$659.52	\$692.50	5.0%
Graduate	Resident	\$427.08	\$448.43	3.0%
	Non-Resident	\$716.93	\$752.78	3.0%
	Differential	25%	30%	
Oregon Tech Fee Recommendation				
		2018-19	2019-20	% Change
Klamath Falls	Building	\$45.00	\$45.00	0.0%
	Incidental	\$360.00	\$367.00	1.9%
	Health Services	\$165.00	\$167.00	1.2%
Wilsonville	Building	\$45.00	\$45.00	0.0%
	Incidental	\$50.00	\$50.00	0.0%
	Health Services	\$38.00	\$40.00	5.3%