



2009 Enrollment and Financial Aid Results: Lessons for the Future


CIC 2010 Presidents Institute
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SCANNELL & KURZ, INC.



“Nearly 30 percent of the 100 private colleges that responded to Moody’s survey project their net tuition and fee revenues to fall in the 2010 fiscal year.”

Inside Higher Ed, November 3, 2009



Schools That Were Most Vulnerable:

- Rural
- High discount rates before 2009
- Sticker price and “prestige” misalignment
- Seen as a commodity
- Profoundly tuition driven



How Students and Parents Reacted

- Students applied to more schools.
- More students selected two- and four-year publics.
- Students sought and expected more financial assistance.
- Students were more wary of borrowing and parents had more difficulty borrowing.
- Yields were stronger for majors with clear job prospects.
- Parents became even more involved in the college choice process.



What should colleges do to prepare for fall 2010 and beyond?

- Identify the key metrics that reveal how you are performing and track them to a similar date in the prior year
 - Inquiries by source
 - Applications, admits, and deposits
 - Aid applications
 - Average need
 - Financial aid expenditures/discount rate



What should colleges do to prepare for fall 2010 and beyond?

- Benchmark annually on sticker price, discount rate, and prestige indicators with private competitors to ensure that your tuition, aid, and quality indicators are in alignment.

Sample Benchmarking Chart

| College/University | Tuition & Fees 2009-10 | Discount Rate | Fall 2008 Accept Rate | Fall 2008 SAT 25-75% | U.S.News Ranking 2010 (America's Best Colleges) |
|--------------------|---------------------------|------------------|--------------------------|-------------------------|--|
| A | \$25,376 | 24.4% | 48.6% | 1000-1160 | Baccalaureate Colleges (North) Tier 1 - (17) |
| B | \$27,208 | 18.9% | 81.9% | 900-1110 | Universities-Master's (North) Tier 1 - (54) |
| C | \$28,160 | 42.9% | 73.7% | 860-1050 | Universities-Master's (North) Tier 1 - (62) |
| D | \$28,400 | 23.6% | 65.0% | 950-1160 | Universities-Master's (North) Tier 3 |
| E | \$29,365 | 36.7% | 56.0% | 970-1170 | Universities-Master's (North) Tier 1 - (45) |
| F | \$31,210 | 37.6% | 45.0% | 1100-1290 | Liberal Arts Colleges Tier 1 - (112) |
| G | \$31,450 | 38.8% | 54.5% | 1010-1190 | Universities-Master's (North) Tier 1 - (13) |
| H | \$35,712 | 32.4% | 35.2% | 1190-1350 | National Universities Tier 1 - (80) |
| I | \$38,440 | 29.9% | 54.3% | 1180-1360 | National Universities Tier 1 - (56) |

What should colleges do to prepare for fall 2010 and beyond?

- Make sure your admissions recruiters can make the case for
 - AFFORDABILITY
 - VALUE
 - ROI

...with proof statements



What should colleges do to prepare for fall 2010 and beyond?

- Make sure financial aid counselors can talk knowledgably and comfortably about financing and payment plan options as well as financial aid programs.
- The need for strong links between financial aid and student accounts has never been more pressing.



What should colleges do to prepare for fall 2010 and beyond?

- Keep admissions and financial aid staffs on the same page by using NTR goals as the common denominator.



What should colleges do to prepare for fall 2010 and beyond?

- Use an analytical approach to adjusting aid policies.
 - Examine yield rates by need and grant
 - Predictive modeling
- Be as transparent as possible about your awarding policies



What should colleges do to prepare for fall 2010 and beyond?

- Be sure you are transfer friendly
 - Develop comprehensive articulation agreements
 - Develop separate communication streams
 - Transfers are typically less price sensitive than freshmen, but you still must be able to communicate affordability effectively.



What should colleges do to prepare for fall 2010 and beyond?

- Make sure your campus visit program shines
 - Trained tour guides
 - A “wow” experience
 - Targeted events



What should colleges do to prepare for fall 2010 and beyond?

- Make sure your renewal policies are not negatively impacting retention.
- Continue to be open to appeals based on changes in family circumstances.
- Be prepared (especially in 2011) for “late” applicant activity as students are shut out of state-supported options.



What should colleges do to prepare for fall 2010 and beyond?

- Identify ways to truly reduce the cost of attendance for students
 - New partnerships
 - More efficient delivery systems
 - Shorter time to degree
- Some schools are using the tough economy to justify decisions that in the past were politically unpalatable.



What should colleges do to prepare for fall 2010 and beyond?

- Continuing to provide a high-quality, valued experience in a financially constrained environment requires leadership as well as teamwork.
- Deciding what you won't do is as important as deciding what you will do.
- Those institutions that manage change most effectively will be the most successful in the new environment.

James L. Edwards
President

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ANDERSON UNIVERSITY



Institutional Context

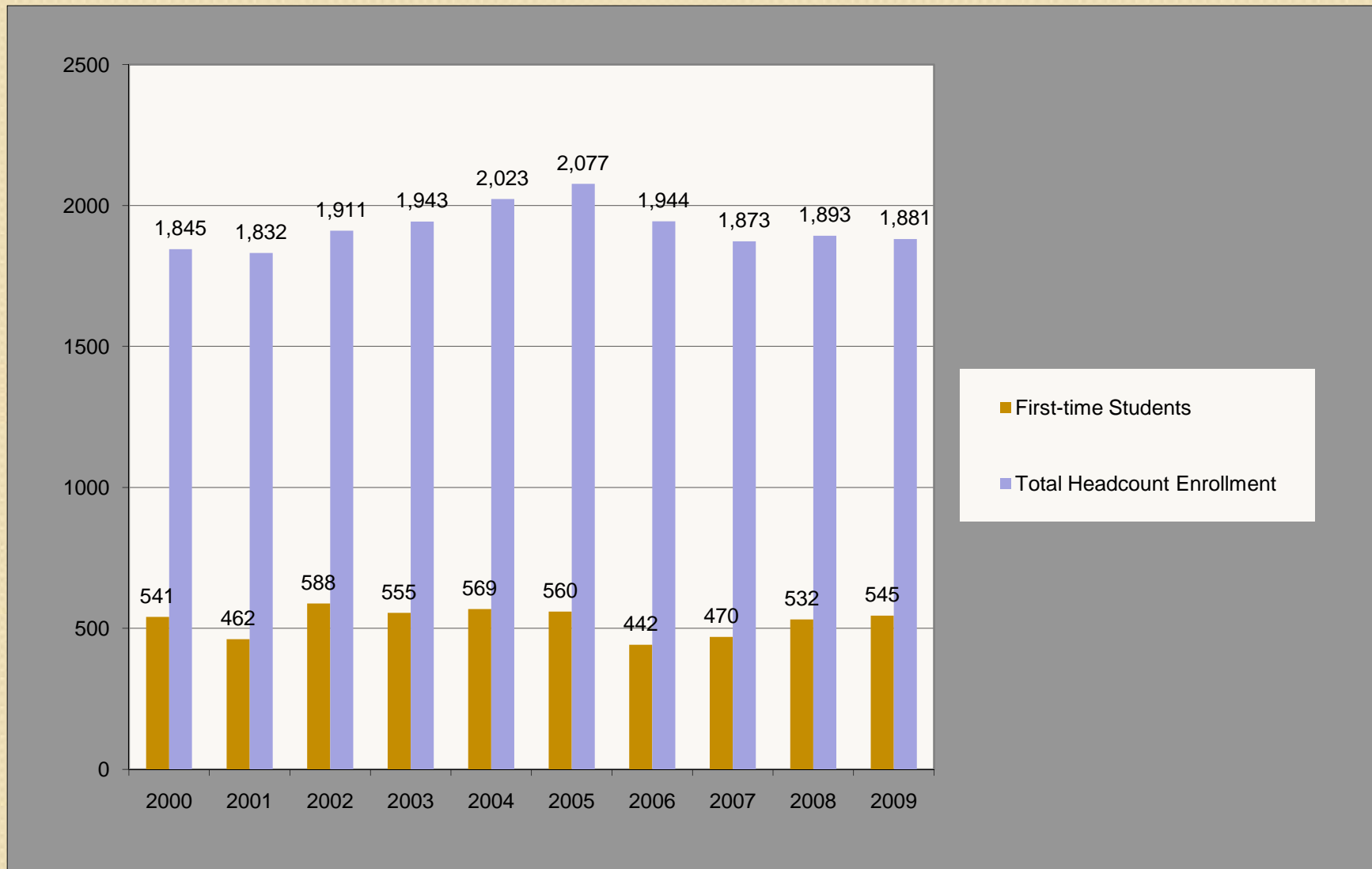
ANDERSON UNIVERSITY



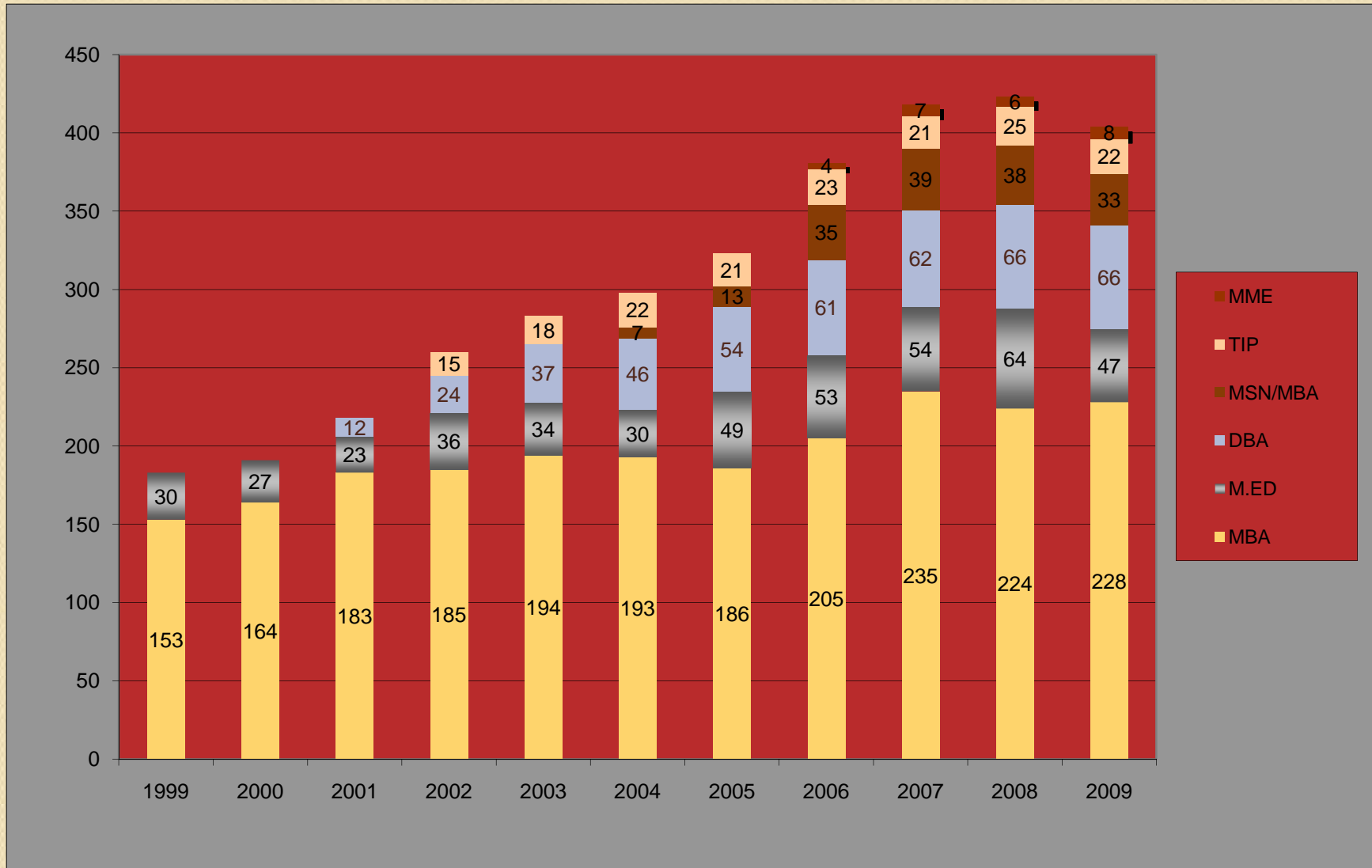
Brand Promise (Internal)

"Anderson University promises a welcoming and **diverse** Christ-centered community which seeks truth and excellence through discovery and experience, and where students grow in intellect, faith and character. Our well-respected faculty and staff challenge students along their unique journeys to fulfill their individual potential and call to service."

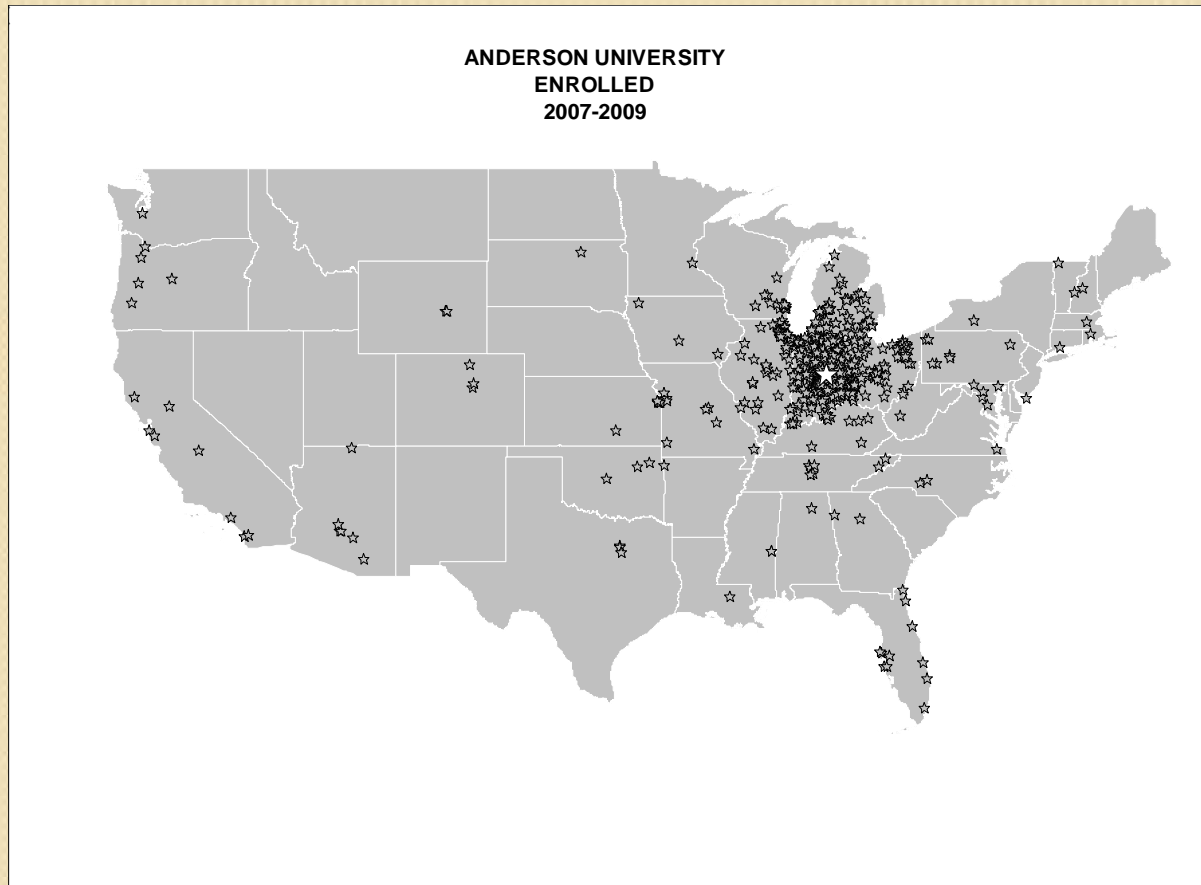
Traditional Undergraduate Enrollment 2000 to 2009



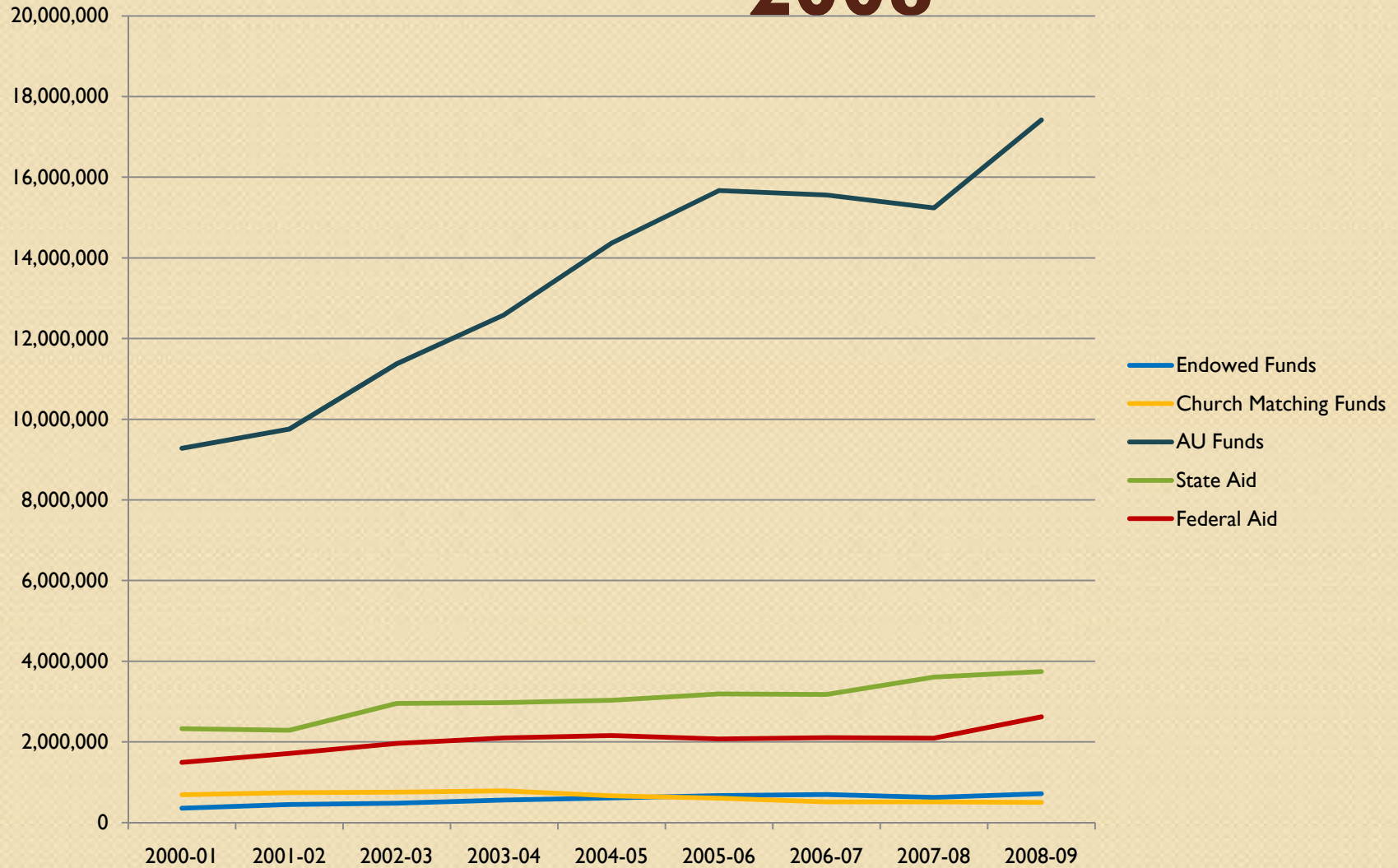
Graduate School Enrollment 1999



Geographic Sources of Matriculates 2007-2009

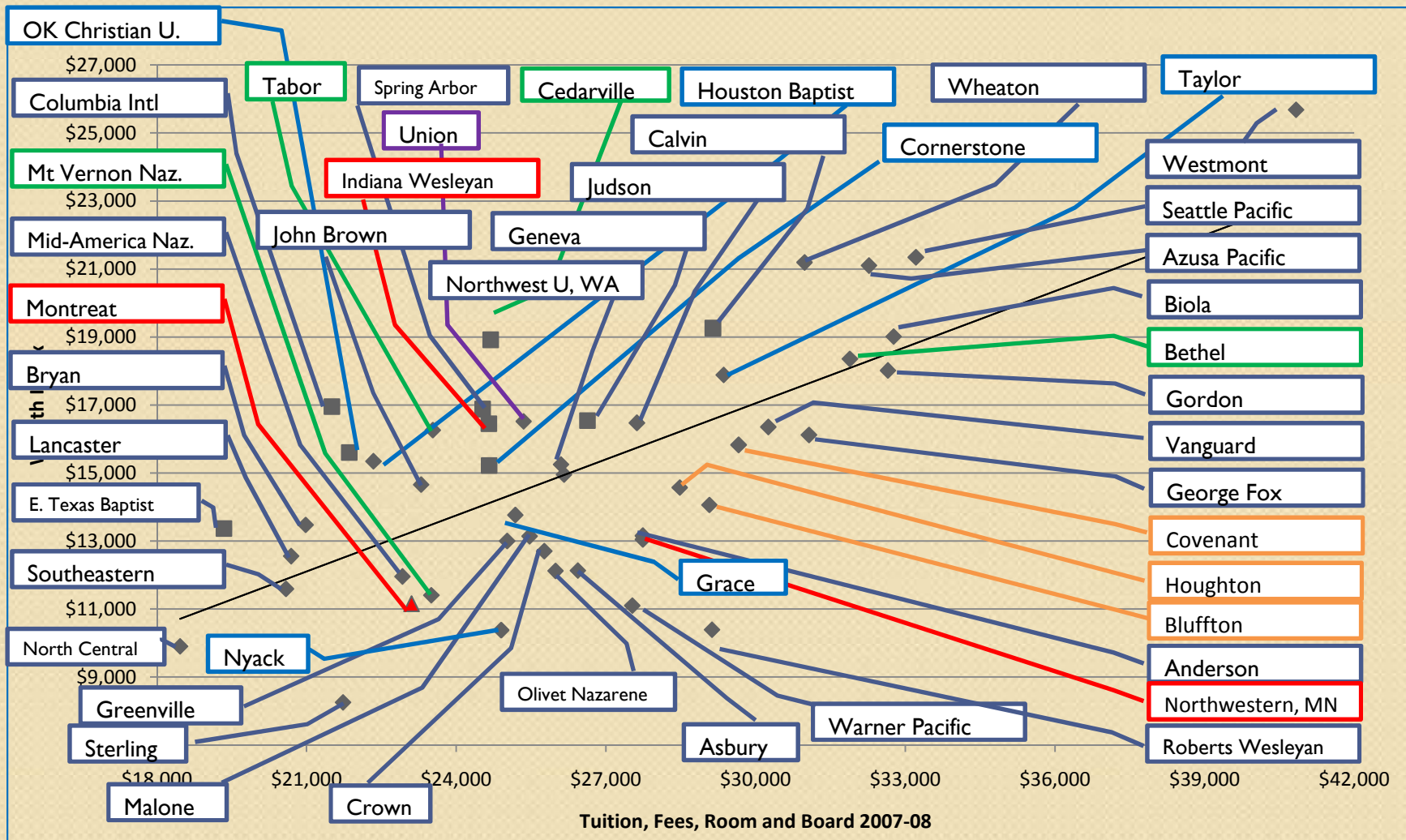


Sources of Gift Aid 2000 to 2008

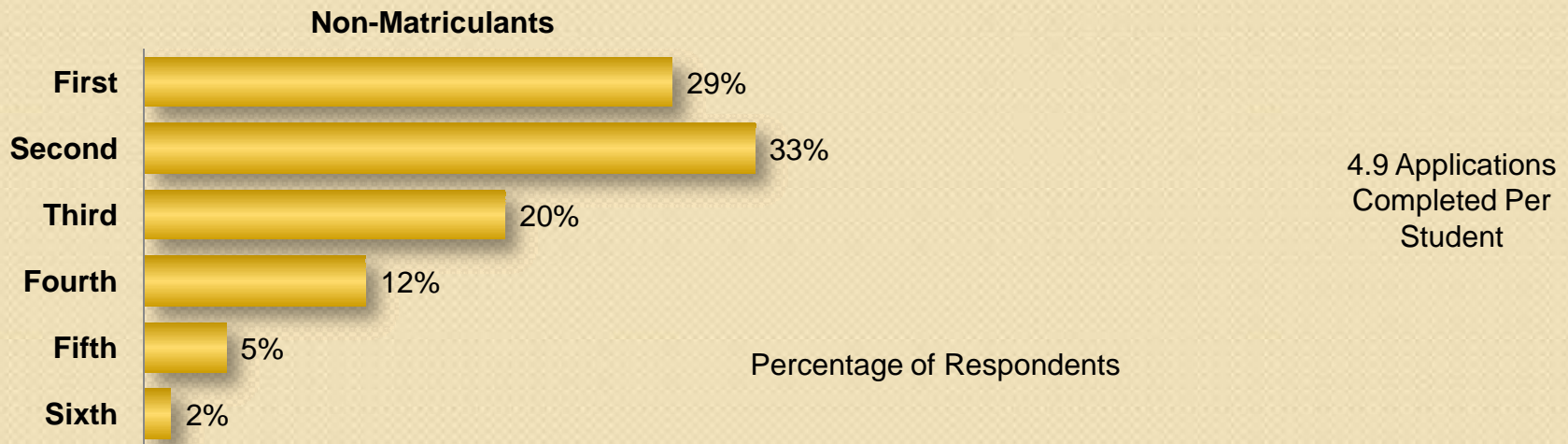
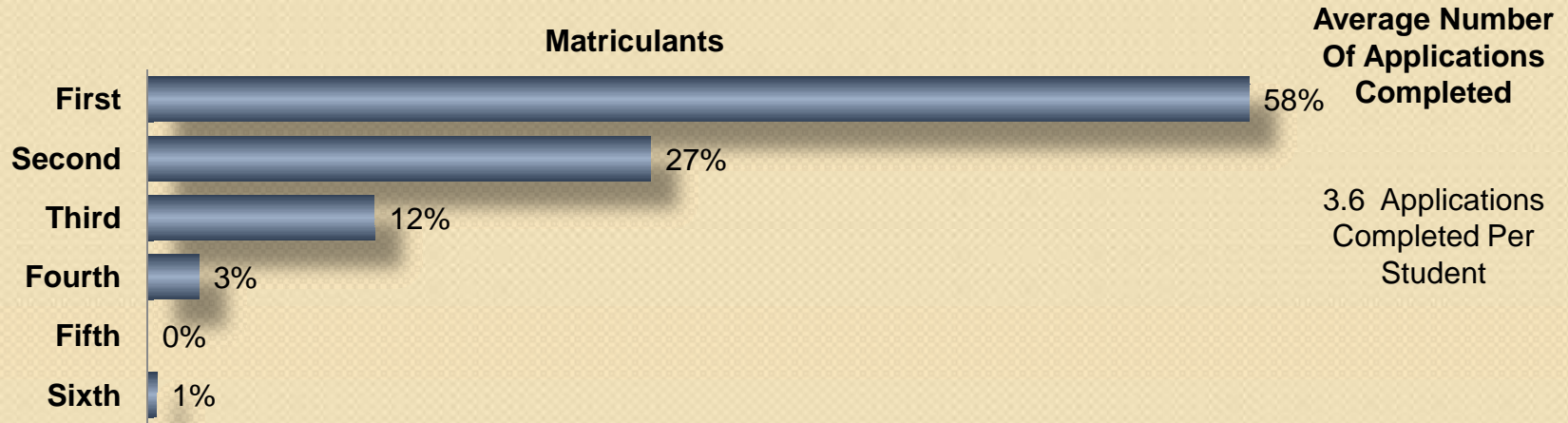


CCCU Institutions: Wealth verses Cost 2007-08

Price Compared with Family Wealth





Anderson's Ranking Among All Applications







My Guiding Principles During This Economic Crisis and for the Years Ahead

- 
- Acknowledge the current environment and our institutional position in the market
 - Celebrate successes
 - Continue to be guided by our vision and strategic initiatives (our strategic plan)
 - Increase my level of communication – both internal & external

- 
- Use the current economic crisis as an opportunity for strategic change
 - Keep the institution affordable by recognizing that increases in TDR are a short-term tool, that we must continue to create market-driven programs and create greater institutional identity and image (cost:value)
 - Insure enrollment management and institutional marketing are founded in sound research, and management activity is guided by strong performance metrics

- 
- **Protect assets**
 - **Be assured that budget reductions or other efficiency moves are strategic, even if it requires some difficult decisions**



**2009 Enrollment and
Financial Aid Results – The
Approach
at The College of Saint Rose**


**“Bold Strategies to Succeed
in a Down Market”**

The College of Saint Rose

Profile: The College of Saint Rose

- Founded in 1920 in Albany, New York
- Carnegie: Master's Level
 - 5,000 Headcount
 - 3,000 Undergraduate
 - 2,000 Graduate
 - Entering class 589 frosh; 280 transfer
- \$100 Million Budget/\$25 Million in Institutional Financial Aid

The College of Saint Rose

- 
- Lower than average tuition/required fees
(\$23,000 in 2009-2010)
 - Low Endowment (\$30 million)
 - Rising Enrollment
 - 25% increase in undergraduate enrollment since 1999
 - 200% increase in undergraduate applications since 1999
 - Stable Leadership

The College of Saint Rose

Strategy Timeline

Summer 2008

- Engage Scannell & Kurz
- 360 degree review of aid policies and procedures with goal of reducing discount rate
- Revise scholarship grid, redo timelines, tweak process management

Strategy Timeline

Setting the Stage for Action

- Brief Board and Community
“The best of times – the worst of times”
--Charles Dickens,
A Tale of Two Cities
- Action absorbs anxiety

The College of Saint Rose

October 2008

The External Environment – “Storm clouds on the horizon or how to navigate in uncharted waters.”

A. National Economy

- Gyrating Stock Market
- Rising Unemployment
- Credit Crunch
- Housing Slump (Loss of home equity)
- Consumer confidence/consumer spending

B. State Budget

- Rising Deficit (8 – 10 Billion)
- Potential for Deep Cuts
- Creative Student Loan Financing?

C. Competition – SUNY, Community Colleges, Other “Poaching” Privates

D. Student Borrowing

- Tightened Credit
- Reduced Access

The College of Saint Rose



NEW YORK POST (October 11, 2008)

“An NYU student fell victim to the credit crunch and now must take a semester off and hope he can get a loan next year. Despite a high credit score, 12 different banks rejected him for a private loan.”

BOSTON GLOBE (October 11, 2008)

“University of New Hampshire officials worry that a diminishing rainy-day fund won't be able to help pay rising costs. At the same time, administrators worry about keeping students next semester, as some families' resources are drying up.”

The College of Saint Rose

October 2008

Impact on Saint Rose

- Fundraising Challenges: Annual Fund and Capital Campaigns
- Tighter Spending by Corporations, Foundations
- Reduced Endowment Earnings
- Enrollment Pressures (middle class student recruitment and retention, **affordability** issues, rising competition)
- Need for **focus** on core mission, strategic priorities

The College of Saint Rose

October 2008

Early Positioning Pays Off

- Spring 2008 – Prudent Budgeting
- Summer 2008 – Change Student Aid Strategy
- Protect Cash Position
 - Rainy day set asides (15% of revenues)
 - Delay projects
 - Protect core programs
 - Maintain competitive tuition/price position

The College of Saint Rose

October 2008 “Presidential Ruminations”

Sleep “Deprivers”

- Total collapse of credit markets
- Disappearing private loans
- Deep State cuts
- Wholesale loss of Middle Class from private Higher Education
- Deep, prolonged recession, not reaching bottom

Sleep “Enhancers”

- Restore credit markets
- Access to loans
- Lower cuts; State loan program
- Saint Rose value proposition prevails
- Soft landing
- Tech Valley rising
- Saint Rose “can do” spirit

The College of Saint Rose



Vartan Gregorian, President of Carnegie Corporation

**“More people work in colleges
and universities than in
automobile and textile industries.”**

CIC, September 2008

The College of Saint Rose



Vartan Gregorian, President of Carnegie Corporation

**“Think about how the automobile
and textile industries are
doing today.”**

CIC, September 2008

The College of Saint Rose



Vartan Gregorian, President of Carnegie Corporation

**“Colleges and Universities are
amazingly resilient.”**

**“Higher education is the single most
successful business in America.”**

CIC, September 2008

The College of Saint Rose

November 2008: Strategic Goals

- Increase student aid by 12%
- Stick with Summer 2008 enrollment goals
- Continue faculty searches (vacancies)
- Continue capital investments (\$20 million)
- Stress conservative budgeting
- “Everybody on the Bus”
- “Take a different path. Be bullish, not bearish.”

The College of Saint Rose

January – February 2009

- **President's Day**
 - Student engagement
 - Enlist more recruiters to “get on the bus”
 - “The Village of Roseto” by Malcolm Gladwell
- **Open Houses, Honor's Brunch, Regional Tours**
- **Launch TV/Print Advertising Blitz**
- **Stay on Message – Affordability, Value Proposition, Remarkable Outcomes, Sense of Community**

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March – April 2009

- Conversion Days (Honors Convocation)
- Student Testimonials
- Phone calls – Personal Interaction
- Overnights
- Upcoming School Events
- Tweak packages if necessary – use SKORE report
- Focus on exploratory/undeclared admits (15% of pool)

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May – July 2009

May

- Pretend May 1 does not exist!
- Continue to build yield (SUNY)
- Focus on Transfers
- Preserve/Protect Deposits
- Commencement – Jimmy Fallon

June-July

- Orientation for Parents, Students
- Paralleled Orientation for Transfers
- First Year Mentoring Programs
- Continued Outreach to Deposit Pool
- Shift focus to Graduate Admissions

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August – October 2009

August

- “Welcome to Saint Rose”
- Today Show
- Pre-Enrollment Immersion Experience (ALANA Camp, Urban Launch, Adventure Challenge Camp)

September

- Freshman Year Experience – 1,000 students on Reach Out Saint Rose Day
- Celebrate (Risk/Reward)

October

- Review Results with Scannell & Kurz
- Begin Anew

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Results: Better Than Budget

| | <u>Initial Budget Goal</u> | <u>Current * Actual</u> |
|-------------------------------------|--------------------------------|-----------------------------|
| Full Time Enrollment (FT) | | |
| First Year Students | 582 | 589 |
| FT Transfer Students | 260 | 280 ** |
| FT Undergraduate Returning Students | 2,005 | 1,994 |
| FT Undergraduate TOTAL | 2,847 | 2,863 |
| FT Graduate FT/PT Credit Hours | 11,563 | 12,389 |

***= 9/25/09**

**** = Add 100 Spring 2010 Transfers**

- Higher Net Revenue (increase of 15% per enrolled student or plus \$1.1 million)
- Lower Discount Rate (44% to 39% for Frosh)
- Increase Diversity of Freshman Class (12% to 18%)

The College of Saint Rose

Lessons Learned

- Be an “Enrollment” President
- Get a good external assessment
- Communicate early and often
- Link enrollment to budget
- Embrace risk/reward
- Identify volunteer “champions”
- Get everyone “on the bus” – trustees, alumni, faculty, staff and, most of all – students!
- Stay on message – value proposition, affordability, ROI
- Student financial aid goals
- Continue to invest; create institutional vitality
- Never stop!

The College of Saint Rose