

BREAKFAST MEET AND GREET WITH FACULTY/STAFF/STUDENTS
7:30am-8:30am

Board of Trustees
Agenda
February 24, 2017

	<u>Page</u>
1. Call to Order/Roll/Declaration of a Quorum (8:45am) <i>Chair Graham</i>	
2. Action Items	
2.1 Election of Chair and Vice Chair (15 min) <i>Chair Graham</i>	1
3. Discussion Items (9am)	
3.1 Strategic Enrollment Management Update (20 min) <i>VP Neibeisel</i>	2
3.2 State Budget Context and Tuition and Budget Process Update (60 min) <i>VPFA Fox</i>	24
3.3 Meeting Dates to Accommodate Tuition Setting (5 min) <i>VPFA Fox</i>	
BREAK 10:25am- 10:35am	
3.4 Board and Trustee Evaluations (30 min) <i>Vice Chair Sliva and Trustee Peterson</i>	
4. Natural Sciences Department Presentation (11:05am) (45 min) <i>Assoc. Professor/Dept. Chair Rose McClure and Students</i>	
5. Other Matters (11:50pm) (10 min)	
6. Public Comment (12:00pm) (15 min)	
7. Adjournment (12:15pm)	

ACTION

Agenda Item No. 2.1

Chair and Vice Chair Election

Background

Article III, Section 5a, of the Board Bylaws adopted January 22, 2015 states the Board shall select one of its members as Chair and another as Vice Chair to serve as the Board Officers. The Chair and Vice Chair shall hold office for two years, or until a successor shall have been duly appointed and qualified or until death, resignation, expiration of the appointment as a Trustee, or removal. The Chair and Vice Chair may be appointed to consecutive terms. The Chair and Vice Chair shall not be employees or students of the University and shall not, as Chair and Vice Chair, be authorized to bind the University.

On January 22, 2015 Drs. Lisa Graham and Steve Sliwa were elected Chair and Vice Chair, respectively. To promote continuity during Dr. Naganathan's transition into the president position and during his first years, both Trustees are willing to continue in the roles. However, other Trustees may be nominated and elected.

Recommendation

Motion to nominate specific trustees for each position of Chair and Vice Chair.

Attachments

None

DISCUSSION

Agenda Item No. 3.1

Strategic Enrollment Management Update

Background

Organizational / Planning

Initiated workgroups to facilitate and support an engaged and involved institutional enrollment effort.

Developing proposals and plans to expand the analytic and research capacity of the institution through a combination of reallocation and investment.

- **Workgroups** (Attached)
 - SEM Steering Workgroup
 - SEM Coordinating Workgroup
- **Analytics and Research team**

Numbers

Initiated weekly admissions and enrollment reports for monitoring enrollment activity.

Initiated projection exercise and effort to better inform planning and decision-making about future enrollments

- **Winter enrollment update** (Attached – 4th week enrollment update)
 - Consistent with Fall trends and observations; growth driven by on-line and ACP/Dual credit; flat at Klamath Falls; modest increase in Wilsonville
- **Weekly admission report** (Attached - report as of February 10th)
 - Increases in applications and admits for all areas; early in cycle for all areas except Klamath Falls
- **Projection exercise:** in process (Attached – samples)
 - Workgroup exercise to identify likely enrollment for Fall 2017. Includes analysis of trends and data associated with enrollment activity across a range of subgroups (e.g. On-campus, On-line, On-site) as well as analysis and identification of non-numeric factors influencing enrollment trends and outcomes

Structural Framework (Attached)

Developed to provide structure and concepts to enhance and guide enrollment discussions and decisions.

- **On-campus:** “You (the student) come to us (Oregon Tech)”
- **On-line:** “We come to you”
- **On-site:** “We come to your neighborhood”

Enrollment Management Metrics

Identified metrics for targeting initiatives as well as monitoring and measuring success of enrollment efforts

- **Headcount**
 - Applied → Admitted → Enrolled → Continued → Graduated → Employed
 - Yield rates between each stage
- **Credit Hours**
 - Average Credit Load
 - Total credits
- **Revenue**
 - Per student
 - Per course
- **Degrees**
 - Credits toward degrees
 - Success (Employment relevant to degree OR continued education)

Examples of Initiatives being considered, under development and/or being implemented

Workgroups and campus community developing and executing specific and selected initiatives

- **Predictive modeling** for Fall 2017 Klamath Falls admits
- **Targeted, selective, focused outreach and recruitment** effort for undergraduates
 - Based on predictive model (new freshmen and transfers)
 - Based on analysis of trends and outcomes over previous years focused on:
 - ACP/Dual Credit students and schools
 - Top STEM (Oregon) students and schools
 - Based on prior applications -- expanded, targeted transfer recruitment
- **Conversion** – expanded campus engagement and focus
- **Targeted academic program growth**
- **Revised application** for on-line non-degree seeking students
- **Marketing efforts** (Videos and expanded campus event publicity)
- **Finish Line Fund**
- **E-Sports**

Next Steps / Timeline

- **Winter quarter:** January – March 2017
 - Finalize Fall 2017 initiatives and plan
- **Spring and summer quarters:** April – August 2017
 - Execute on the 2017 initiatives and plan
 - Initiate and complete planning for Fall 2018
- **2017 – 2018 academic year** (September 2017 – August 2018)
 - Assess 2017 initiatives
 - Execute on 2018 initiatives
 - Develop Four Year (2019 – 2022) strategic enrollment management plan
02/14/17 - SRN

Recommendation

No action required. Discussion item only.

Attachments

- SEM Workgroup Information
- Winter Enrollment Update
- Weekly Admission Report
- Projection Exercises
- Structural Framework

SEM Steering Workgroup

Charge / Roles

The SEM Steering Workgroup provides strategic direction and executive leadership for the Oregon Tech enrollment management effort. It also provides direction and oversight to the SEM Coordinating Workgroup.

Membership

- VP SEM (chair) - Steve Neiheisel
- VP Finance – Brian Fox
- VP Wilsonville – Laura McKinney
- Dean ETM – Hallie Neupert
- Dean HAS – LeAnn Maupin
- Dean On-Line – Erika Veth

SEM Coordinating Workgroup

Charge / Roles

The SEM Coordinating workgroup:

- *Assists in the development of the enrollment initiatives and plans as well as enrollment projections.*
- *Provides Institutional coordination and also directs the implementation and assessment of the enrollment management initiatives and activities.*

The Steering Workgroup provides direction and oversight to this workgroup.

Membership

- VP SEM (chair) - Steve Neiheisel
- Director of Retention -- Barb Conner
- Director of Admission -- Carl Thomas
- Director of Financial Aid -- Tracey Lehman
- Registrar -- Wendy Ivie
- Institutional Research -- Farooq Sultan
- Marketing and Communication -- Di Saunders
- Student Affairs – Erin Foley and Dana Onorato
- Director of Athletics -- Greg Stewart
- Finance and Administration – Lori Harris
- Director of Academic Agreements -- Marla Edge
- Faculty representatives from
 - ETM - Mike Pierce (Management)
 - HAS – Rick Hoylman (MIT)
 - Online – Suzanne Hopper (Dental Hygiene)

01/19/17 -- SRN

Oregon TECH

Winter 2017 Weekly Enrollment - 4th Week
As of February 3, 2017

The following data represents Winter 2017 enrollment compared to the same week last year as well as comparison to final numbers of Winter 2016 4th Week.

* Headcount totals are unduplicated as students can enroll in multiple locations.

Headcount	Same Week Comparison	
	Winter 2016	Winter 2017
On Campus (Klamath Falls)	2,161	2,154
Online	1,360	1,519
Onsite Total (Unduplicated)	935	942
* Wilsonville	702	736
* Seattle	151	134
* La Grande	23	12
* Chemeketa	59	58
* Joint Program	0	4
Sub-Total (Unduplicated)	3,725	3,785
High School	386	861
Grand Total (Unduplicated)	4,111	4,644

Same Week Comparison	
Difference	% Change
-7	-0.3%
159	11.7%
7	0.7%
34	4.8%
-17	-11.3%
-11	-47.8%
-1	-1.7%
4	-
60	1.6%
475	123.1%
533	13.0%

Headcount	Fourth Week Comparison	
	Percent of 4th Week	
Winter 4th WK	Winter 2016	Winter 2017
2,161	100.0%	99.7%
1,360	100.0%	111.7%
935	100.0%	100.7%
702	100.0%	104.8%
151	100.0%	88.7%
23	100.0%	52.2%
59	100.0%	98.3%
0	-	-
3,725	100.0%	101.6%
386	100.0%	223.1%
4,111	100.0%	113.0%

Student Credit Hours	Same Week Comparison	
	Winter 2016	Winter 2017
On Campus (Klamath Falls)	26,001	25,289
Online	6,373	7,163
Onsite Total	7,996	7,913
* Wilsonville	6,270	6,487
* Seattle	860	749
* La Grande	364	156
* Chemeketa	502	506
* Joint Program	0	15
Sub-Total	40,370	40,365
High School	1,885	3,942
Grand Total	42,255	44,307

Same Week Comparison	
Difference	% Change
-712	-2.7%
790	12.4%
-83	-1.0%
217	3.5%
-111	-12.9%
-208	-57.1%
4	0.8%
15	-
-5	0.0%
2,057	109.1%
2,052	4.9%

Headcount	Fourth Week Comparison	
	Percent of 4th Week	
Winter 4th WK	Winter 2016	Winter 2017
26,001	100.0%	97.3%
6,373	100.0%	112.4%
7,996	100.0%	99.0%
6,270	100.0%	103.5%
860	100.0%	87.1%
364	100.0%	42.9%
502	100.0%	100.8%
0	-	-
40,370	100.0%	100.0%
1,885	100.0%	209.1%
42,255	100.0%	104.9%



Fall 2017 Applications Report
As of February 3, 2017

The following report compares Fall 2017 applications to the same day last year: February 3, 2017 -vs- February 3, 2016 and to the final Fall 2016 4th week applications as of October 21, 2016.
Re-admits and non-admits are excluded with exception of high school non-admits (ACP & HST)

Applications

	Same Day Comparison	
	Fall 2016	Fall 2017
On Campus (Klamath Falls)	967	1,091
* Freshmen	785	869
* Transfer	173	214
* Post-Bac	9	8
* Graduate	0	0
Online	19	39
Onsite Total	182	268
* Wilsonville	182	267
* Other	0	1
Sub-Total	1,168	1,398
High School	0	0
Grand Total	1,168	1,398

Same Day Comparison	
Difference	% Change
124	12.8%
84	10.7%
41	23.7%
-1	-11.1%
0	-
20	105.3%
86	47.3%
85	46.7%
1	-
230	19.7%
0	-
230	19.7%

Fourth Week Comparison

Headcount Fall 4th Week	Percent of 4th Week	
	Fall 2016	Fall 2017
1,714	56.4%	63.7%
1,077	72.9%	80.7%
575	30.1%	37.2%
33	27.3%	24.2%
29	0.0%	0.0%
317	6.0%	12.3%
557	32.7%	48.1%
533	34.1%	50.1%
24	0.0%	4.2%
2,588	45.1%	54.0%
1,079	0.0%	0.0%
3,667	31.9%	38.1%

Admitted

	Same Day Comparison	
	Fall 2016	Fall 2017
On Campus (Klamath Falls)	572	594
* Freshmen	484	479
* Transfer	81	109
* Post-Bac	7	6
* Graduate	0	0
Online	4	8
Onsite Total	82	104
* Wilsonville	82	104
* Other	0	0
Sub-Total	658	706
High School	0	0
Grand Total	658	706

Same Day Comparison	
Difference	% Change
22	3.8%
-5	-1.0%
28	34.6%
-1	-14.3%
0	-
4	100.0%
22	26.8%
22	26.8%
0	-
48	7.3%
0	-
48	7.3%

Fourth Week Comparison

Headcount Fall 4th Week	Percent of 4th Week	
	Fall 2016	Fall 2017
1,293	44.2%	45.9%
819	59.1%	58.5%
423	19.1%	25.8%
30	23.3%	20.0%
21	0.0%	0.0%
208	1.9%	3.8%
380	21.6%	27.4%
365	22.5%	28.5%
15	0.0%	0.0%
1,881	35.0%	37.5%
1,079	0.0%	0.0%
2,960	22.2%	23.9%



Fall 2017 Applications Report
As of February 10, 2017

The following report compares Fall 2017 applications to the same day last year: February 10, 2017 -vs- February 10, 2016 and to the final Fall 2016 4th week applications as of October 21, 2016.

Re-admits and non-admits are excluded with exception of high school non-admits (ACP & HST)

Applications

	Same Day Comparison	
	Fall 2016	Fall 2017
On Campus (Klamath Falls)	999	1,131
* Freshmen	802	889
* Transfer	188	231
* Post-Bac	9	9
* Graduate	0	2
Online	24	40
Onsite Total	186	288
* Wilsonville	186	287
* Other	0	1
Sub-Total	1,209	1,459
High School	0	0
Grand Total	1,209	1,459

Same Day Comparison	
Difference	% Change
132	13.2%
87	10.8%
43	22.9%
0	0.0%
2	-
16	66.7%
102	54.8%
101	54.3%
1	-
250	20.7%
0	-
250	20.7%

Headcount Fall 4th Week	Percent of 4th Week	
	Fall 2016	Fall 2017
1,714	58.3%	66.0%
1,077	74.5%	82.5%
575	32.7%	40.2%
33	27.3%	27.3%
29	0.0%	6.9%
317	7.6%	12.6%
557	33.4%	51.7%
533	34.9%	53.8%
24	0.0%	4.2%
2,588	46.7%	56.4%
1,079	0.0%	0.0%
3,667	33.0%	39.8%

Admitted

	Same Day Comparison	
	Fall 2016	Fall 2017
On Campus (Klamath Falls)	609	639
* Freshmen	514	507
* Transfer	88	124
* Post-Bac	7	8
* Graduate	0	0
Online	5	9
Onsite Total	88	111
* Wilsonville	88	111
* Other	0	0
Sub-Total	702	759
High School	0	0
Grand Total	702	759

Same Day Comparison	
Difference	% Change
30	4.9%
-7	-1.4%
36	40.9%
1	14.3%
0	-
4	80.0%
23	26.1%
23	26.1%
0	-
57	8.1%
0	-
57	8.1%

Headcount Fall 4th Week	Percent of 4th Week	
	Fall 2016	Fall 2017
1,293	47.1%	49.4%
819	62.8%	61.9%
423	20.8%	29.3%
30	23.3%	26.7%
21	0.0%	0.0%
208	2.4%	4.3%
380	23.2%	29.2%
365	24.1%	30.4%
15	0.0%	0.0%
1,881	37.3%	40.4%
1,079	0.0%	0.0%
2,960	23.7%	25.6%



Enrollment Projection Model Klamath Campus - V3
As of January 12, 2017

Note: This is currently a DRAFT only and the numbers have not been validated
OIT did not collect 4th week data for winter and spring prior to 2014-15; therefore End of term data has been used as a substitute

Headcount

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
A	Fall continuing		1,445	1,476	1,529	1,477	1,493	1,461		-32	-2.1%	1,477	1,487	Fall 4th Week Headcount: Continuing Only
B	Fall continuation rate		72.4%	73.1%	80.0%	81.9%	80.7%	83.1%		2.4%	3.0%	81.9%	79.8%	Calculated : A/J
C	New/returning fall		852	924	797	776	735	751		16	2.2%	754	797	Fall 4th Week Headcount: New and Returning Only
D	Fall census total		2,297	2,400	2,326	2,253	2,228	2,212		-16	-0.7%	2,231	2,284	Calculated : A+C
E	Fall + Winter degrees		73	80	70	56	73			17	30.4%	66	70	All degree types for Fall and winter using unduplicated headcount
F	Winter + Spring new/returning		147	148	113	120	107			-13	-10.8%	113	127	Winter & Spring EOT Headcount: New and Returning Only
G	End of Spring	1,996	2,019	2,169	2,080	2,093	2,044			-49	-2.3%	2,072	2,081	Spring End of Term Headcount: New, Continuing and Returning
H	Fall census to Spring end ratio		87.9%	90.4%	89.4%	92.9%	91.7%			-1.2%	-1.2%	91.4%	90.5%	Calculated : G/D
I	Spring degrees	235	238	257	277	242	286			44	18.2%	268	260	All Spring degree types using unduplicated headcount
J	Eligible to continue	1,996	2,019	1,912	1,803	1,851	1,758			-93	-5.0%	1,804	1,869	Calculated : G-I

Student Credit Hours

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
K	Fall Student Credit Hours		27,834	29,555	28,446	27,425	27,540	26,659		-881	-3.2%	27,208	27,925	Fall 4th Week SCH - All Students
L	Headcount to SCH Ratio		12.1	12.3	12.2	12.2	12.4	12.1		-0.3	-2.5%	12.2	12.2	Calculated : K/D



Enrollment Projection Model Online - V3
As of January 12, 2017

Note: This is currently a DRAFT only and the numbers have not been validated
OIT did not collect 4th week data for winter and spring prior to 2014-15; therefore End of term data has been used as a substitute

Headcount

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
A	Fall continuing		594	624	621	660	767	855		88	11.5%	761	705	Fall 4th Week Headcount: Continuing Only
B	Fall continuation rate		66.5%	66.0%	65.5%	63.0%	74.9%	76.2%		1.3%	1.7%	71.4%	69.1%	Calculated : A/J
C	New/returning fall		386	327	472	398	481	574		93	19.3%	484	450	Fall 4th Week Headcount: New and Returning Only
D	Fall census total		980	951	1,093	1,058	1,248	1,429		181	14.5%	1,245	1,156	Calculated : A+C
E	Fall + Winter degrees		60	81	97	95	104			9	9.5%	99	87	All degree types for Fall and winter using unduplicated headcount
F	Winter + Spring new/returning		260	262	238	244	251			7	2.9%	244	251	Winter & Spring EOT Headcount: New and Returning Only
G	End of Spring	893	945	1,013	1,125	1,091	1,210			119	10.9%	1,142	1,077	Spring End of Term Headcount: New, Continuing and Returning
H	Fall census to Spring end ratio		96.4%	106.5%	102.9%	103.1%	97.0%			-6.2%	-6.0%	101.0%	101.2%	Calculated : G/D
I	Spring degrees	44	67	65	78	67	88			21	31.3%	78	73	All Spring degree types using unduplicated headcount
J	Eligible to continue	893	945	948	1,047	1,024	1,122			98	9.6%	1,064	1,017	Calculated : G-I

Student Credit Hours

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
K	Fall Student Credit Hours		4,424	4,369	4,919	4,835	5,774	6,552		778	13.5%	5,720	5,290	Fall 4th Week SCH - All Students
L	Headcount to SCH Ratio		4.5	4.6	4.5	4.6	4.6	4.6		0.0	-0.9%	4.6	4.6	Calculated : K/D



Enrollment Projection Model Onsite - V3
As of January 12, 2017

Note: This is currently a DRAFT only and the numbers have not been validated
OIT did not collect 4th week data for winter and spring prior to 2014-15; therefore End of term data has been used as a substitute

Headcount

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
A	Fall continuing		407	436	536	662	660	673		13	2.0%	665	593	Fall 4th Week Headcount: Continuing Only
B	Fall continuation rate		63.5%	64.2%	67.4%	73.5%	75.9%	80.6%		4.6%	6.1%	76.7%	72.3%	Calculated : A/J
C	New/returning fall		293	386	459	387	403	377		-26	-6.5%	389	402	Fall 4th Week Headcount: New and Returning Only
D	Fall census total		700	822	995	1,049	1,063	1,050		-13	-1.2%	1,054	996	Calculated : A+C
E	Fall + Winter degrees		74	79	93	111	97			-14	-12.6%	100	91	All degree types for Fall and winter using unduplicated headcount
F	Winter + Spring new/returning		126	128	118	117	93			-24	-20.5%	109	116	Winter & Spring EOT Headcount: New and Returning Only
G	End of Spring	641	679	848	942	930	906			-24	-2.6%	926	861	Spring End of Term Headcount: New, Continuing and Returning
H	Fall census to Spring end ratio		97.0%	103.2%	94.7%	88.7%	85.2%			-3.4%	-3.9%	89.5%	93.7%	Calculated : G/D
I	Spring degrees	43	37	53	41	61	71			10	16.4%	58	53	All Spring degree types using unduplicated headcount
J	Eligible to continue	641	679	795	901	869	835			-34	-3.9%	868	816	Calculated : G-I

Student Credit Hours

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
K	Fall Student Credit Hours		5,719	6,780	8,683	9,259	9,567	9,493		-74	-0.8%	9,440	8,756	Fall 4th Week SCH - All Students
L	Headcount to SCH Ratio		8.2	8.2	8.7	8.8	9.0	9.0		0.0	0.5%	9.0	8.8	Calculated : K/D



Enrollment Projection Model Resident - V3
As of January 12, 2017

Note: This is currently a DRAFT only and the numbers have not been validated
OIT did not collect 4th week data for winter and spring prior to 2014-15; therefore End of term data has been used as a substitute

Headcount

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
A	Fall continuing		1582	1635	1701	1711	1744	1739		-5	-0.3%	1,731	1,706	Fall 4th Week Headcount: Continuing Only
B	Fall continuation rate		67.6%	69.2%	75.4%	78.7%	77.9%	80.8%		2.9%	3.7%	79.1%	76.4%	Calculated : A/J
C	New/returning fall		1045	1021	1035	966	987	938		-49	-5.0%	964	989	Fall 4th Week Headcount: New and Returning Only
D	Fall census total		2,627	2,656	2,736	2,677	2,731	2,677		-54	-2.0%	2,695	2,695	Calculated : A+C
E	Fall + Winter degrees		128	138	157	166	156			-10	-6.0%	160	149	All degree types for Fall and winter using unduplicated headcount
F	Winter + Spring new/returning		306	326	231	243	211			-32	-13.2%	228	263	Winter & Spring EOT Headcount: New and Returning Only
G	End of Spring	2,341	2364	2514	2446	2498	2434			-64	-2.6%	2,459	2,451	Spring End of Term Headcount: New, Continuing and Returning
H	Fall census to Spring end ratio		90.0%	94.7%	89.4%	93.3%	89.1%			-4.2%	-4.5%	90.6%	91.3%	Calculated : G/D
I	Spring degrees	232	236	258	272	258	281			23	8.9%	270	261	All Spring degree types using unduplicated headcount
J	Eligible to continue	2,341	2,364	2,256	2,174	2,240	2,153			-87	-3.9%	2,189	2,237	Calculated : G-I

Student Credit Hours

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
K	Fall Student Credit Hours		29,769	31,122	31,607	30,991	31,306	30,798		-508	-1.6%	31,032	31,165	Fall 4th Week SCH - All Students
L	Headcount to SCH Ratio		11.3	11.7	11.6	11.6	11.5	11.5		0.0	0.4%	11.5	11.6	Calculated : K/D



Enrollment Projection Model Non-Resident - V3
As of January 12, 2017

Note: This is currently a DRAFT only and the numbers have not been validated
OIT did not collect 4th week data for winter and spring prior to 2014-15; therefore End of term data has been used as a substitute

Headcount

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
A	Fall continuing		353	390	445	492	519	540		21	4.0%	517	477	Fall 4th Week Headcount: Continuing Only
B	Fall continuation rate		62.1%	64.1%	63.4%	66.6%	69.6%	71.5%		2.0%	2.8%	69.2%	67.0%	Calculated : A/J
C	New/returning fall		317	360	425	333	384	452		68	17.7%	390	391	Fall 4th Week Headcount: New and Returning Only
D	Fall census total		670	750	870	825	903	992		89	9.9%	907	868	Calculated : A+C
E	Fall + Winter degrees		47	44	44	40	44			4	10.0%	43	44	All degree types for Fall and winter using unduplicated headcount
F	Winter + Spring new/returning		175	172	204	181	187			6	3.3%	191	184	Winter & Spring EOT Headcount: New and Returning Only
G	End of Spring	568	608	745	794	808	847			39	4.8%	816	760	Spring End of Term Headcount: New, Continuing and Returning
H	Fall census to Spring end ratio		90.7%	99.3%	91.3%	97.9%	93.8%			-4.1%	-4.2%	94.3%	94.6%	Calculated : G/D
I	Spring degrees	39	43	43	55	62	92			30	48.4%	70	59	All Spring degree types using unduplicated headcount
J	Eligible to continue	568	608	702	739	746	755			9	1.2%	747	710	Calculated : G-I

Student Credit Hours

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
K	Fall Student Credit Hours		5097	5980	6559	6451	7337	7553		216	2.9%	7,114	6,776	Fall 4th Week SCH - All Students
L	Headcount to SCH Ratio		7.6	8.0	7.5	7.8	8.1	7.6		-0.5	-6.3%	7.9	7.8	Calculated : K/D



Enrollment Projection Model WUE - V3
As of January 12, 2017

Note: This is currently a DRAFT only and the numbers have not been validated
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Headcount

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
A	Fall continuing		165	146	173	192	193	196		3	1.6%	194	180	Fall 4th Week Headcount: Continuing Only
B	Fall continuation rate		78.6%	73.4%	89.6%	81.7%	80.1%	84.1%		4.0%	5.0%	82.0%	81.8%	Calculated : A/J
C	New/returning fall		52	106	98	88	98	110		12	12.2%	99	100	Fall 4th Week Headcount: New and Returning Only
D	Fall census total		217	252	271	280	291	306		15	5.2%	292	280	Calculated : A+C
E	Fall + Winter degrees		5	10	3	2	13			11	550.0%	6	7	All degree types for Fall and winter using unduplicated headcount
F	Winter + Spring new/returning		10	9	9	8	9			1	12.5%	9	9	Winter & Spring EOT Headcount: New and Returning Only
G	End of Spring	210	199	226	262	260	258			-2	-0.8%	260	241	Spring End of Term Headcount: New, Continuing and Returning
H	Fall census to Spring end ratio		91.7%	89.7%	96.7%	92.9%	88.7%			-4.2%	-4.5%	92.7%	91.9%	Calculated : G/D
I	Spring degrees	24	30	33	27	19	25			6	31.6%	24	27	All Spring degree types using unduplicated headcount
J	Eligible to continue	210	199	193	235	241	233			-8	-3.3%	236	220	Calculated : G-I

Student Credit Hours

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
K	Fall Student Credit Hours		3,111	3,602	3,882	4,077	4,238	4,353		115	2.7%	4,223	4,030	Fall 4th Week SCH - All Students
L	Headcount to SCH Ratio		14.3	14.3	14.3	14.6	14.6	14.2		-0.3	-2.3%	14.4	14.4	Calculated : K/D



Enrollment Projection Model Full-Time - V3
As of January 12, 2017

Note: This is currently a DRAFT only and the numbers have not been validated
OIT did not collect 4th week data for winter and spring prior to 2014-15; therefore End of term data has been used as a substitute

Headcount

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
A	Fall continuing		1384	1431	1556	1552	1576	1593		17	1.1%	1,574	1,542	Fall 4th Week Headcount: Continuing Only
B	Fall continuation rate		74.6%	76.0%	86.6%	85.6%	89.3%	90.9%		1.6%	1.8%	88.6%	85.7%	Calculated : A/J
C	New/returning fall		745	871	806	772	817	798		-19	-2.3%	796	813	Fall 4th Week Headcount: New and Returning Only
D	Fall census total		2,129	2,302	2,362	2,324	2,393	2,391		-2	-0.1%	2,369	2,354	Calculated : A+C
E	Fall + Winter degrees		94	93	111	114	137			23	20.2%	121	110	All degree types for Fall and winter using unduplicated headcount
F	Winter + Spring new/returning		85	68	75	60	59			-1	-1.7%	65	69	Winter & Spring EOT Headcount: New and Returning Only
G	End of Spring	1854	1884	2024	2071	2004	2022			18	0.9%	2,032	2,001	Spring End of Term Headcount: New, Continuing and Returning
H	Fall census to Spring end ratio		88.5%	87.9%	87.7%	86.2%	84.5%			-1.7%	-2.0%	86.1%	87.0%	Calculated : G/D
I	Spring degrees	221	210	228	258	239	270			31	13.0%	256	241	All Spring degree types using unduplicated headcount
J	Eligible to continue	1,854	1,884	1,796	1,813	1,765	1,752			-13	-0.7%	1,777	1,802	Calculated : G-I

Student Credit Hours

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
K	Fall Student Credit Hours		30,572	33,165	33,940	33,279	34,292	34,060		-232	-0.7%	33,877	33,747	Fall 4th Week SCH - All Students
L	Headcount to SCH Ratio		14.4	14.4	14.4	14.3	14.3	14.2		-0.1	-0.6%	14.3	14.3	Calculated : K/D



Enrollment Projection Model Part-Time - V3
As of January 12, 2017

Note: This is currently a DRAFT only and the numbers have not been validated
OIT did not collect 4th week data for winter and spring prior to 2014-15; therefore End of term data has been used as a substitute

Headcount

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
A	Fall continuing		716	740	763	843	880	882		2	0.2%	868	822	Fall 4th Week Headcount: Continuing Only
B	Fall continuation rate		56.6%	57.5%	56.3%	63.1%	60.2%	63.5%		3.3%	5.5%	62.3%	60.1%	Calculated : A/J
C	New/returning fall		669	616	752	615	652	702		50	7.7%	656	667	Fall 4th Week Headcount: New and Returning Only
D	Fall census total		1,385	1,356	1,515	1,458	1,532	1,584		52	3.4%	1,525	1,489	Calculated : A+C
E	Fall + Winter degrees		86	99	93	94	76			-18	-19.1%	88	90	All degree types for Fall and winter using unduplicated headcount
F	Winter + Spring new/returning		406	439	369	372	348			-24	-6.5%	363	387	Winter & Spring EOT Headcount: New and Returning Only
G	End of Spring	1265	1287	1461	1431	1562	1517			-45	-2.9%	1,503	1,452	Spring End of Term Headcount: New, Continuing and Returning
H	Fall census to Spring end ratio		92.9%	107.7%	94.5%	107.1%	99.0%			-8.1%	-7.6%	100.2%	100.3%	Calculated : G/D
I	Spring degrees	74	99	106	96	100	128			28	28.0%	108	106	All Spring degree types using unduplicated headcount
J	Eligible to continue	1,265	1,287	1,355	1,335	1,462	1,389			-73	-5.0%	1,395	1,366	Calculated : G-I

Student Credit Hours

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
K	Fall Student Credit Hours		7,405	7,539	8,108	8,240	8,589	8,644		55	0.6%	8,491	8,224	Fall 4th Week SCH - All Students
L	Headcount to SCH Ratio		5.3	5.6	5.4	5.7	5.6	5.5		-0.1	-2.7%	5.6	5.5	Calculated : K/D



Enrollment Projection Model High School - V3
As of January 12, 2017

Note: This is currently a DRAFT only and the numbers have not been validated
OIT did not collect 4th week data for winter and spring prior to 2014-15; therefore End of term data has been used as a substitute

Headcount

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
A	Fall continuing		30	31	36	27	36	277		241	669.4%	113	81	Fall 4th Week Headcount: Continuing Only
B	Fall continuation rate		10.2%	7.2%	13.8%	6.9%	11.7%	27.5%		15.9%	136.3%	15.3%	13.4%	Calculated : A/J
C	New/returning fall		367	312	501	464	825	980		155	18.8%	756	616	Fall 4th Week Headcount: New and Returning Only
D	Fall census total		397	343	537	491	861	1,257		396	46.0%	870	698	Calculated : A+C
E	Fall + Winter degrees		0	0	0	0	0			0	0.0%	0	0	All degree types for Fall and winter using unduplicated headcount
F	Winter + Spring new/returning		79	56	61	224	236			12	5.4%	174	131	Winter & Spring EOT Headcount: New and Returning Only
G	End of Spring	294	432	261	394	309	1,006			697	225.6%	570	480	Spring End of Term Headcount: New, Continuing and Returning
H	Fall census to Spring end ratio		108.8%	76.1%	73.4%	62.9%	116.8%			53.9%	85.7%	84.4%	87.6%	Calculated : G/D
I	Spring degrees	0	0	0	0	0	0			0	0.0%	0	0	All Spring degree types using unduplicated headcount
J	Eligible to continue	294	432	261	394	309	1,006			697	225.6%	570	480	Calculated : G-I

Student Credit Hours

REF #	Measure	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	1 year change (N)	1 year change (%)	3 year average	5 year average	Comments
K	Fall Student Credit Hours		1,323	1,383	1,980	1,952	3,637	5,757		2,120	58.3%	3,782	2,942	Fall 4th Week SCH - All Students
L	Headcount to SCH Ratio		3.3	4.0	3.7	4.0	4.2	4.6		0.4	8.4%	4.3	4.1	Calculated : K/D

Oregon Tech
 Initial Enrollment Projections -- 4th Week Fall 2017
 Monday, January 09, 2017
 Subtotal

LEGEND	
Actual/official numbers	
Projections in italics	
Estimates in Red	

	Fall 2016 4th week	Fall / Winter degrees	Winter / Spring new & returning	Fall census to Spring end ratio	Spring end
High	3,922				0
Low	3,922				0
Mid-point	3,922	0	0	0.0%	0
Most Likely	3,922				0
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5 year average		199	456	91.9%	3,457
3 year average		208	428	91.4%	3,540
Same as past year		213	407	90.1%	3,542

	Spring end	Spring Degrees	Eligible to continue	Continuation Rate from Spring to Fall	New Fall	Fall 2017 4th week headcount	Change from Prior Fall %	Change from Prior Fall N
High	0		0			0	-100.0%	-3,922
Low	0		0			0	-100.0%	-3,922
Mid-point	0	0	0	0.0%	0	0	-100.0%	-3,922
Most Likely	0		0			0	-100.0%	-3,922
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5 year average	3,457	347		74.5%	1,495			
3 year average	3,540	364		76.9%	1,465			
Same as past year	3,542	398		78.8%	1,516			

	Fall 2017 4th week	HC / Credit hour ratio		Fall 2017 4th week Credit hours	Change from Prior Fall %	Change from Prior Fall N
High	0			0	-100.0%	-42,704
Low	0			0	-100.0%	-42,704
Mid-point	0	0		0	-100.0%	-42,704
Most Likely	0			0	-100.0%	-42,704
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5 year average		10.9		41,971		
3 year average		10.8		42,368		
Same as past year		10.7		42,704		

Oregon Tech
 Initial Enrollment Projections -- 4th Week Fall 2017
 Monday, January 09, 2017
 Klamath Campus

LEGEND	
Actual/official numbers	
Projections in italics	
Estimates in Red	

	Fall 2016 4th week	Fall / Winter degrees	Winter / Spring new & returning	Fall census to Spring end ratio	Spring end
High	2,212				0
Low	2,212				0
Mid-point	2,212	0	0	0.0%	0
Most Likely	2,212				0
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5 year average		70	127	90.5%	2,081
3 year average		66	113	91.4%	2,072
Same as past year		73	107	91.7%	2,044

	Spring end	Spring Degrees	Eligible to continue	Continuation Rate from Spring to Fall	New Fall	Fall 2017 4th week headcount	Change from Prior Fall %	Change from Prior Fall N
High	0		0			0	-100.0%	-2,212
Low	0		0			0	-100.0%	-2,212
Mid-point	0	0	0	0.0%	0	0	-100.0%	-2,212
Most Likely	0		0			0	-100.0%	-2,212
<hr/>								
5 year average	2,081	260		79.8%	797			
3 year average	2,072	268		81.9%	754			
Same as past year	2,044	286		83.1%	751			

	Fall 2017 4th week	HC / Credit hour ratio		Fall 2017 4th week Credit hours	Change from Prior Fall %	Change from Prior Fall N
High	0			0	-100.0%	-26,659
Low	0			0	-100.0%	-26,659
Mid-point	0	0		0	-100.0%	-26,659
Most Likely	0			0	-100.0%	-26,659
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5 year average		12.2		27,925		
3 year average		12.2		27,208		
Same as past year		12.1		26,659		

Oregon Tech
 Initial Enrollment Projections -- 4th Week Fall 2017
 Monday, January 09, 2017
 Online

LEGEND	
Actual/official numbers	
Projections in italics	
Estimates in Red	

	Fall 2016 4th week	Fall / Winter degrees	Winter / Spring new & returning	Fall census to Spring end ratio	Spring end
High	1,429				0
Low	1,429				0
Mid-point	1,429	0	0	0.0%	0
Most Likely	1,429				0
<hr/>					
5 year average		87	251	101.2%	1,077
3 year average		99	244	101.0%	1,142
Same as past year		104	251	97.0%	1,210

	Spring end	Spring Degrees	Eligible to continue	Continuation Rate from Spring to Fall	New Fall	Fall 2017 4th week headcount	Change from Prior Fall %	Change from Prior Fall N
High	0		0			0	-100.0%	-1,429
Low	0		0			0	-100.0%	-1,429
Mid-point	0	0	0	0.0%	0	0	-100.0%	-1,429
Most Likely	0		0			0	-100.0%	-1,429
<hr/>								
5 year average	1,077	73		69.1%	450			
3 year average	1,142	78		71.4%	484			
Same as past year	1,210	88		76.2%	574			

	Fall 2017 4th week	HC / Credit hour ratio		Fall 2017 4th week Credit hours	Change from Prior Fall %	Change from Prior Fall N
High	0			0	-100.0%	-6,552
Low	0			0	-100.0%	-6,552
Mid-point	0	0		0	-100.0%	-6,552
Most Likely	0			0	-100.0%	-6,552
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5 year average		4.6		5,290		
3 year average		4.6		5,720		
Same as past year		4.6		6,552		

Oregon Tech
 Initial Enrollment Projections -- 4th Week Fall 2017
 Monday, January 09, 2017
 Onsite

LEGEND	
Actual/official numbers	
Projections in italics	
Estimates in Red	

	Fall 2016 4th week	Fall / Winter degrees	Winter / Spring new & returning	Fall census to Spring end ratio	Spring end
High	1,050				0
Low	1,050				0
Mid-point	1,050	0	0	0.0%	0
Most Likely	1,050				0
5 year average		91	116	93.7%	861
3 year average		100	109	89.5%	926
Same as past year		97	93	85.2%	906

	Spring end	Spring Degrees	Eligible to continue	Continuation Rate from Spring to Fall	New Fall	Fall 2017 4th week headcount	Change from Prior Fall %	Change from Prior Fall N
High	0		0			0	-100.0%	-1,050
Low	0		0			0	-100.0%	-1,050
Mid-point	0	0	0	0.0%	0	0	-100.0%	-1,050
Most Likely	0		0			0	-100.0%	-1,050
5 year average	861	53		72.3%	402			
3 year average	926	58		76.7%	389			
Same as past year	906	71		80.6%	377			

	Fall 2017 4th week	HC / Credit hour ratio		Fall 2017 4th week Credit hours	Change from Prior Fall %	Change from Prior Fall N
High	0			0	-100.0%	-9,493
Low	0			0	-100.0%	-9,493
Mid-point	0	0		0	-100.0%	-9,493
Most Likely	0			0	-100.0%	-9,493
5 year average		8.8		8,756		
3 year average		9.0		9,440		
Same as past year		9.0		9,493		

How do students access and experience Oregon Tech? Enrollment Management Structural Framework

Introduction

Considering factors such as marketing and marketplace; student profiles, interests and intent; and variations on service and program delivery, enrollment activities and enrollment management at Oregon Tech is being developed and approached simultaneously from three perspectives.

- **On-campus:** “You (the student) come to us (Oregon Tech)”
- **On-line:** “We come to you”
- **On-site:** “We come to your neighborhood”

With underlying principles of targeted and segmented marketing, communications and services supporting the capability for ‘mass personalization’, each of the access and experience perspectives is further described below.

On-campus: “You (the student) come to us (Oregon Tech)”

Students attend campus in Klamath Falls living on-campus or in local communities

Profile:

- Predominately ‘traditional’ students direct from high school or transfers from CCs and four year institutions.
- Ages 18-24; majority attending full-time.
- An immersive, comprehensive in and out of the classroom learning environment

Advantages:

- Broadest academic program selection
- Provides in-person, on-going access to broadest array of academic faculty and support services
- Provides student life, co-curricular opportunities (athletics, clubs, student organization, etc.), if desired

Issues

- Requires relocation and lifestyle change for most.

Recruitment Cycle

- 18-24 months for direct from high school students
- 9-15 months for transfer students

Retention / Intent

- The intent for these students is usually for continuous enrollment to completion of degree in 2-5 years.

On-line: “We come to you”

Students attend classes from home or other locations of their choice

Profile:

- Predominately working adults, non-traditional (i.e. those with other, higher priorities in their lives who want or need to pursue higher education courses and programs for career / employment purposes)
- Age 25+
- Majority attending part-time
- Interested in primarily academic learning and credential / degree completion

Advantages

- Convenience
- Self-paced

Issues

- Selected academic programs
- Virtual and/or on-line services

Recruitment Cycle

- 1-6 months prior to enrollment

Retention / Intent

- The intent is usually for longer timeframe with the possibility of breaks / interruptions in enrollment

On-site: “We come to your neighborhood”

Students attend classes at locations in proximity to their homes and workplaces

The identified enrollment factors above for on-campus and on-line will vary for the on-site perspective depending on the number of programs, the number of students, the location, and details of any partnership. Site options include:

- Stand-alone facilities (e.g. Wilsonville) – limited programs and on-site services
- Partnerships -- targeted, limited programs and services
 - Corporate (e.g. Seattle – Boeing)
 - Community College (e.g. Chemeketa)
- ACP high schools - targeted schools and student types with selected course delivery (NOT programs)

Some Additional Thoughts

While moving forward on enrollment efforts using the above three perspectives, it is critical that all three perspectives recognize, understand and support the overarching principle of one institution. Specifically:

- Continuity and consistency of institutional identity and brand identity
- Quality and consistency of academic programs and services
- Continuity, consistency and quality of communications and messaging

DRAFT – 02/07/17 – SRN

DISCUSSION

Agenda Item No. 3.2

State Budget Context and Tuition and Budget Process Update

Background

This communication will provide an overview of the major external forces affecting Oregon Tech’s revenue and cost structure building from the macro forces impacting state funding and address how these forces are likely to translate into the university’s budget and planning over the near to medium-term. The first section focuses on three major information sets: 1) short- and medium-term State of Oregon General Fund revenue forecasts, 2) systematic increases in calls on those revenues, and 3) state higher education spending background and assumed future expenditures. This first section will establish a base set of assumptions for the development of future Oregon Tech budgets. The second section carries these assumptions into institutional specific factors and articulates proposed tuition and budget priorities, which recognize these assumptions and will position the institution for long-term stability and growth.

Oregon’s Budget Overview

General Fund Revenue

Oregon’s General Fund has seen significant net revenue growth since the 2007-09 biennia. During the current and prior biennia, the state has net general fund revenue gains in excess of 10%; the upcoming 2017-19 biennia is projected to see slowing growth to 8.3% with continued moderation over the upcoming three biennia.¹ The DAS Office of Economic Analysis projections do not forecast a recession; however, they note that revenue growth has slowed as job growth has begun to moderate and that recessionary risk is particularly acute given Oregon’s volatile personal income centric tax structure. As a note of reference, it is important to recognize that the Great Recession ended in June 2009, 80 months ago while the post-war average length between recessions is 58 months.²

Oregon General Fund Revenue ¹		
Biennia	Revenue	Growth
2013-15	\$16.0B	13.3%
2015-17	\$18.0B	12.1%
2017-19*	\$19.5B	8.3%
2019-21*	\$21.4B	10.0%
2021-23*	\$23.7B	10.7%
2023-25*	\$25.8B	8.8%
* Forecast		

Calls on State Revenue

Balancing increases in General Fund revenues are increases in calls on those revenues. Despite a forecast growth of nearly \$1,490 million dollars from the 2015-17 biennia to the upcoming 2017-19

¹ Oregon Department of Administrative Services: Office of Economic Analysis. “Oregon Economic and Revenue Forecast: December 2016: Appendix B. Vol. XXXVI, No. 4. Nov. 16, 2016. <<http://www.oregon.gov/das/OEA/Documents/forecast1216.pdf>>.

² National Bureau of Economic Research. “US Business Cycle Expansions and Contractions.” Apr. 4, 2012. <<http://www.nber.org/cycles.html>>.

biennia, the state is facing a deficit of \$1,769 million dollars in Current Service Level (CSL) terms.³ Anticipated labor, health benefits, S&S, and general service needs are driving the increase in CSL requirements. Two cost drivers in particular stand out: increase for Oregon Health Plan to fund the expansion of Medicaid eligibility as a part of the federal Affordable Care Act and significant increases in Public Employee Retirement System (PERS) contribution rates. The ramifications of certain cost-increasing ballot measures also contribute significantly to the CSL deficit.

Medicaid Expansion

Oregon elected to expand its Medicaid eligibility through a provision of the Affordable Care Act. The Federal Government 100% funded this expansion from 2014 through 2016 and has resulted in 95% of Oregonians having health insurance, which represents a 63% increase from 2013.⁴ However, the state, beginning in 2017, will be required to fund 5% of the expansion's total cost. This funding requirement will increase by 1% per year through 2020.⁵ Decreases in federal funding will require either increased state funding, decreases in service level or reductions in the number of Oregon Health Plan participants. The delta between the 2015-17 Legislatively Approved Budget (LAB) for the Oregon Health Authority and its 2017-19 CSL budget is \$1,022 million dollars.³ Given the recent change in presidential administration, there is increased uncertainty in the overall funding of the Medicaid expansion during the out years.

PERS Funding

The state's retirement system, of which many local jurisdictions, school districts, community colleges, and public universities are members, has seen a rapid deterioration in its overall funding status since the 2015-17 biennium. This is due to two major changes: the first being the Oregon Supreme Court's overturning of the 2013 Legislature's PERS reforms in the *Moro v. State of Oregon* case and the second being decreased actuarial return assumptions. The *Moro* decision overturned certain PERS reforms, which limited payouts to PERS recipients, and caused a significant increase in estimated PERS liabilities. A reduction by the PERS Board in the assumed annual rate of return on PERS assets from 7.75% to 7.5% caused further increases in estimated PERS liabilities. As of the most recent valuation by the PERS Board, PERS' funded status is 71% with a total Unfunded Actuarial Liability of \$21.8 billion dollars.⁶ As of December 31, 2016, the Public Employee Retirement Fund's three-year return was 3.63%; its ten-year return was 3.18%.⁷ The IMF Forecasts

³ Legislative Fiscal Office. "Co-Chairs' Existing Resources Budget Framework, 2017-2019." Jan. 19, 2017. <<https://www.oregonlegislature.gov/lfo/Documents/2017%20Co-Chair%20Document.pdf>>

⁴ Department of Administrative Services. "2017-19 Governor's Budget. Dec. 1, 2016. <http://www.oregon.gov/das/Financial/Documents/2017-19_gb.pdf>

⁵ Medicaid and CHIP Payment and Access Commission. "State and Federal Spending Under the ACA." <<https://www.macpac.gov/subtopic/state-and-federal-spending-under-the-aca/>>

⁶ Larrabee, Matt and Scott Preppernau. Milliman. "December 31, 2015 Actuarial Valuation: Oregon Public Employees Retirement System." Jun. 27, 2016. <http://www.oregon.gov/pers/docs/actuarial_valuation-revised_7-29.pdf>

⁷ Oregon State Treasury. "Oregon PERS Monthly Returns – December 31, 2016." Jan. 2017. <<https://www.oregon.gov/treasury/Divisions/Investment/Documents/OPERS/Monthly%20Returns/2016/OPERS%2012312016.pdf>>

“persistent stagnation in advanced economies” and that “global growth [will be] subpar.”⁸ This does not bode well for PERS reaching its assumed actuarial rate of return and will likely further increase the system’s already large total unfunded liabilities.

Decreases in PERS funded status has triggered a significant increase in PERS contribution rates of approximately 4% of payroll. The State’s actuaries anticipate that this will cause further increases of similar magnitudes during the subsequent two biennia even “[i]f actual investment returns are near assumption.” The current biennial increase is estimated at \$885 million in increased cost to the state, school districts and other PERS participating employers.⁶ This includes public universities. Much of this will have to be made up by the state as funding for municipalities, counties and school districts are severely constrained. John Thomas, the chairman of the PERS Board recently stated that “[t]his problem is not going away. It is what it is. The math is the math... it's getting to a point now that it's difficult for people to accept what these numbers are.”⁹

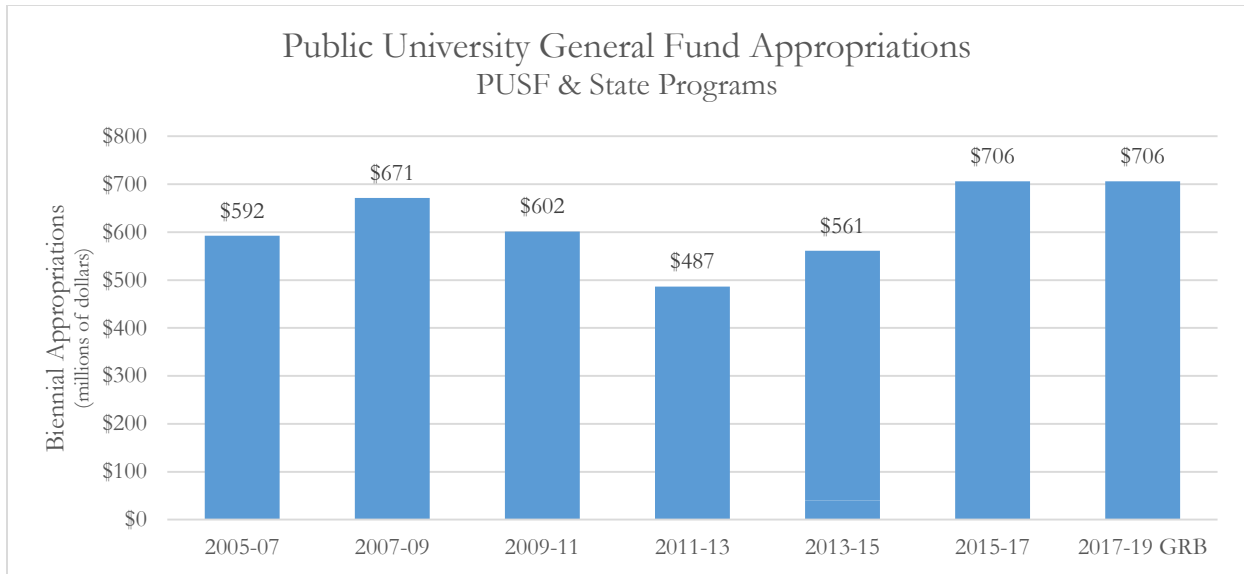
Oregon Tech Budget Development

2017-19 Biennial Budget

Governor Brown released her 2017-19 biennial budget recommendation, the Governor’s Recommended Budget (GRB), on December 1, 2016.⁴ The GRB recommended flat funding for the Public University Support Fund (PUSF) and State Programs as well as zero funded the Sports Action Lottery program. The Sports Action Lottery program provides direct funding for athletics and scholarship programs at each public university. These funds are particularly important for the non-Division I athletic programs, which have limited external revenue generating capacity.

⁸ International Monetary Fund. “IMF Sees Subdued Global Growth, Warns Economic Stagnation Could Fuel Protectionist Calls.” Oct. 4, 2016. <<http://www.imf.org/en/News/Articles/2016/10/03/AM2016-NA100416-WEO>>

⁹ Strickinger, Ted. The Oregonian. “This is Becoming a Moral Issue”: Officials Face Truth Behind Oregon’s Soaring Pension Costs.” Feb. 17, 2017. <http://www.oregonlive.com/politics/index.ssf/2016/09/this_is_becoming_a_moral_issue.html>



In early January 2017, Sen. Richard Devlin and Rep. Nancy Nathanson, the Co-Chairs of the Legislature’s budget writing Joint Committee on Ways and Means, released their budget framework.³ The “Co-Chairs Budget” framework serves as a starting point for budget development. It provided the total post-secondary education funding level, but did not split it between specific program budgets or sectors. This lack of specificity does not allow for the universities to establish the exact recommended allocation to the PUSF, State Programs or Sports Action Lottery or other programs.

The budget represents a \$28.8 million dollar decrease from CSL; conversely, it also represent a \$135.5 million dollar increase from the 2015-17 Legislatively Approved Budget (LAB). The universities, DAS and the Legislative Fiscal Office (LFO) continue to debate the most accurate methodology for calculating university CSL, which further complicate the analysis. What can currently be established is that the Co-Chairs budget represents a moderate overall increase in funds to the post-secondary education sector, but any increase will be, at best, modest given other competing calls between the Oregon Opportunity Grant, the Oregon Promise program, the Community College Support Fund, HECC and increasing debt service for university and community college capital projects.

Oregon Tech Budget Development

Overview

The following section is designed to provide a base level understanding of Oregon Tech’s current budget and tuition development cycle. This information will be used to discuss tuition rates with the Tuition Recommendation Committee and various campus constituencies and as a baseline for the President and the Executive Leadership Team’s development of the 2017-18 budget for recommendation to the Board of Trustees. The development of the President’s tuition recommendation to the Board is prescribed by Board and university policy as well as by state statute.

Given overall state revenue uncertainty Oregon Tech has established three budget development scenarios. These scenarios center around the most likely funding level, the PUSF funded at approximately the GRB at \$667 million. The upside scenario assumes the GRB plus approximately \$50 million (PUSF at \$720 million), while the downside scenario assumes the GRB minus \$50 million (PUSF at \$616 million). Neither the upside nor the downside funding scenarios are outside the realm of the reasonable given significant state general fund shortfalls and potential for additional revenue raising tax measures during the current legislative session. The planning scenarios do not assume additional E&G budget transfers to backfill for the loss of Sports Lottery funding. Regaining Sports Lottery funding is a primary objective of the Oregon Council of President's given the significant and demonstrable harm its loss would cause to all institutions.

The following table outlines forecast Oregon Tech PUSF funding at specified appropriations levels. All data was provided by the HECC through the SSCM Forecasting Tool.

Forecast Oregon Tech PUSF Appropriations							
2015-17		\$616 million		\$660 million (GRB)		\$720 million	
FY 16	FY 17	FY 18	FY 19	FY 18	FY 19	FY 18	FY 19
\$23.7M	\$24.6M	\$21.9M	\$23.1M	\$23.5M	\$24.8M	\$25.6M	\$26.9M

Expected cost increases are outlined below, on an annual basis, using the GRB baseline budget scenario:

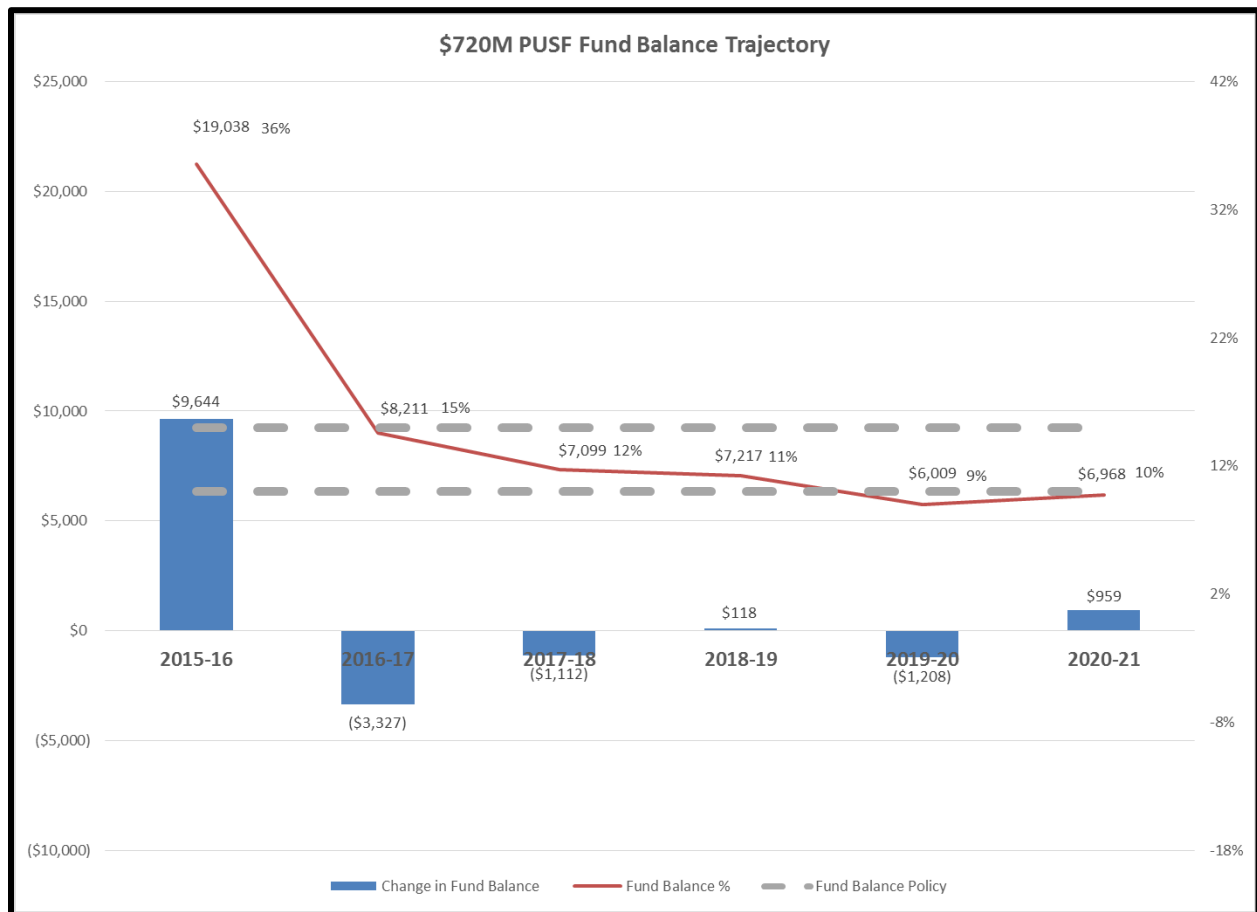
Calls on Revenues	
Cost Driver	Budget Impact
PERS (+18.4%)	\$1,066,000
PEBB (+5%)	\$323,000
S&S & Utilities (+5%)	\$544,000
Approved Faculty Hires (incl. PEBB)	\$430,000
Strategic Investments	\$300,000
Impact of 4% mid-year raise	\$461,000
Total	\$3,124,000

The following section provides estimated funding, tuition increase, enrollment, remission and effect on fund balance and ongoing cuts required under the three scenarios outlined above. *The following forecasts are preliminary and for planning purposes only.* Each scenario also includes the estimated impact over the next four fiscal years to gauge the long-term impact of short-term decision making. Each scenario assumes flat funding during the 2019-21 biennia and an additional increase in PERS contribution rate of approximately 4%. Enrollment is assumed to increase by 3.5% in the out years. After the 2017-18 fiscal year tuition increases in a stair step fashion with significant increases in even numbered fiscal years coinciding with PERS increases and at moderate levels in years without PERS increases. The following forecasts are preliminary and have large error bars relating to enrollment, compensation and state funding levels.

Not contemplated in this modeling is the effect of investments in enrollment, retention and completion efforts or programmatic expansion.

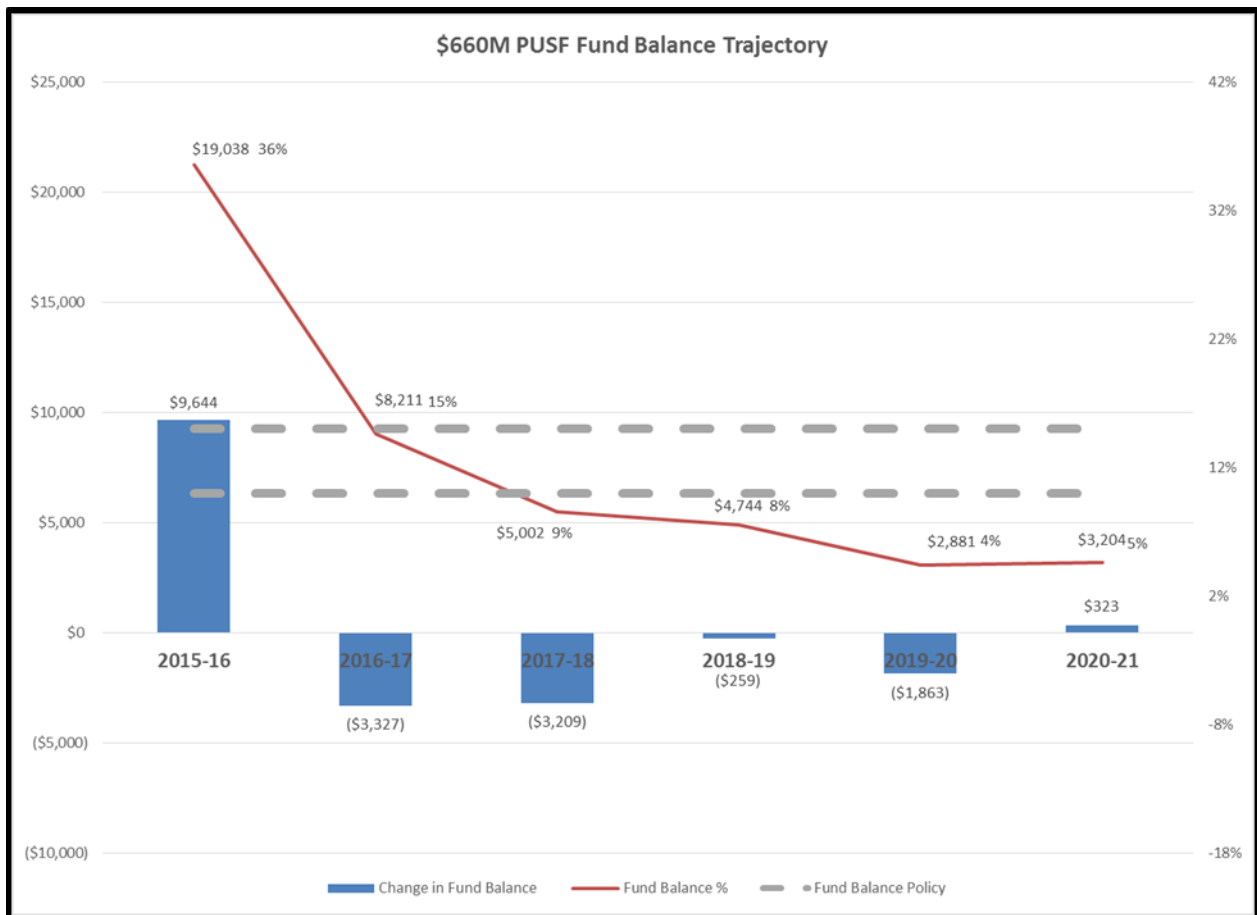
\$720 PUSF Funding Scenario

Budget Assumptions - \$720M PUSF	
State Funding	\$25.6M (FY 18) \$26.9M (FY 19) \$52.5 M (biennial) -- \$48.8 M (2015-17 biennia)
Enrollment	+3.0%
Fund Balance Used (2017-19)	-\$1.0M
Investment in Programs and Student Support	\$0
Tuition Range	+5-10%
Remissions	11% of Tuition Revenue
Overview:	
<ul style="list-style-type: none"> - Optimistic state appropriation scenario - Broadly stable budget, allowing no or limited additional hiring and increases in tuition above 5% - Creates long-term scarcity and requires continued growth in student completion rates to maintain funding 	



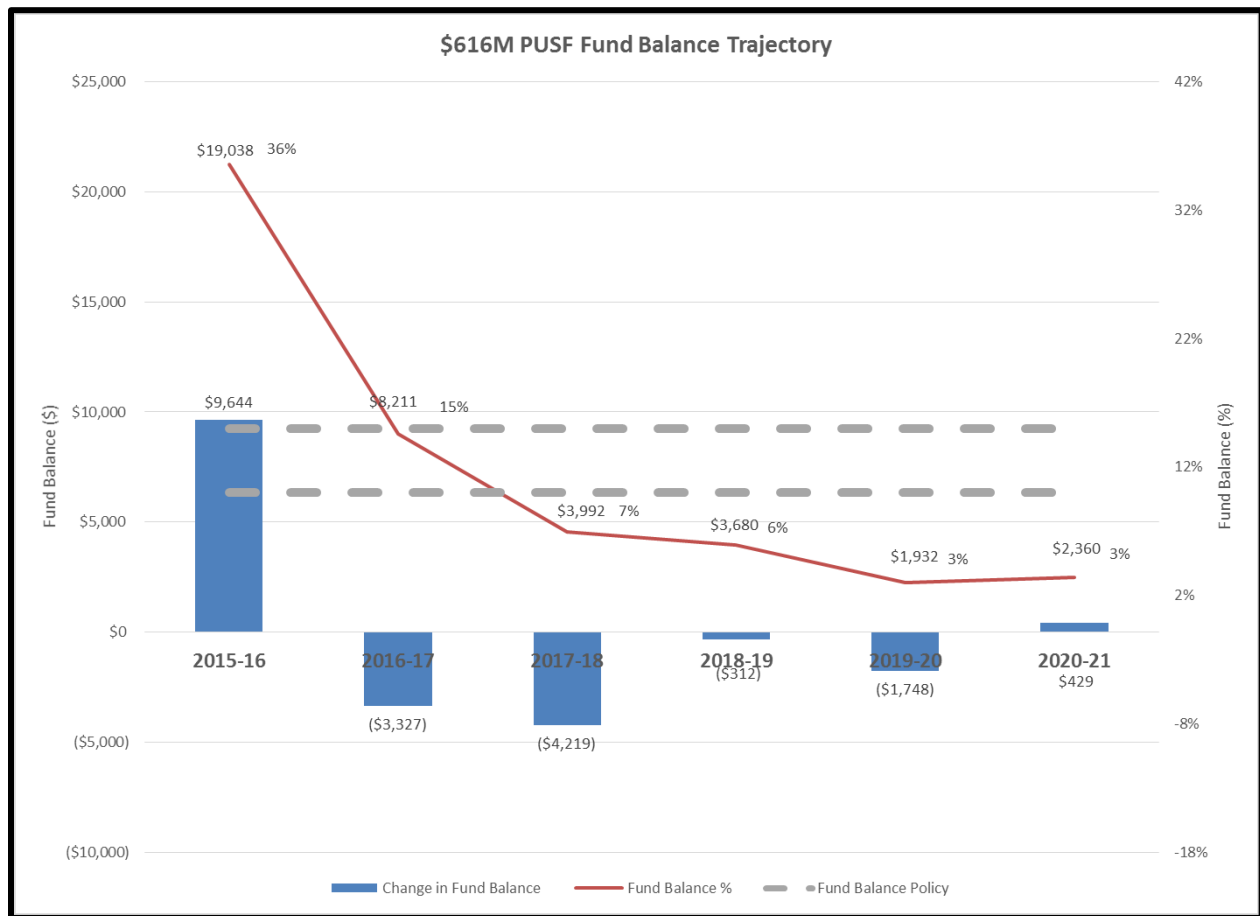
\$660MPUSF Funding Scenario (GRB)

Budget Assumptions - \$660M PUSF	
State Funding	\$23.5M (FY18) \$24.8M (FY19) \$48.3 M (biennial) -- \$48.8 M (2015-17 biennia)
Enrollment	+3.0%
Fund Balance Used (2017-19)	-\$3.5M
Cost Reductions	-\$1.0M
Tuition Range	+10-15%
Remissions	11% of Tuition Revenue
Overview:	
<ul style="list-style-type: none"> - Governor’s Recommended Budget and most likely state funding level - Creates persistent funding scarcity, depletes reserves and requires tuition increases in 10-15% range - Necessitates cost cutting in core services and accelerated investment in enrollment initiatives 	



\$616M PUSF Funding Scenario

Budget Assumptions - \$616M PUSF	
State Funding	\$21.9M (FY18) \$23.1M (FY19) \$45.1 M (biennial) -- \$48.8 M (2015-17 biennia)
Enrollment	+3.0%
Fund Balance Used (2017-19)	-\$4.5M
Cost Reductions	-\$2.0M
Tuition Range	+10-15%
Remissions	12% of Tuition Revenue
Overview:	
<ul style="list-style-type: none"> - Significant funding cut to higher education, within range of possible outcomes - Requires significant cut in ongoing operating costs, rapidly depletes reserves and 10-15% tuition increase - Requires rapid focus on increasing enrollment, retention and completion, and limits investment opportunity 	



Budget and Tuition Development Calendar

Budget and Tuition Development Timeline									
Budget Development Process									
		2016		2017					
Owner	Action	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Voters	Election with significant state revenue ramifications	█							
DAS OEA	Revenue Forecast	█			█			█	
VPFA	Budget Forecasting and Scenario Planning	█	█	█			█		
Governor	Governor's Recommended Budget Released		█						
	Strategic Initiatives and Investment Planning	█	█	█					
	- Aggregate and organize academic strategic plans	█	█	█					
ELT/PLT	- Internal budget reviews at VP level		█	█	█				
	- Enrollment forecast		█	█	█		█		
	- Workload and departmental demand forecasting	█	█	█	█	█			
Co-Chairs	Co-Chairs Budget Released			█					
ELT/FOAC	Develop proposed budget objectives, priorities and final calendar			█	█				
BOT	Approve budget objectives and philosophy				█				
VPFA, PLT	Develop draft budget for FOAC/PLT review				█	█			
ELT	Establish draft budget for open forum				█	█			
VPFA/PLT/FOAC	Campus Budget Open Forum					█	█		
ELT/President	Finalize budget recommendation to Board						█		
F&F	F&F Committee meets to make budget recommendation							█	
BOT	Board of Trustees meets to make budget adoption decision							█	
VPFA	Load Budget for FY 2018								█
Tuition Development Process									
		2016		2017					
Owner	Action	Nov	Dec	Jan	Feb	Mar	Apr	May	June
TRC	TRC Meets to establish meeting dates, process and review needs			█					
TRC	TRC meets for tuition review and budget information				█				
TRC	TRC meets to establish tuition range					█			
TRC	TRC hosts student forum for input					█	█		
TRC	TRC meets to establish tuition recommendation					█	█		
BOT	Board of Trustees meet and hear budget and tuition scenarios								
I Fee	Incidental Fee Committee meets to set fee recommendation			█	█				
TRC	TRC make tuition recommendation to President					█			
ASOIT	ASOIT Tuition Recommendation Letter sent to Pres.						█		
ASOIT	ASOIT Incidental Fee Recommendation Letter sent to Pres.						█		
President	President makes tuition recommendation to BOT						█		
F&F	F&F Committee meets to make tuition recommendation							█	
BOT	Board of Trustees meets to make budget adoption decision							█	
HECC	HECC meets to consider tuition approvals in excess of 5%							█	█

Tuition Setting Principles

The Tuition Recommendation Committee (“Committee”), composed of a group of students, faculty, staff and administrators from the Wilsonville and Klamath Falls locations, discussed the following draft charter, guiding principles and process requirements. This draft document includes input from the Committee as well as members of the executive team. It will be finalized at the Committee meeting on February 17, 2017, subsequent to the date of this docket’s publication.

Charter

This Committee is responsible for recommending the tuition and mandatory fee rates to the institutional president. This Committee is comprised of six students, representing both campuses and appointed by the ASOIT president(s); and the Fiscal Operations Advisory Council (FOAC) chair, with support from senior administrators. The institutional president shall designate one member to chair the Committee.

The Committee will meet at least twice from November to February. Its meetings shall be open to the public and broad notification of the meetings shall be made to the university community. The committee will consider the guidelines provided by the Board, the budget information provided by the Vice President for Finance and Administration, tuition rates at other public and private universities in the region and such other information as it shall deem appropriate.

Guiding Principles

- Tuition levels shall have a solid rationale and justification
- Tuition shall be appropriate to ensure that quality is maintained in all academic and support programs, thus assuring an excellent return on investment for our students and their families
- The Committee shall ensure that they communicate openly and transparently with all stakeholders
- Tuition levels shall be appropriate to support the long-term financial stability of the institution and be in alignment with its mission, vision and values
- The Committee shall strive to reduce complexity in the tuition structure where possible

Process Requirements

- The Committee shall use data and comparisons to other peer institutions
- The Committee shall understand the institution’s overall budget and significant cost drivers, including which expenses and revenues are within the institution’s control
- The Committee shall be open to and respectful of dialogue, constructive criticism and feedback
- The Committee shall strive to create conditions for real and substantive feedback from all campus constituencies including students, faculty and staff

Principles Development

The following set of budget development priorities have been established for discussion and feedback from the Board of Trustees. The principles seek to acknowledge the revenue and cost pressures affecting Oregon Tech, and guide the administrative team in establishing a budget, which drives the long-term health of the university. These principles, when taken as a whole, establish a long-term focus, prioritize growing in-demand programs and prioritize student access and degree completion.

Recommended Budget Principles

- 1) Preserve and enhance the long-term fiscal stability of the institution
- 2) Strengthen growing and in-demand programs
- 3) Strategic investments focused on enrollment and degree completion

Process

The budget development process has begun and will continue as outlined in the Budget and Tuition Development Timeline above. Currently, mid-year budget meetings, finalized fiscal year forecasts and FY 2018 budget requests are being established through meetings between the Vice President of Finance and Administration and unit directors or Vice Presidents. A baseline budget will be instituted by the Budget Office for the executive team to prioritize expenses in accordance with recognized budget principles and Board direction. The FY 2018 budget recommendation will be submitted to the Board for consideration and adoption at its regularly scheduled May 2017 meeting.

Staff Recommendation

No action required. Discussion item only.