

February 19, 2015

15-085

AUTHORIZE INCREASE IN TUITION FOR CREDIT
PROGRAM COURSES FOR THE 2015-2016 AND
2016-17 ACADEMIC YEARS (2015-2017 BIENNIUM)

PREPARED BY: Wing Kit-Chung, Administrative Services

FINANCIAL
RESPONSIBILITY: James Langstraat, Associate Vice President, Financial
Services

APPROVED BY: Gordon Herbst, Interim Vice President, Administrative
Services
Dr. Jeremy Brown, President

REPORT: Staff has previously reviewed with the Board the preliminary assumption of the continued downward trend of enrollment, -5% and -3% respectively for FY 2015-2016 and 2016-2017. The other major resources, the state support fund (CSSF) and property tax were also discussed. The Staff recommends that the proposed budget for the 2015-2017 biennium be based on a tuition increase of \$4.00 per credit hour for the 2015-2016 academic year (4.3%) and \$3.00 per credit hour for the 2016-2017 academic year (3.1%) for all credit classes. The rates will be \$96.00 and \$99.00 per credit hour respectively. At the time of the writing of this resolution many Oregon community colleges have not announced their tuition changes for FY2015-2016, and fees charged at most other Oregon community colleges tend to be higher than those of PCC. However, the discussions among the colleges so far range from \$3 to \$10 per credit hour increase for FY 2015-2016. The increase in this resolution would likely put PCC's tuition per credit hour still in the middle of the pack and the total annual tuition and fees per FTE in the bottom (lowest) quarter.

Upon reviewing the cost of providing PCC international students, the data shows that the cost surpassed the revenue generated by the program. Since these students are not part of the CCSF reimbursement, the College would like to ensure that no state funding is used to subsidize the program. In order to breakeven and provide some additional resources for recruiting

international students, staff recommends to charge a term fee of \$120 per international student per term.

Also, PCC competes with Seattle area community colleges as well as the Portland metropolitan colleges and universities including Portland State University for international students (non-resident). After research and discussion, staff recommends the rate be the same at \$220.00 per credit hour for 2015-2016 and increase \$5.00 (2.2%) per credit hour to \$225.00 for 2016-2017 in order to keep the rate competitive with the Seattle area community colleges and the other three community colleges in the Portland metropolitan area. PCC non-resident tuition remains about half of what Portland State University charges for international students per credit.

Ten years ago, PCC substantially increased the minimum tuition rates for Community Education (CED) and Continuing Education (CEU) programs. These programs are designated to be largely self-sufficient. In addition, actual tuition and fees for CED and CEU programs are usually determined by what the market will bear and the cost of providing such programs. Tuition for these programs is often higher than the minimum. As such, staff recommends no change to the minimum rates charged in these programs.

RECOMMENDATION: That the following tuition rates for credit courses become effective for the biennium 2015-2017.

1. Credit Courses:

Resident

Oregon residents, who are under the age of 62, will be charged \$96.00 per credit hour effective Summer Term, 2015 and \$99.00 per credit hour effective Summer Term, 2016.

Border State Resident

Residents of states bordering Oregon (Washington, Idaho, Nevada and California), who are under the age of 62, will be charged \$96.00 per credit hour effective Summer Term, 2015 and \$99.00 per credit hour effective Summer Term, 2016.

Non-Resident

Persons not residing in Oregon or bordering states (including all international students) will remain at \$220.00 per credit hour effective Summer Term, 2015 and \$225 per credit hour effective Summer Term, 2016.

International Students

~~An International student fees will be assessed at \$120 per student per term, starting Summer 2015.~~

Students who are 62 years and older

As mandated under ORS 341.534 (HB 2011 in 2009), the College will waive tuition for Oregon residents who are 62 or older who enroll in credit courses, on a space available basis when the course is taken for an audit grade.

Exception for Credit Courses

Higher rates for the respective tuition categories will not be charged. Reductions to credit course rates must be approved on a case-by-case basis by the College President.

2. Non-Credit Courses: No change

Community Education (CED)

The minimum rate charged for CED courses will remain at \$5.50 per contact hour for the 2015-2017 biennium.

Continuing Education (CEU)

The minimum rate charged for CEU courses will remain at \$5.70 per contact hour for the 2015-2017 biennium.