

TUITION RECOMMENDATION COMMITTEE | 2.14.2024



FY 2024-25 Budget Meeting #3

John Harman, MBA, CGMA, CMPE | VP Finance & Administration

Presentation Outline



1. Student Enrollment Update
2. FY 2024-25 Budget Environment
3. Budget Options
4. Draft FY 2024-25 Budget Scenarios
5. Tuition Comparisons

Academic Year 2023-24 Enrollment



Enrollment Presentation from Provost Mott

Student Status (Klamath Falls)

Same Week Comparison

	Winter 2022	Winter 2023	Winter 2024
Total New	30	32	31
- New Freshman	3	0	8
- New Transfer	15	17	18
- New Post Bac	2	1	0
- New Graduate	1	8	0
- New Non-Admit UG	8	6	5
- New Non-Admit GR	1	0	0
Continuing	1,890	1,822	1,809
Returning After Absence	40	29	19
Total	1,960	1,883	1,859

Winter 2023 vs. Winter 2024

Difference	% Change
-1	-3.1%
8	-
1	5.9%
-1	-100.0%
-8	-100.0%
-1	-16.7%
0	-
-13	-0.7%
-10	-34.5%
-24	-1.3%

Academic Year 2023-24 Enrollment



Student Status (Portland Metro)

Same Week Comparison

	Winter 2022	Winter 2023	Winter 2024
Total New	38	18	23
- New Freshman	5	3	3
- New Transfer	25	9	18
- New Post Bac	5	2	0
- New Graduate	1	2	2
- New Non-Admit UG	2	2	0
- New Non-Admit GR	0	0	0
Continuing	558	510	456
Returning After Absence	30	26	30
Total	626	554	509

Winter 2023 vs. Winter 2024

Difference	% Change
5	27.8%
0	0.0%
9	100.0%
-2	-100.0%
0	0.0%
-2	-100.0%
0	-
-54	-10.6%
4	15.4%
-45	-8.1%

Academic Year 2023-24 Enrollment



Student Status (Online)

Same Week Comparison

	Winter 2022	Winter 2023	Winter 2024
Total New	105	101	110
- New Freshman	1	8	6
- New Transfer	37	26	28
- New Post Bac	4	2	2
- New Graduate	3	1	6
- New Non-Admit UG	60	64	68
- New Non-Admit GR	0	0	0
Continuing	414	368	316
Returning After Absence	49	34	32
Total	568	503	458

Winter 2023 vs. Winter 2024

Difference	% Change
9	8.9%
-2	-25.0%
2	7.7%
0	0.0%
5	500.0%
4	6.3%
0	-
-52	-14.1%
-2	-5.9%
-45	-8.9%

Fall 2024 Early Indicators- First Years



Year	Admits	Confirms	Deposits	Admit to Deposit
Fall 2024	4358	386	265	6.1%
Fall 2023	3990	299	198	5%
Fall 2022	3880	375	227	5.9%
Fall 2021	3777	398	235	6.2%
Fall 2020	3649	401	245	6.7%

Fall 2024 Early Indicators- Transfers



Year	Admits	Confirms	Deposits	Admit to Deposit
Fall 2024	220	108	68	30.9%
Fall 2023	182	90	56	31.3%
Fall 2022	224	126	75	33.5%
Fall 2021	309	134	83	26.9%
Fall 2020	212	108	76	36.3%



FY 2024-25 Budget Environment

Uncertainty In State Funding



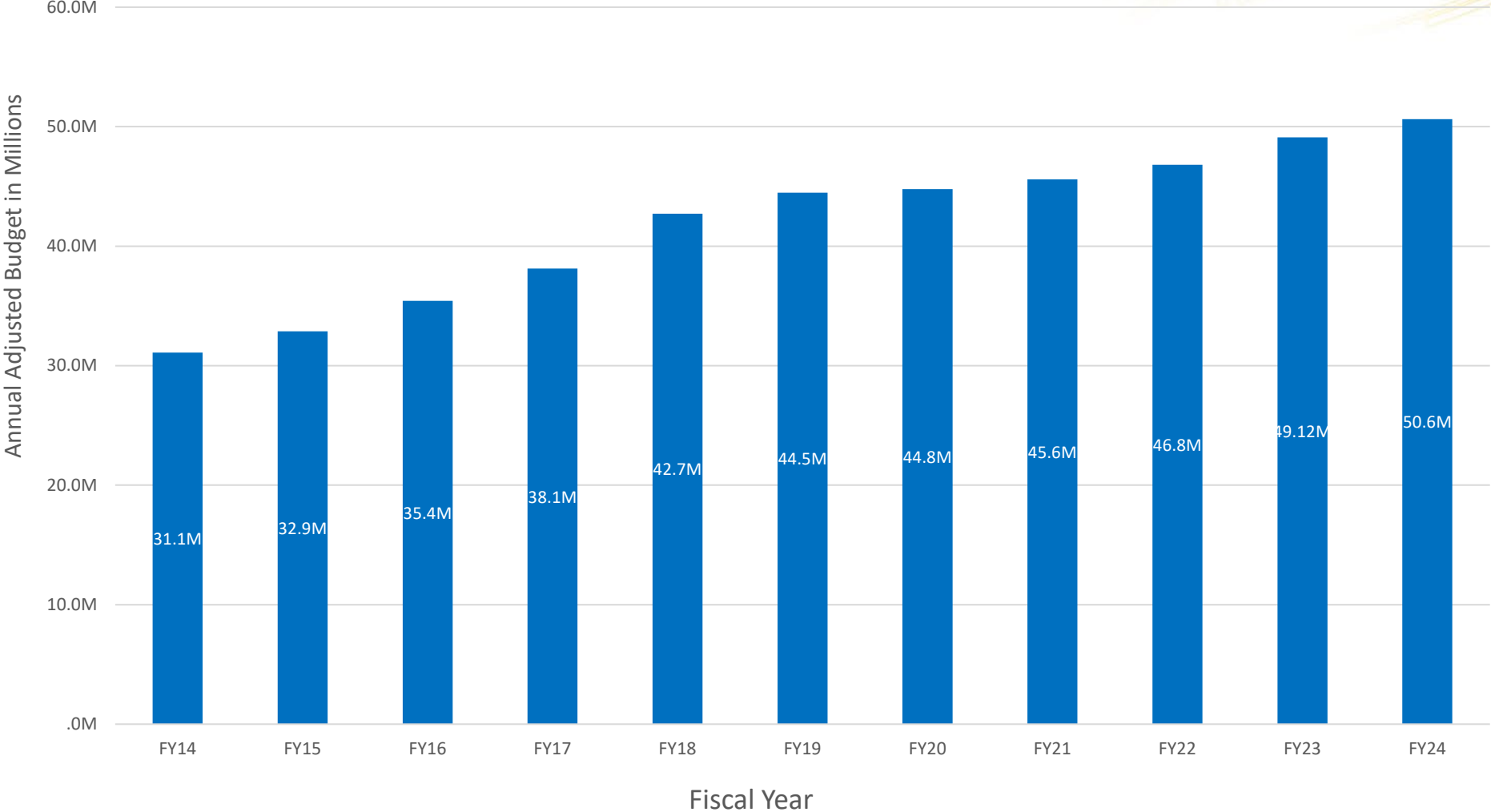
- Second year of the biennium normally means more predictable PUSF,
- However, three years of declining student credit hours and degree production increases the risk of a loss in the November 2024 SSCM true-up.

Labor Cost Acceleration



- Paid Leave Oregon program added to university payroll expenses in FY24.
- OT's two unionized employee groups, faculty (AAUP) and classified staff (SEIU), have annual mandatory salary increases and AAUP agreement also has an additional incentive/merit component.
- Some employee benefits are enriched through additional union provisions.
- This year health and retirement benefit rates are not increasing.

Salary and OPE History





Budget Options

Budget Options

- Operating Budget Expense Reductions
- Use of Fund Balance
- Tuition Increase
- Some combination



Operating Budget Reductions



Pros	Cons
Smooths reductions across multiple years if variables causing budget conditions do not improve	Negatively impacts student educational experience. Potential impacts include: layoffs, reduced student services, fewer course offerings, less campus upkeep, larger class sizes, etc.
Reduces dependency on revenue increases	Negatively impacts future enrollment growth

Use of Fund Balance



Pros	Cons
Avoids deep cuts in the short-term, allows time for improvement in enrollment, state funding and for more strategic approach to longer-term budget decisions	Using one-time funds only postpones addressing the deficit if variables contributing to budget conditions don't improve
Reduces dependency on revenue increases	Reduces OT's ability to mitigate fiscal risks in the future

Tuition Increase



Pros

Cons

Keeps tuition rates commensurate with the increasing costs of providing quality education

Decreases affordability of attending Oregon Tech for some students and may reduce access for others

Improves continuity of educational quality, course offerings and student experience

Could negatively impact enrollment

Reduces dependency on one-time funding or uncertain external funding sources



Draft FY 2024-25 Budget Scenarios

FY 2024-25 Early Budget Projections

Assuming a 3% decrease in enrollment



	0% Tuition Increase		
	FY 2023-24 Board Approved Budget ¹	FY 2024-25 Budget Projection	Variance
Revenue			
Gross tuition and fees	\$ 39,514	\$ 36,479	\$ (3,035)
Less fee remissions	(5,805)	(7,520)	(1,715)
Net tuition	\$ 33,709	\$ 28,959	\$ (4,750)
State appropriations	33,942	37,446	3,504
Other	2,374	3,100	726
Total revenue	\$ 70,024	\$ 69,505	\$ (519)
Expenses			
Labor	\$ 54,946	\$ 58,372	\$ 3,426
Supplies and Services	16,654	17,091	437
Transfers	1,406	1,406	\$ -
Total expenses	\$ 73,006	\$ 76,869	\$ 3,863
Net from Operations before Other Resources (Uses)	\$ (2,982)	\$ (7,364)	\$ (4,382)
Other Resources (Uses)			
Transfers In	\$ 82	\$ -	\$ (82)
Transfers Out	(100)	-	100
Use of Reserve	3,000	-	(3,000)
Total from Operations and Other Resources (Uses)	\$ 0	\$ (7,364)	\$ (7,364)

Notes: These projections are preliminary and are subject to change

(1) For comparability, Applied Computing and Rural Health Initiatives expenses and transfer-in are removed

FY 2024-25 Tuition Scenarios

Every 1% increase in tuition is approximately \$350k



		0% Tuition Increase	3% Tuition Increase	4% Tuition Increase	5% Tuition Increase	21% Tuition Increase
	FY 2023-24 Board Approved Budget ¹	FY 2024-25 Budget Projection	FY 2024-25 Budget Projection	FY 2024-25 Budget Projection	FY 2024-25 Budget Projection	FY 2024-25 Budget Projection
Revenue						
Gross tuition and fees	\$ 39,514	\$ 36,479	\$ 37,530	\$ 37,881	\$ 38,231	\$ 43,839
Less fee remissions	(5,805)	(7,520)	(7,520)	(7,520)	(7,520)	(7,520)
Net tuition	\$ 33,709	\$ 28,959	\$ 30,010	\$ 30,361	\$ 30,711	\$ 36,319
State appropriations	33,942	37,446	37,446	37,446	37,446	37,446
Other	2,374	3,100	3,100	3,100	3,100	3,100
Total revenue	\$ 70,024	\$ 69,505	\$ 70,556	\$ 70,907	\$ 71,257	\$ 76,865
Expenses						
Labor	\$ 54,946	\$ 58,372	\$ 58,372	\$ 58,372	\$ 58,372	\$ 58,372
Supplies and Services	16,654	17,091	17,091	17,091	17,091	17,091
Transfers	1,406	1,406	1,406	1,406	1,406	1,406
Total expenses	\$ 73,006	\$ 76,869	\$ 76,869	\$ 76,869	\$ 76,869	\$ 76,869
Net from Operations before Other Resources (Uses)	\$ (2,982)	\$ (7,364)	\$ (6,313)	\$ (5,962)	\$ (5,612)	\$ (5)
Other Resources (Uses)						
Transfers In	\$ 82	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers Out	(100)	-	-	-	-	-
Use of Reserve	3,000	-	-	-	-	-
Total from Operations and Other Resources (Uses)	\$ 0	\$ (7,364)	\$ (6,313)	\$ (5,962)	\$ (5,612)	\$ (5)

Notes: These projections are preliminary and are subject to change

(1) For comparability, Applied Computing and Rural Health Initiatives expenses and transfer-in are removed

Tuition Rate Scenarios



	FY24		FY25		FY25		FY25		FY25	
	Base Tuition	Differential Tuition	Base Tuition + 3%	Differential Tuition	Base Tuition + 4%	Differential Tuition	Base Tuition + 5%	Differential Tuition	Base Tuition + 21%	Differential Tuition
Tuition per credit	\$233	\$319	\$240	\$329	\$242	\$332	\$245	\$335	\$291	\$398
Tuition per term at 15 credits/term	\$3,497	\$4,791	\$3,602	\$4,935	\$3,637	\$4,983	\$3,672	\$5,031	\$4,359	\$5,972
Additional Revenue				\$1.1M		\$1.4M		\$1.8M		\$7.4M
Remaining Unfunded Gap				\$(6.3M)		\$(6.0M)		\$(5.6M)		\$0

\$1.1M increase to revenue

\$1.4M increase to revenue

\$1.8M increase to revenue

\$7.4M increase to revenue

\$105 increase in tuition per quarter (15 credits)

\$140 increase in tuition per quarter (15 credits)

\$175 increase in tuition per quarter (15 credits)

\$861 increase in tuition per quarter (15 credits)



Tuition Comparison

Tuition Peer Comparison

FY24 Annual Undergraduate Tuition Comparison

List includes official peers, + admissions competitors, + Oregon universities

University	State	Resident	Non-Resident	Cost of Living Index (by state)
Bemidji State University	MN	\$8,994	\$8,994	94.4
California Polytechnic State University-Humboldt	CA	\$5,742	\$17,622	136.4
California Polytechnic State University	CA	\$11,490	\$31,674	136.4
Eastern Oregon University	OR	\$8,618	\$22,289	114.7
Fairmont State University	WV	\$8,454	\$18,372	85.2
Midwestern State University	TX	\$5,877	\$7,827	93.0
Missouri Western State University	MO	\$7,740	\$16,260	88.3
Montana Tech of the University of Montana	MT	\$6,113	\$16,593	103.1
Nicholls State University	LA	\$8,906	\$9,999	90.7
Oregon Institute of Technology	OR	\$10,491	\$33,397	114.7
Oregon State University - Cascades	OR	\$11,460	\$34,305	114.7
Oregon State University - Corvallis	OR	\$11,460	\$34,305	114.7
Portland State University	OR	\$9,315	\$28,215	114.7
Rogers State University	OK	\$7,600	\$16,260	86.8
Shawnee State University	OH	\$10,448	\$16,928	92.2
Southern Oregon University	OR	\$9,675	\$28,305	114.7
Southwestern Oklahoma State University	OK	\$6,969	\$6,999	86.8
UC-Davis	CA	\$13,752	\$46,326	136.4
UC-San Diego	CA	\$13,752	\$46,326	136.4
University of Hawaii at Manoa	HI	\$11,304	\$33,336	179.2
University of Nevada Reno	NV	\$7,875	\$8,478	101.1
University of Oregon	OR	\$13,013	\$27,097	114.7
University of South Carolina-Upstate	SC	\$11,208	\$22,710	94.3
University of Washington - Seattle	WA	\$12,645	\$41,997	115.7
Washington State	WA	\$11,554	\$27,630	115.7
Western Oregon University	OR	\$9,000	\$28,710	114.7



Differential Tuition Comparison - Resident



FY 2023-24 Resident Oregon University Tuition Comparison

	OIT	OSU	OSU-CC	PSU	UofO	SOU	WOU	EOU
Undergraduate Resident Base Per Credit	\$233.16	\$254.67	\$254.67	\$207.00	\$289.17	\$215.00	\$200.00	\$191.50
Undergraduate per term at 15 credits	\$3,497.40	\$3,820.00	\$3,820.00	\$3,105.00	\$4,337.55	\$3,225.00	\$3,000.00	\$2,872.50
Online Base Tuition	\$308.00	\$350.00	\$350.00	\$207.00	\$289.17	\$215.00	\$200.00	\$286.40
Online Fee	\$65.00	\$0.00	\$0.00	\$22.00	\$25.00	\$75.00	\$53.00	\$0.00
Graduate Resident Base Per Credit	\$536.27	\$373.50	\$373.50	\$463.00	Varies by Program	\$539.00	\$460.00	\$520.80
Differential Per Credit Rates								
Undergraduate - Engineering & Technology	\$319.43			\$267.60				
Undergraduate - Allied Health Programs	\$319.43							
Undergraduate - Respiratory Care	\$319.43							
Undergraduate - Medical Lab Science	\$319.43							
Undergraduate - Paramedic Education	\$319.43							
Undergraduate - Dental	\$319.43							
Undergraduate - College of Business		\$279.67	\$279.67	\$225.40				\$206.00
Undergraduate - Pre-Engineering		\$292.67	\$292.67					
Undergraduate - Professional Engineering		\$313.67	\$313.67					
Undergraduate - Forestry		\$273.67						
Undergraduate - Arts		\$278.67	\$278.67	\$218.40		\$225.00		
Undergraduate - Honors College		\$288.00	\$288.00	\$214.40	\$356.51	\$240.00		
Undergraduate - Creative Writing						\$225.00		
Undergraduate - EMDA						\$225.00		
Undergraduate - Military Science						\$225.00		
Undergraduate - Music						\$225.00		
Undergraduate - Theatre						\$225.00		
Graduate - Engineering & Technology	\$734.69	\$432.50		\$515.50				
Doctor of Physical Therapy	\$606.88		\$631.58					

Reminder - Final Deliverable:



By the final meeting on March 6, 2024 this Committee **must provide a recommendation for the tuition and mandatory fee rates** to the President.

Questions?



Portland-Metro Forum- February 21, 2024
Klamath Falls Forum- February 19, 2024

Final Committee meeting –
March 6th, 2024