



## **Board of Trustees Special Meeting**

**Tuesday, May 10, 2016  
10:00 - 10:30 a.m. (or until business concludes)  
DeBoer Room, Hannon Library**

### **MINUTES**

#### **Call to Order and Preliminary Business**

Chair Thorndike called the meeting to order at 10:00 a.m.

The following trustees were present, participating remotely: Bill Thorndike, April Sevcik, Les AuCoin, Lyn Hennion, Paul Nicholson, Judy Shih, Steve Vincent and Shea Washington. The following trustees participated in person: Jeremy Nootenboom, Joanna Steinman and Roy Saigo (ex officio). The following trustees were absent: Filiberto Bencomo, Teresa Sayre and Dennis Slattery.

Other meeting guests included: Jason Catz, General Counsel; Craig Morris, Vice President for Finance and Administration; Dr. Susan Walsh, Provost and Vice President for Academic and Student Affairs; Mark Denney, Associate Vice President for Budget and Planning; Ryan Brown, Head of Community and Media Relations; Ryan Schnobrich, Internal Auditor; Torii Uyehara, ASSOU President; John Stevenson, User Support Manager; Don Hill, Classroom and Media Services Manager; Kathy Park, Executive Assistant; and David Coburn, OSA.

#### **Public Comment**

There was no public comment.

#### **2016-2017 Differential Tuition Rates for Online Students (Action)**

Mark Denney introduced the agenda item, noting the special meeting to approve the differential tuition rate for online courses. Mr. Denney said the current differential online tuition rate is the resident rate plus \$65 per student credit hour (SCH). The Tuition Advisory Council (TAC) originally considered a new rate for online courses which would be the normal tuition rate based on the student's residency status plus an online delivery fee of \$65 per SCH. There were two reasons for that recommendation. First, staff taking online courses would receive staff rates on the tuition but would also pay the delivery fee, which could be a significant amount. Second, very few students taking online courses are taking only online courses. Some nonresident students who are on campus take online courses because it costs less.

In developing the proposal for this particular rate, the TAC learned there are degree completion programs offered only online: one in education, three in business and one in criminal justice. Some of those programs have a considerable number of

nonresident students who would be significantly impacted by this change in tuition rate. Since it would be difficult to apply a special rate to those nonresident students participating in the programs only offered online, TAC thought it best to thoroughly analyze the impact before setting a new tuition rate.

The final recommendation, therefore, is to keep the differential online tuition rate at the resident rate plus a \$65 per SCH online delivery fee for all students. Effectively, the cost will remain the same as the current academic year but will be structured slightly differently. SOU will establish a working group to study the online programs and student profiles then present a proposal for academic year 2017-2018. The goal is to develop a strategic, detailed proposal that takes into account all student populations and sets the stage to grow enrollment for online courses based on a strategic plan.

President Saigo said that, as stated in his memo to the board, the tuition and mandatory fee schedule has been developed and reviewed per established SOU procedures including students and student government. He submitted and recommended that the tuition and fee schedule for academic year 2016-2017, including specific differential tuition rates for online students, be accepted and approved by the board, to become effective beginning fall 2016.

Answering Chair Thorndike's question, Mr. Denney said the online tuition rate does not vary depending on the number of courses taken but would be a factor the working group would evaluate. Mr. Denney added that online programs have been increasing about five percent per year and generally are not impacted by factors that usually affect enrollment.

Responding to Trustee Nicholson's inquiry, Mr. Denney said this tuition category represents about 15 percent of total enrollment, the majority being undergraduate. He added that nonresident and WUE students would pay the current tuition rate plus \$65 per SCH for online courses, a significant savings over their regular tuition rates.

Trustee Shih expressed concerns with changing the tuition rate, especially regarding nonresident international students, and that changing the cost may cause a significant increase in online courses. She believed some courses are best delivered in person, an opinion others shared. Mr. Denney explained the cost would be the same for the upcoming academic year as it is for the current academic year. The difference is that the \$65 per SCH is characterized as an online delivery fee, rather than as part of the tuition. He assured Trustee Shih that the working group would look into the concerns she mentioned.

Responding to Chair Thorndike's inquiry, Mr. Denney said other Oregon universities use this same methodology. For example, Oregon State charges the resident undergraduate rate plus an online delivery fee for all online courses. Craig Morris added that it is fairly standard across the country to charge a differential rate for online courses that is a little higher than the regular rate, yet set at the resident rate. To charge nonresident tuition rates would price SOU out of the market for out-of-state

students taking online courses. He believed it would be prudent to stay with the resident rate plus a delivery fee for online courses.

At Trustee Nicholson’s request, Mr. Denney expounded on the working group that will analyze this tuition rate. The recommendations from the working group would be submitted to the provost’s office then to the TAC to be included in its comprehensive tuition and fee recommendation. The working group would be comprised of faculty and administrators from the academic divisions as well as representatives from the Center for Instructional Support, registrar’s office, institutional research and provost’s office. One of the issues the working group will look into is whether there should be a limit on the number of online courses a student can take.

Trustee Shih again expressed concern about voting on a tuition rate before the working group issues its findings and recommendations. It was clarified that the action item was not actually a change in the differential rate but rather is the same rate as the current academic year but with the delivery fee structured differently. Chair Thorndike explained this would correct an oversight from the last meeting when all other tuition rates were approved. The board wanted this rate to go through the same approval process the other rates went through.

Chair Thorndike called for a motion to approve Resolution # 04-2016: Differential Tuition Rates for Academic Year 2016 – 2017. Trustee Steinman moved that the board accept the tuition as written in the resolution. Trustee Nicholson seconded the motion. Chair Thorndike then requested a roll call vote.

<b>Trustee</b>	<b>Ayes</b>	<b>Nays</b>	<b>Other</b>
Bill Thorndike	X		
Les AuCoin	X		
Filiberto Bencomo			Absent
Lyn Hennion	X		
Paul Nicholson	X		
Jeremy Nootenboom	X		
Teresa Sayre			Absent
April Sevcik	X		
Judy Shih		X	
Dennis Slattery			Absent
Joanna Steinman	X		
Steve Vincent	X		
Shea Washington			Not present for vote

Trustee AuCoin requested the chair add a discussion of trustees’ fiduciary responsibilities, especially regarding attendance, to the agenda for the next board meeting.

**Adjourn**

Chair Thorndike adjourned the meeting at 10:36 a.m.

Date: June 17, 2016

Respectfully submitted by,

A handwritten signature in cursive script, reading "Sabrina Prud'homme", is written over a horizontal line.

Sabrina Prud'homme  
University Board Secretary