



# Managing Financial Aid: High Aims Hard Realities

Some Practical Advise for the Current  
Climate

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SCANNELL & KURZ, INC.



# Budget Conservatively

- Larger than average tuition increases could backfire
- It is better to budget for less NTR than to cut budgets later.
  - Enrollment and discount rate projections based purely on historical trends will most likely be “best case”.
  - Contingency planning should assume that discount rates will creep up and that yields will decline for fall 2009 and 2010 at a minimum.
  - Expect slower payment from continuing students.



# Begin to Understand the Tradeoffs

- Develop tables showing the average net tuition revenue generated by different subpopulations of new student enrollments
  - In-state versus out-of-state
  - High need versus low need
  - High quality versus lower quality
  - Freshmen versus transfers



# Begin to Understand Tradeoffs

- Examine the relationship between aid investments and outcomes
  - Could you reduce need-based aid and still serve the needy?
  - Are you retaining the students you provide the most aid to?
  - What portion of your merit aid is meeting need? Has that changed over time?
  - Have yields increased as you have increased investments in aid to specific groups?



# Communicate with your families

Make sure your prospective and current students know you are their partner in keeping your institution affordable.

- On the Web:
  - Income Profiles
  - Case Studies
  - Guarantees
- Do outreach call to:
  - Current students with balances or who don't pre-register
  - Prospective students who don't apply for aid
  - Prospective students just receiving aid awards



# Track Key Metrics:

- Changes in composition of the applicant and admit pools – some subpopulations are less likely to complete the application process and/or enroll if admitted
- Percent of pool applying for financial aid
- Visit numbers compared to previous years
- Financial aid appeal comparisons
- Current students requesting transcripts or not pre-registering for the upcoming semester



## Be “High Touch”

- Lots of customized communication focused on benefits and ROI
- Multimedia (print, electronic, and telephone) contact by designated admissions rep



# Be “High Touch”

- Key contacts from community members outside of admissions:
  - Students
  - Faculty – appropriately used
  - Coaches
  - Alumni
  - Parents of current students
- Multiple opportunities to visit campus for both individual as well as group events



# Don't Forget Transfers

Why:

- People may be staying closer to home.
- Two-year campuses have been growing enrollments for a number of years.
- Transfer discount rates are typically lower.



# Don't Forget Transfers

## How:

- Review transfer credit policies
- Assign a transfer champion
- Build relationships with key feeder community colleges
  - Admissions rep to college counselor
  - Faculty to faculty
  - Student to student



# Pay Attention to Retention

- Identify which populations are at risk (using segmented cohort retention analysis) and develop appropriate intervention strategies.
- Market your value and benefits to current students as well as prospective students
- Assign a retention champion to keep the focus.



# About Scannell & Kurz, Inc.

## **We are a data-driven enrollment management consulting firm providing:**

- Organizational and operational reviews of enrollment-related offices
- Development of pricing and financial aid strategies using predictive modeling and simulation tools
- Advice and counsel regarding recruitment programs and strategies
- Retention analysis and best practice reviews
- SKORE: an enrollment management data warehouse and reporting tool
- FAST: Financial Aid Strategy Tool

**Our mission is to help our clients achieve their enrollment goals ,including increased net tuition revenue, improvements in the quality profile, better retention and graduation rates, and increases in the enrollment of targeted subpopulations**

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