



MEMORANDUM

To: JP Monroe, Director of Institutional Research
From: Sarah Nutter, Edward Maletis Dean, Lundquist College of Business
Date: February 1, 2020
Subject: Revised: Tuition Increase for Business Graduate Programs – AY 20/21
 Increase in Differential Tuition Undergraduate Programs – AY 20/21

Attachments: Appendix A: LCB Tuition and Fee Proposal Forms

Proposal Summary:

Program	Current Tuition/Fees	AY 2020/21 Proposed Tuition
OEMBA	Resident: \$81,000 Non-Resident: \$81,000 18-month program (6 terms)	No changes.
SPM Face-to-Face	Resident: \$65,000 Non-Resident: \$75,000 15-month program (5 terms)	Resident: \$78,000 Non-Resident: \$78,000 Elimination of differing tuition rates for resident versus non-resident plus a 4% overall increase.
SPM Online/ Hybrid	Resident: \$83,776 Non-Resident: \$97,112 24-month program (8 terms)	Resident: \$78,000 Non-Resident: \$78,000 Matching total program tuition to current face-to-face program but spreading out over 7 terms versus current 8. While overall program cost goes down for both resident/non-resident students (7.4% and 24.5%), on a per term basis this represents a 6.4% increase for resident and an 8.2% decrease for non-resident when moving to 7 terms for program completion. See table on page 4.
MBA	Resident: \$29,235 Non-resident: \$40,461	Remain the same
MAcc	Resident: \$19,527 Non-resident: \$27,627	Resident: \$19,917 Non-resident: Remain the same
PhD	Resident: \$14,364 Non-resident: \$24,057	Remain the same

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MSF	Resident: \$35,964 Non-resident: \$46,264 Flat fee/four term including fees (may be adjusted once final fees are determined)	Resident: \$35,964 Non-resident: \$46,264 Although no change, proposing a per credit rate for credits 1-8.
Undergraduate Differential Tuition	\$20 per SCH	\$25 per SCH

Process:

The proposed rates were made in consultation with Dean Sarah Nutter, Senior Associate Dean Diane Del Guercio, MAcc Program Director Robin Clement, Associate Dean for Graduate Programs, Monica Bray, Associate Dean for Student Experience, Collette Niland, and Portland Programs Executive Director Ellen Schmidt-Devlin.

With the current sizes of our graduate programs (particularly MAcc and MSF), small 2-3% increases do not gain us substantial ground especially if scholarships/discounting is then applied. The current MBA program tuition model needs thorough analysis for AY21/22 changes, more strategic enrollment/recruitment efforts must be implemented, and overall expenditures better tied to actual revenue. At this time, due to scale, our best revenue generation tool is differential tuition on the undergraduate side.

Summaries/ justifications of changes follow.

LUNDQUIST COLLEGE OF BUSINESS
SPORTS PRODUCT MANAGEMENT (F2F PROGRAM – 5 TERMS)
RESIDENT AND NON-RESIDENT BASED GRADUATE TUITION INCREASE PROPOSAL

We are recommending an increase of 20.0% in resident graduate tuition rates in the Sports Product Management Program, and a 4% increase in the non-resident graduate tuition rates. The entirety of the increase is to help offset increases in key cost drivers including labor, PERS, health, and general inflation. Being located in Portland, other costs that impact this program include lease payments for the space, as well as other facility and maintenance charges. This change will equalize the amount charged to resident and non-resident students and provide increases in revenue to the program to cover the increases in costs described above.

It is important to note that SPM has not increased its tuition since the program's inception in 2015/2016.

TUITION GUARANTEE

The Sports Product Management Program currently offers a tuition guarantee, where current students are shielded from tuition increases that occur after they start their program as long as the students remain in good academic standing and graduate on-time. This program will remain in place existing students.

TUITION RATES

SPM is the only formal program offering a degree in sports product management face-to-face or online. Typically, industry employees are siloed into a narrow slice of the industry with limited vision of sports product management and most masters programs currently available focus on product design, sports administration or sports management.

PROGRAM FACULTY/STAFF DISCUSSION

The proposal was reviewed with the faculty and staff of SPM. The discussion centered on the cost drivers, the competitive positioning of the program, and the impact on students. All are concerned about increasing debt burdens on the students, but generally recognize that these increases are necessary to maintain program quality without making cuts.

STUDENT DISCUSSION

Due to the tuition guarantee, current students have no concerns with this topic.

LUNDQUIST COLLEGE OF BUSINESS
SPORTS PRODUCT MANAGEMENT (ONLINE PROGRAM – 7 TERMS)
RESIDENT AND NON-RESIDENT BASED GRADUATE TUITION INCREASE/DECREASE PROPOSAL

We are recommending an increase of 6.4% in resident graduate tuition per term rate in the Sports Product Management Online Program, and an 8.2% decrease in the non-resident graduate tuition per term rate as shown on the following table. The increase in resident is a direct correlation to the reduction in terms from 8 to 7 for program completion. This change will align overall tuition with the SPM face-to-face program.

Student Type	CURRENT tuition for 8 terms	CURRENT per term rate	PROPOSED tuition for 7 terms	PROPOSED per term rate	Percentage change in overall program cost	Percentage change in per term rate
Resident	\$83,776	\$10,472	\$78,000	\$11,142	7.4% decrease	6.4% increase
Non-Resident	\$97,112	\$12,139	\$78,000	\$11,142	24.5% decrease	8.2% decrease

From a prospective student standpoint, recruiting for the part-time online SPM program has been challenging with a higher tuition rate than the full-time program. To remove this recruitment impediment, we propose leveling the total tuition to be exactly the same as the full-time program. Establishing a consistent total tuition rate of \$78,000 for both full-time on-site and part-time online programs will allow potential students to properly value both options, including the amount of time it takes to earn the degree.

These changes have no impact on current students. To aid with recruitment for the program’s inception in April 2019, tuition discounting was used bringing online student tuition in line with face-to-face rates. This change just makes this action formal.

TUITION GUARANTEE

The Sports Product Management Online Program currently offers a tuition guarantee, where current students are shielded from tuition increases that occur after they start their program as long as the students remain in good academic standing and graduate on-time. This program will remain in place existing students.

TUITION RATES

SPM is the only formal program offering a degree in sports product management face-to-face or online. Typically, industry employees are siloed into a narrow slice of the industry with limited vision of sports product management and most masters programs currently available focus on product design, sports administration or sports management.

PROGRAM FACULTY/STAFF DISCUSSION

The proposal was reviewed with the faculty and staff of SPM. The discussion centered on the cost drivers, the competitive positioning of the program, and the impact on students. While all are concerned about increasing debt burdens on resident students, they all agree that matching the tuition levels with the face-to-face program thereby giving students more flexibility is important and will help with recruiting efforts.

STUDENT DISCUSSION

Due to the tuition guarantee, current students have no concerns with this topic

LUNDQUIST COLLEGE OF BUSINESS
MAcc PROGRAM
RESIDENT BASED GRADUATE TUITION INCREASE PROPOSAL

We are recommending an increase of 2% in resident graduate tuition rate in the Masters in Accounting Program, and no increase in the non-resident graduate tuition rate. The entirety of the increase is to help offset increases in key cost drivers including labor, PERS, health, and general inflation. As shown on the below table, our in-state rate is below most comparators, where out-of-state is sitting almost in the middle.

TUITION RATES

Comparator current tuition rates are as follows:

School Name	Year	Resident	Non resident
UW			
Audit & Assurance track	2019-20	\$ 20,820	\$ 25,980
MS Tax	2019-20	\$ 24,180	\$ 26,580
San Diego State	2019-20	\$ 21,516	\$ 33,396
UC-Davis	2019-20	\$ 49,824	\$ 49,824
UC-Irvine	2019-20	\$ 47,610	\$ 47,640
Brigham Young	2019-20	\$ 13,450	\$ 26,900
University of Utah	2019-20	\$ 29,100	\$ 54,210
UO MAcc	2019-20	\$ 19,527	\$ 27,627
UO MAcc Proposed 2% in-state, 0% out-of-state	2020-21	\$ 19,917	\$ 27,627

PROGRAM FACULTY/STAFF DISCUSSION

The proposal was reviewed with the faculty in Accounting. The discussion centered on the cost drivers, the competitive positioning of the program, and the impact on students. All are concerned about increasing debt burdens on the students, but generally recognize that these increases are necessary to maintain program quality without making cuts.

STUDENT DISCUSSION

Due to program length, this change has no impact on current students.

LUNDQUIST COLLEGE OF BUSINESS
DIFFERENTIAL TUITION - UNDERGRADUATE SCH
INCREASE PROPOSAL

We propose an increase in differential tuition of \$5 per SCH, raising differential tuition to \$25 per SCH, beginning fall term 2020. The entirety of the increase is to help offset increases in key cost drivers including labor, PERS, health, and general inflation as well as continue to improve and support ongoing services such as advising, career services, tutoring, clubs, and experiential learning (such as global trips, and internships).

The differential tuition of \$25 per SCH would represent very different percentage increases for the two groups of students. Based on an average credit load of 12 per term, a differential tuition of \$25 would represent a .006% increase over current per credit rates and fees for nonresident students, and a 1.6% increase over current resident per credit rates and fees. Differences by pre-business, minor and major are shown below assuming the student completes all the required course work in one year for the minor, and half the required courses in one year for the major.

	Average SCH in an AY	Current Tuition with \$20 Differential	Fees	Current Tuition, Fees & Differential	Proposed Tuition and Fees with \$25 Differential	Difference
Pre-Business	8	\$2,016	\$752	\$2,768	\$2,808	\$40
Business Minor	24	\$6,048	\$1,520	\$7,568	\$7,688	\$120
Business Major	36	\$9,072	\$2,280	\$11,352	\$11,532	\$180
Non-Resident						
Pre-Business	8	\$6,264	\$752	\$7,016	\$7,056	\$40
Business Minor	24	\$18,792	\$1,520	\$20,312	\$20,432	\$120
Business Major	36	\$28,188	\$2,280	\$30,468	\$30,648	\$180

- Subject to other adjustments in undergraduate tuition/fees for AY 20/21.

Differential tuition, implemented in 2018, has supported the following to date:

- 1) Improvement in advising services, decreasing the student to advisor ratio from 796:1 to 500:1.
- 2) Improvement in study/meeting space in the building. Four additional study spaces were added.
- 3) Improved services in Career Services including the hiring on one additional advisor.
- 4) The hiring of two tenure-track faculty.
- 5) 20% of differential tuition is dedicated to scholarships (in FY19 this was approximately \$302K).

With this additional increase in differential tuition, the Lundquist College of Business has several important initiatives around student success that would be supported:

1. Continuing to increase the size of our advising staff to reduce the student to advisor ratio from 500:1 to 300:1. This number has already been improved upon, going from 796:1 to 500:1. NACADA, the National Academic Advising Association recommends a ratio of 296:1.
2. The launch of pre-freshman programming that will advance the university's goal of a higher four-year graduation rate and better prepare students to succeed academically.
3. Continuing to build the Professional Edge Program to provide cutting edge skills to students across campus and to alumni and community members, allowing them to continually retool throughout their careers and to see the University of Oregon as a source of lifelong learning.
4. Increased funding for our student organizations to support employer outreach and their role in student leadership development.
5. Continued dedication of 20% of differential tuition to scholarships.

DIFFERENTIAL TUITION RATES

Comparator rates are shown on the following page.

PROGRAM FACULTY/STAFF DISCUSSION

The proposal was reviewed with the Dean and leadership team of the College. The discussion centered on the cost drivers, the services needed within the College to remain competitive amongst our comparators, and the impact on students. All are concerned about increasing debt burdens on the students, but generally recognize that these increases are necessary to maintain program quality without making cuts.

STUDENT DISCUSSION

Student discussions have not taken place.

	BUS Diff - SCH, Term, or None	\$/SCH	Diff. Per Year	% for Resident	% for Nonresident	Annual Tuition and Fees for <u>Resident</u> Business Major (including DIFF)	Annual Tuition and Fees for <u>Nonresident Business Major</u> (including DIFF)
University of Oregon - Current		20	720			11,352	30,468
University of Oregon - Proposed		25	900	1.6	0.006	11,532	30,648
<u>Other Oregon Schools</u>							
Oregon State	SCH	21	756	7.7	3.0	10,557	26,382
Portland State-Res	SCH	18.4	662	8.3	NA	8,622	NA
Portland State-NR	SCH	19	684	NA	3.0	NA	23,712
<u>Pac-12 Publics</u>							
Arizona-BUS	Term	NA	1,800	14.5	5.2	14,179	36,462
*Arizona-Pre & Min	Term	NA	700	5.7	2.0	13,079	35,362
Arizona State Res	Term	NA	1,050	9.3	NA	12,388	NA
Arizona State NR	Term	NA	1,800	NA	6.1	NA	31,228
U of Colorado-Res	Term	NA	5,304	35.9	NA	20,062	NA
U of Colorado-NR	Term	NA	3,396	NA	8.9	NA	41,716
U of Colorado-Pre	Term	NA	850	5.8	2.2	15,588	39,170
UC-Berkeley	None	NA	NA	0	0	17,539	47,293
U of Washington	None	NA	NA	0.0	0.0	10,722	38,166
Washington State	None	NA	NA	0.0	0.0	11,840	26,418