



# Summary Overview and Tuition Strategy Discussion Meeting #4

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# Presentation Outline



1. Open Discussion
2. Recap Education and General Revenues
3. Summary of Budget Outlook
4. Deficit Coverage by Category
5. TRC Meeting Requirements
6. TRC Report Requirements
7. TRC Voting Members
8. FY 2025-26 Tuition Recommendation Discussion



# Open Discussion

(30 Minutes)

# Major Components of E&G Revenues



## Revenues:

### State Appropriations

- 52.7% of total revenue budget
- Impacted by Student Success and Completion Model (SSCM), state tax revenue

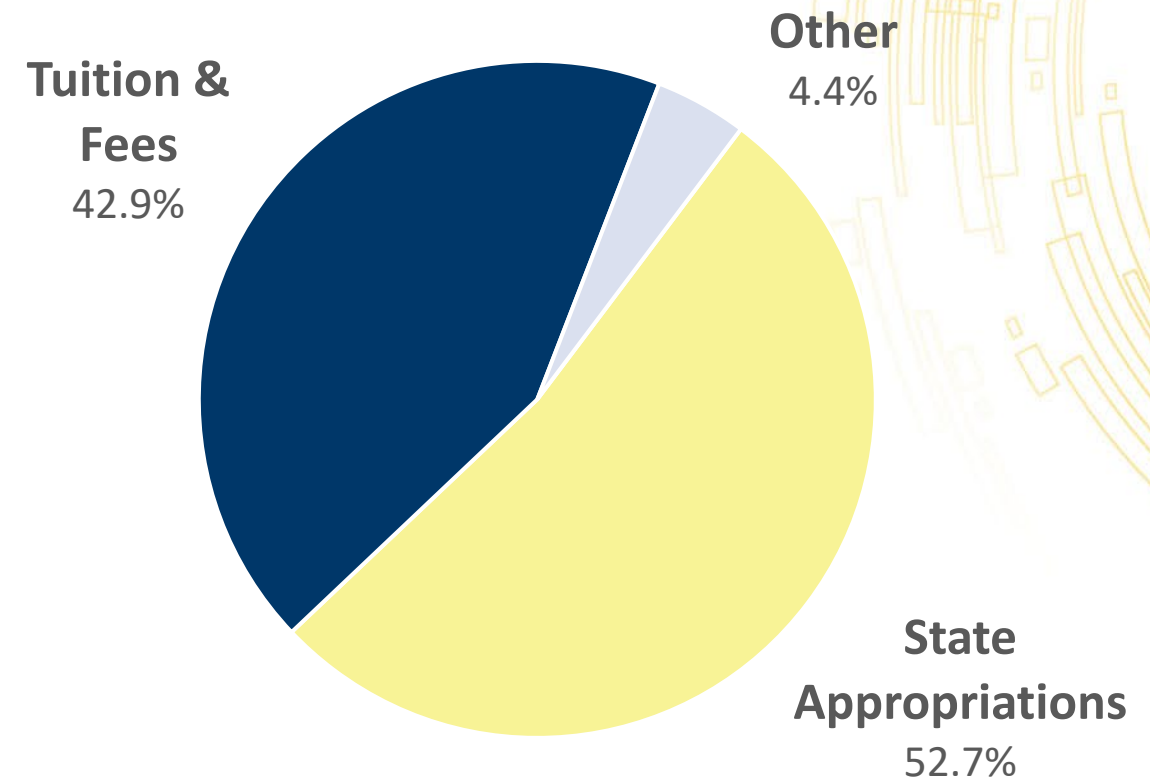
### Tuition, net of remissions

- 42.9% of total revenue budget
- Impacted by enrollment, HECC oversight

### Other

- 4.4% of total revenue budget

## E&G Budgeted Revenues





# Summary of FY 2025-26 Outlook



## Increasing Revenue

- Fall 2024 enrollment increased headcount by .08%, yielding a 4.5% increase in SCH from prior year
- Each 1% increase in SCH enrollment yields approximately \$390K in additional revenue.
- Interest earnings and grant indirect cost recovery revenue has increased.
- State funding for the 2025-27 biennium is still uncertain.
- Oregon still ranks 45<sup>th</sup> in higher education funding per student FTE and PUSF increases are not sufficient to keep up with rising costs.

## Increasing Expenses

- Inflation in operating expenditures due to:
  - Contractual obligations in labor agreements.
  - Increasing benefits and related payroll costs (statewide rate increases).
  - Investment in essential enrollment, compliance, academic innovation, and safety initiatives.
- Utilities, liability insurance and maintenance.
- Unfunded mandates and investments.

# FY 2025-26 Early Budget Projections



- Forecast updated to January Management Report.
- FY 2024-25 board adopted state appropriations budget was based on the Governor's Recommended Budget.
- FY 2025-26 forecast assumes a 0% change in enrollment and is based on the current academic year's enrollment.

		0% Tuition Increase	
FY 2024-25 Board Approved Budget (thousands)		FY 2025-26 Budget Projection (thousands)	
<b>Revenue</b>			
Gross tuition and fees	\$ 38,056	\$ 41,459	
Less fee remissions	(7,520)	(7,907)	
<b>Net tuition</b>	<b>\$ 30,536</b>	<b>\$ 33,552</b>	
State appropriations	37,446	38,409	
Other	3,100	3,947	
<b>Total revenue</b>	<b>\$ 71,082</b>	<b>\$ 75,908</b>	
<b>Expenses</b>			
Labor	\$ 55,040	\$ 58,702	
Supplies and Services	17,362	17,585	
Transfers	1,351	1,351	
<b>Total expenses</b>	<b>\$ 73,753</b>	<b>\$ 77,638</b>	
<b>Net from Operations before Other Resources (Uses)</b>	<b>\$ (2,671)</b>	<b>\$ (1,731)</b>	
<b>Other Resources (Uses)</b>			
Transfers In	\$ 171	\$ 171	
Transfers Out	\$ -	-	
Use of Reserve	2,500	-	
<b>Total from Operations and Other Resources (Uses)</b>	<b>\$ -</b>	<b>\$ (1,560)</b>	

Notes: These projections are preliminary and are subject to change

# FY 2025-26 Tuition Scenarios

Every 1% increase in tuition is approximately \$390k



		0% Tuition Increase	3% Tuition Increase	4% Tuition Increase	5% Tuition Increase
	FY 2024-25 Board Approved Budget (thousands)	FY 2025-26 Budget Projection (thousands)	FY 2025-26 Budget Projection (thousands)	FY 2025-26 Budget Projection (thousands)	FY 2025-26 Budget Projection (thousands)
<b>Revenue</b>					
Gross tuition and fees	\$ 38,056	\$ 41,459	\$ 42,656	\$ 43,055	\$ 43,454
Less fee remissions	(7,520)	(7,907)	(7,907)	(7,907)	(7,907)
<b>Net tuition</b>	<b>\$ 30,536</b>	<b>\$ 33,552</b>	<b>\$ 34,749</b>	<b>\$ 35,148</b>	<b>\$ 35,547</b>
State appropriations	37,446	38,409	38,409	38,409	38,409
Other	3,100	3,947	3,947	3,947	3,947
<b>Total revenue</b>	<b>\$ 71,082</b>	<b>\$ 75,908</b>	<b>\$ 77,105</b>	<b>\$ 77,504</b>	<b>\$ 77,903</b>
<b>Expenses</b>					
Labor	\$ 55,040	\$ 58,702	\$ 58,702	\$ 58,702	\$ 58,702
Supplies and Services	17,362	17,585	17,585	17,585	17,585
Transfers	1,351	1,351	1,351	1,351	1,351
<b>Total expenses</b>	<b>\$ 73,753</b>	<b>\$ 77,638</b>	<b>\$ 77,638</b>	<b>\$ 77,638</b>	<b>\$ 77,638</b>
<b>Net from Operations before Other Resources (Uses)</b>	<b>\$ (2,671)</b>	<b>\$ (1,731)</b>	<b>\$ (534)</b>	<b>\$ (135)</b>	<b>\$ 264</b>
<b>Other Resources (Uses)</b>					
Transfers In	\$ 171	\$ 171	\$ 171	\$ 171	\$ 171
Transfers Out	\$ -	-	-	-	-
Use of Reserve	2,500	-	-	-	-
<b>Total from Operations and Other Resources (Uses)</b>	<b>\$ -</b>	<b>\$ (1,560)</b>	<b>\$ (363)</b>	<b>\$ 36</b>	<b>\$ 435</b>

Notes: These projections are preliminary and are subject to change

# Tuition Rate Scenarios



	FY25		FY26		FY26		FY26	
	Base Tuition	Differential Tuition	Base Tuition + 3%	Differential Tuition	Base Tuition + 4%	Differential Tuition	Base Tuition +5%	Differential Tuition
Tuition per credit	\$244	\$334	\$251	\$344	\$253	\$347	\$256	\$350
Tuition per term at 15 credits/term	\$3,655	\$5,007	\$3,764	\$5,157	\$3,801	\$5,207	\$3,837	\$5,257
Additional Revenue			\$1.2M		\$1.6M		\$2.0M	
Remaining Unfunded Gap			(\$0.4M)		\$0.0M		\$0.4M	

\$110 increase in  
base tuition per  
quarter (15 credits)

\$146 increase in  
base tuition per  
quarter (15 credits)

\$183 increase in  
base tuition per  
quarter (15 credits)



# Tuition Rate Scenarios



	FY25		FY26		FY26		FY26	
	Base Tuition	Differential Tuition	Base Tuition + 3%	Differential Tuition	Base Tuition + 4%	Differential Tuition	Base Tuition +5%	Differential Tuition
Tuition per credit	\$244	\$334	\$251	\$344	\$253	\$347	\$256	\$350
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\$110 increase in  
base tuition per  
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\$146 increase in  
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\$183 increase in  
base tuition per  
quarter (15 credits)

# Mandatory Fee Increase Request



For the first time in several years, Oregon Tech is requesting an increase in the Health mandatory fee.

- This fee requires TRC approval and is included in the total tuition increase calculation.
- The following table outlines the proposed fee increase and tuition rate scenarios, showing the total impact.
- This fee does not affect the unfunded gap, as it supports an auxiliary unit.

# Tuition & Fee Scenarios

The following table shows the total percentage increase for multiple tuition scenarios with an included increase to the health mandatory fee for both campuses.

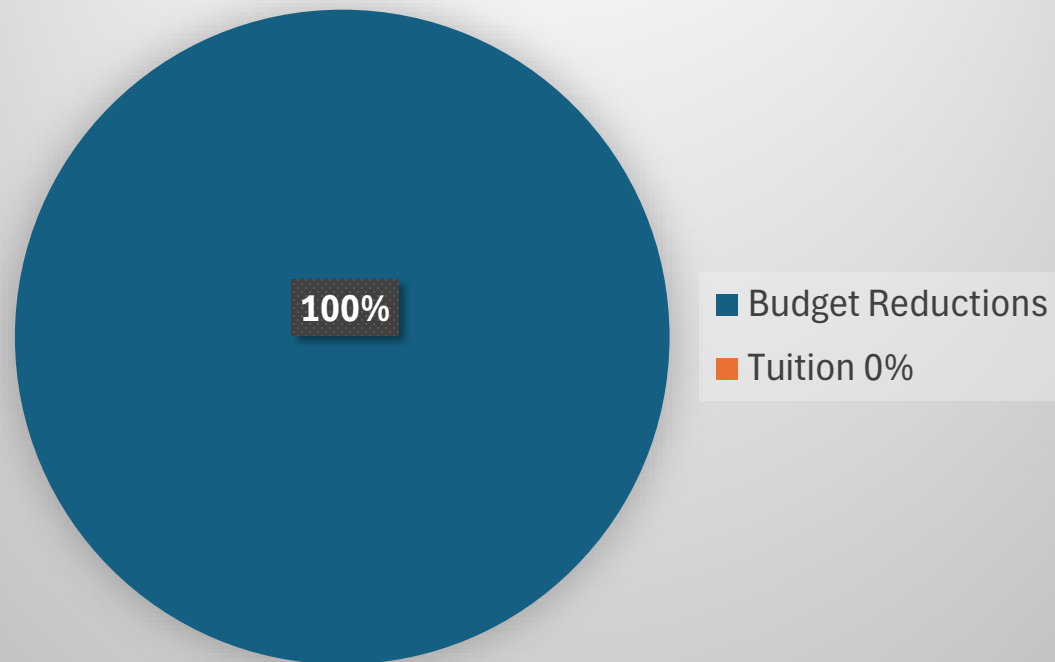


	Student Fee			FY26 Tuition Rate Scenarios				
	FY25 Current Fee	Increase Request	FY26 New Fee	Tuition @ 45 Credits	Base Tuition +3%	Base Tuition +4%	Base Tuition +4.5%	Base Tuition +5%
Student Health Fee - KF	\$585	\$41	\$626	\$10,964	\$329	\$439	\$493	\$548
Student Health Fee - PM	\$189	\$23	\$212	\$10,964	\$329	\$439	\$493	\$548
Total % increase - KF		7% Increase			3.17%	4.11%	4.57%	5.04%
Total % increase - PM		12% Increase			3.12%	4.09%	4.57%	5.06%
Remaining Unfunded Gap					(\$0.4M)	\$0.0M	\$0.25M	\$0.4M

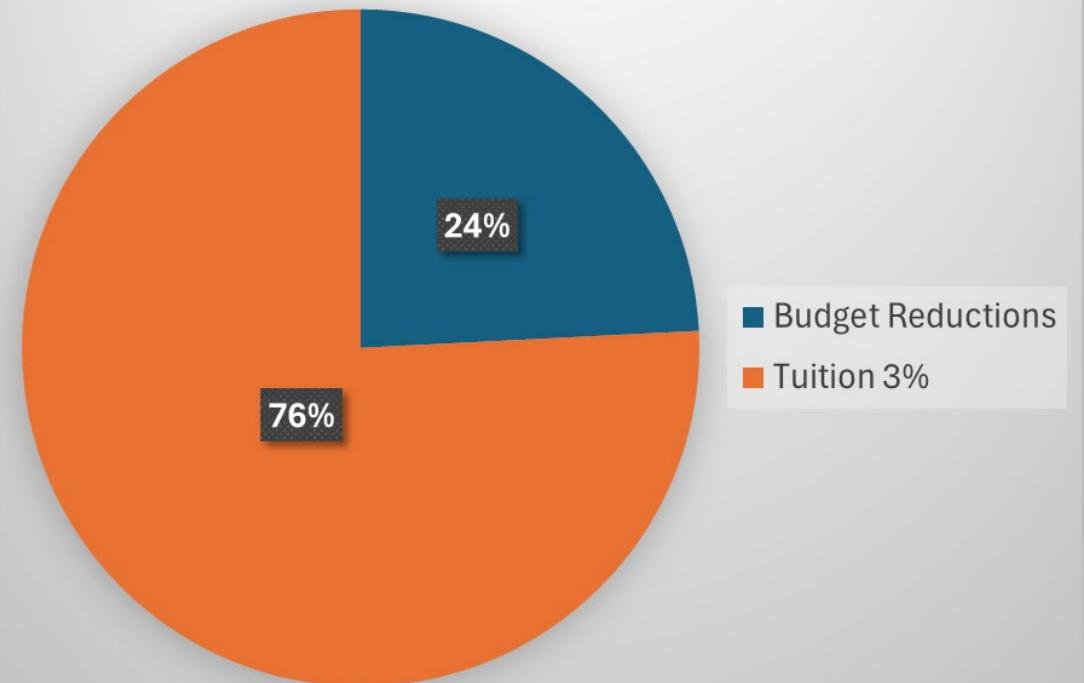
# Deficit Coverage by Category



Deficit Coverage - 0% Tuition Increase

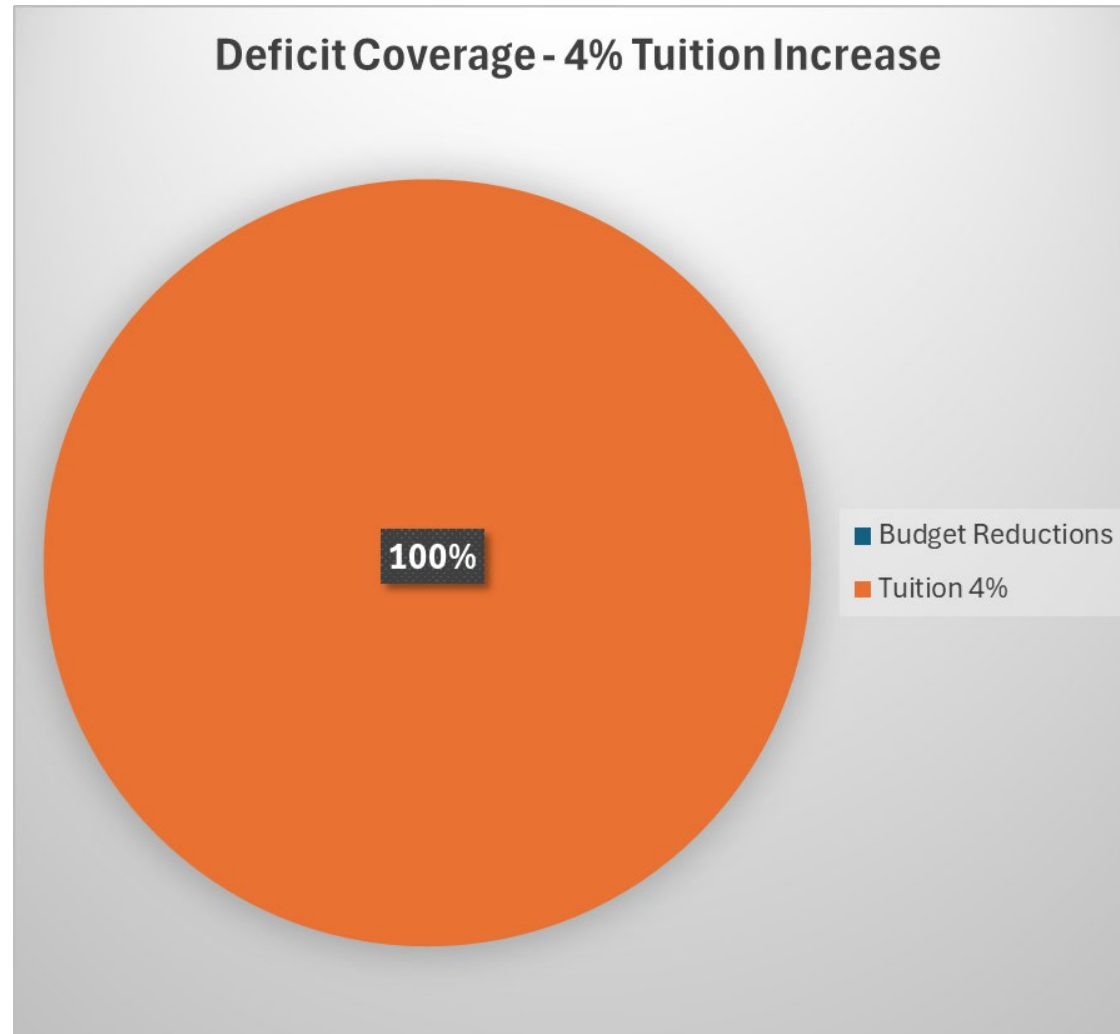


Deficit Coverage - 3% Tuition Increase





# Deficit Coverage by Category (cont'd)



# Potential Impacts of Insufficient Tuition



- Reduction in academic and support services
- Possibility of reduced FTEs
- Delayed or canceled equipment purchases
- Continuation of fund balance depletion
- Potential decline in program quality and/or decreased class availability
- Delayed or decreased recruiting efforts

# TRC Meeting Requirements



- ☑ Meet at least twice between January and February and open to all student body
- ☑ Minimum of one public forum held at each campus (KF & PM)
- ☑ To assist in recommendations, TRC shall receive
  - ☑ Plan for how the Board of Trustees and Administration are managing costs on an ongoing basis
  - ☑ Plan for how resident tuition and mandatory enrollment fees could be decreased if the university receives more money from the state than anticipated
- ☑ Provide President with written recommendations on proposed tuition and mandatory fee rates for resident undergraduates

# TRC Report Requirements



**When advising the president, TRC shall include:**

- ✓ Input received from public forum
- ✓ Considerations regarding the mechanism by which moneys are appropriated by Legislature to HECC for allocation to universities
- ✓ Historical tuition and fee trends
- ✓ Comparative data for peer institutions
- ✓ University's budget and projected cost increases
- ✓ Anticipated state appropriation levels
- ✓ Deliberations and observations of the TRC
- ✓ Must include any minority report requested by a TRC member
- ✓ Any documents produced or received by the TRC



# TRC Voting Members



The TRC is composed of:

- Six students representing both campuses and appointed by the ASOIT president(s), two of which represent ASOIT and two of which represent historically underserved students of the University, as defined by the University;
- Two faculty, one of which is the Fiscal Operations Advisory Council (FOAC) chair; and
- At least two administrators.

<https://www.oit.edu/finance-administration/tuition-recommendation-committee>

# FY 2025-26 TRC Membership



Chair, Vice President	2024-25	<b>John Harman</b>	Finance and Administration
Vice President Of Student Affairs	2024-25	<b>Mandi Clark</b>	Student Affairs
Associate Vice President - Controller	2024-25	<b>Alicia Dillon</b>	Finance and Administration
Interim Provost	2024-25	<b>Hesham El-Rewini</b>	Academic Affairs
Associate Vice Provost of SEM	2024-25	<b>Greg Stringer</b>	Strategic Enrollment Mgt./Ret.
Financial Aid & Registration Coordinator	2024-25	<b>Kendal Marks</b>	Registrar / Financial Aid
Associate Director of Budget and Planning	2024-25	<b>Anna Clark</b>	Budget Office
FOAC Chair	2024-27	<b>Don DaSaro</b>	Business Management
General Education Program Coordinator	2024-27	<b>Ryan Madden</b>	Humanities / Social Sciences
ASOIT President, Klamath Falls	2024-25	<b>Uriel Aguilar Torres</b>	Student Government
ASOIT Rep., Portland Metro	2024-25	<b>Bryce Wilson</b>	Student Government
Klamath Falls Student	2024-25	<b>Julia Ketcham</b>	Student
Klamath Falls Student	2024-25	<b>Ronny Ryno</b>	Student
Klamath Falls Student	2024-25	<b>Keora O'Meara</b>	Student
Portland Metro Student	2024-25	<b>Jessica Armenta</b>	Student