May 22, 2017

Neil Bryant, Chair
Ben Cannon, Executive Director
Higher Education Coordinating Commission
255 Capitol Street NE, 3rd Floor
Salem, OR 97301

Re: Reconsideration of University of Oregon’s Resident Undergraduate 2017–18 Tuition

Chair Bryant and Director Cannon:

The University of Oregon (UO) respectfully requests the reconsideration by the Higher Education Coordinating Commission (HECC) of UO’s resident undergraduate tuition and fee rate increases for the 2017–18 academic year.

Despite recommended approval from both HECC staff and the HECC’s Funding & Achievement Subcommittee, the full Commission rejected the increase on May 11, 2017. This action has thrown UO’s budget into tremendous uncertainty that must be resolved in as swift a manner as possible.

UO faces a $27.5 million budget gap for the coming fiscal year, largely a result of cost drivers outside of our control. We believe the best path forward for the fiscal stability of the institution and the long-term interest of Oregon students and their families is a reconsideration of the proposed increase.

We are acutely aware of the dichotomy that exists between the rising costs of a college degree and the undeniable importance of higher education, especially in a 21st Century economy. But we are also aware of the need to provide a quality education in the face of rising cost pressures. Access and excellence are two pillars of the UO’s Strategic Framework, and we are wholly committed to both.

Raising tuition is not an easy or preferred choice. However, after nearly a year of analysis, our board came to the conclusion that a 10.6% increase in resident undergraduate tuition is necessary to close a portion of this budget gap. Nine million dollars remains in the gap to fill through either new revenue sources or budget reductions. This comes on top of the $6.3 million in cuts implemented in our previous fiscal year. These are difficult times resulting from prolonged disinvestment by the Legislature and increasing cost drivers mandated by the State.

We continue to do a tremendous amount to shield low-income, underrepresented, and first-generation students from the impacts of tuition increases. For example, The PathwayOregon program, ensures all tuition and fees are covered for four years for qualified PELL-eligible Oregon freshmen; 60% of these students are first-generation and 56% are minority students. This, along with other programs such as the Diversity Excellence Scholars program and advising services offered through the Center for Multicultural Academic Excellence help ensure that low-income, underrepresented, and first-generation students receive financial assistance and the guidance necessary to graduate on time.
The tuition proposal approved by the Board was not made unilaterally or quickly. When institutional boards were authorized in statute, the law required each board to put into place a tuition-setting policy. We established one in 2014 incorporating student feedback. We amended it in 2015 based on feedback from student leaders, and in 2016 the administration again changed its execution of that policy to ensure better opportunities for dialogue. Prior to the Tuition and Fee Advisory Board (TFAB) kicking off its formal meetings in November 2016, administrators met with student government leaders to discuss the process and make any alterations necessary to allow for student input and guidance.

TFAB – which includes students, faculty and staff members – held seven public meetings and its information was available online. Additionally, the UO established a new online site dedicated to providing information about tuition-setting, including meeting times, data, and public forums as well as a feedback option for students to communicate concerns directly. TFAB participated in two public student forums, including one hosted by the student government featuring trustees. Forums were advertised on social media, through campus messaging, on the tuition website, and via student groups to reach the broadest possible audience.

The process used in 2016–17 was thorough and inclusive, but we remain committed to learning from past practices and welcome feedback from students and other stakeholders to continuously improve it.

After months of deliberation and analyzing various financial scenarios, TFAB recommended a proposal to the President and Provost. That proposal was posted online with a solicitation for more public input and feedback before finalizing a recommendation submitted for the Board’s consideration.

The Board considered and approved the proposal 12–1. One trustee describes the day we set tuition as “the worst day of her year every year.” The magnitude of this responsibility and its implications on students and families is not lost on our members. We and our fellow trustees are committed to the pillars of both access and excellence, and we exercise our fiduciary obligation to the University of Oregon and the State of Oregon with the utmost diligence. We do not make decisions lightly, and would not have approved this proposal if it were not necessary.

The UO is an enterprise the size of a small to mid-sized city in Oregon. It provides services and programs in all 36 of Oregon’s counties; continually works to improve academic programs, completion rates, campus safety, and student experiences; and we plan for both today and the future. Uncertainty is not good for our students, the institution, or the State of Oregon. This uncertainty, coupled with an even greater lack of adequate funding could be devastating. We urge you to reconsider UO’s proposal and resolve this critical issue for our institution and students.

Sincerely,

Charles M. Lillis  Michael H. Schill  
Chair, Board of Trustees  President and Professor of Law