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Joint Ways & Means Subcommittee on Education  
Tiffany Dollar, Associated Students of Portland State University  
Re: Opposition to SB 270, Institutional Boards

Good morning Co-Chairs Komp and Monroe and members of the Committee. Thank you for the opportunity to provide testimony today. For the record, my name is Tiffany Dollar and I am speaking on behalf of the Oregon Student Association. I have the honor to serve as the Student Body President at Portland State University. I am here today in opposition to Senate Bill 270.

As the elected student representative for PSU I would like to speak specifically to students can't afford institutional boards. In the Urban Plaza, the transit hub of Portland State, students and commuters alike see the following poster on display on the side of the College of Urban and Public Affairs: *U.S. News & World Report* has named Portland State University as a top 10 "up-and-coming" national university in its Best Colleges 2013 guidebook.<sup>1</sup> However, there is another ranking that does not grace any of our halls: Portland State University made *Newsweek/The Daily Beast's* annual college rankings: It's listed among the 25 least-affordable colleges in the nation, coming in at 19th.<sup>2</sup> We hear a lot about PSU; we graduate the largest classes in the state; we graduate the most Oregonians; we are 40-40-20.

There is another story, one less publicized, but no less important. According to our Vice President of Finance, tuition covers more than 80 percent of the operating costs of the university. This is even higher than the statewide average of two-thirds. In a December *Oregonian* article we learned that Portland State can also boast that our class of 2010 borrowed more than any other OUS institution at more than \$26,200.<sup>3</sup> The Oregon University System predicts that institutional boards will cost \$5 million per year on each campus. This doesn't account for the growth in administrative costs at PSU and UO in order to show "institutional board readiness." At UO, administrative costs have gone up 166% (At PSU administrative costs have gone up 144%), whereas OSU's costs have gone up by less than half that between 1996

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<sup>1</sup> U.S. News Best Colleges, "Up-and-Coming Schools,"  
<http://colleges.usnews.rankingsandreviews.com/best-colleges/rankings/national-universities/up-and-coming>.

<sup>2</sup> Newsweek and the Daily Beast, "College Rankings 2012: Least Affordable Schools,"  
[http://www.thedailybeast.com/newsweek/galleries/2012/08/05/college-rankings-2012-least-affordable-schools-photos.html#slide\\_18](http://www.thedailybeast.com/newsweek/galleries/2012/08/05/college-rankings-2012-least-affordable-schools-photos.html#slide_18)

<sup>3</sup> Oregon Live, "College grads take on record debt, weighing down Oregon's Economy: Diminished Expectations," [http://www.oregonlive.com/business/index.ssf/2012/12/a\\_degree\\_of\\_desperation\\_dimini.html](http://www.oregonlive.com/business/index.ssf/2012/12/a_degree_of_desperation_dimini.html)



635 NE Dekum St, Portland, OR, 97211 | (503) 286-0477 | [www.orstudents.org](http://www.orstudents.org) | @OregonStudents and today, increasing campus lawyers, contracting personnel, student affairs, etc.<sup>4</sup> These increased administrative costs have led to tuition increases and fewer and fewer direct services for students.

If PSU, UO, and OSU move forward with boards, that would be \$15 million each year. This is equivalent to more than 7,000 Opportunity Grant awards. This subcommittee could not meet the additional \$13 million for OSAC recommended by the Governor's Proposed Budget. I can only assume then, that these additional costs would be passed onto students through tuition. Students cannot afford additional layers. In a world with ever increasing competition for scarce state resources and pressure for institutional success how will you ensure college stays affordable and one institution does not overshadow others, especially our regional campuses?

Most importantly, we don't see the rush. It is short sighted to make governance changes that put our regional campuses at risk for more expensive shared services, especially when we haven't had a conversation about whether these institutional boards will actually bring in increased philanthropy and preserve accountability to the people of Oregon. It doesn't appear that you have asked yourselves what the benefits are and more importantly the risks of adding additional layers of bureaucracy at the local level. I urge you to oppose SB 270. We want to see you funding financial aid over these costly governance changes.

Thank you again for the opportunity to share my comments this morning. I am happy to address any questions you may have.

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<sup>4</sup> OUS Institutional Support Analysis. November 2012.