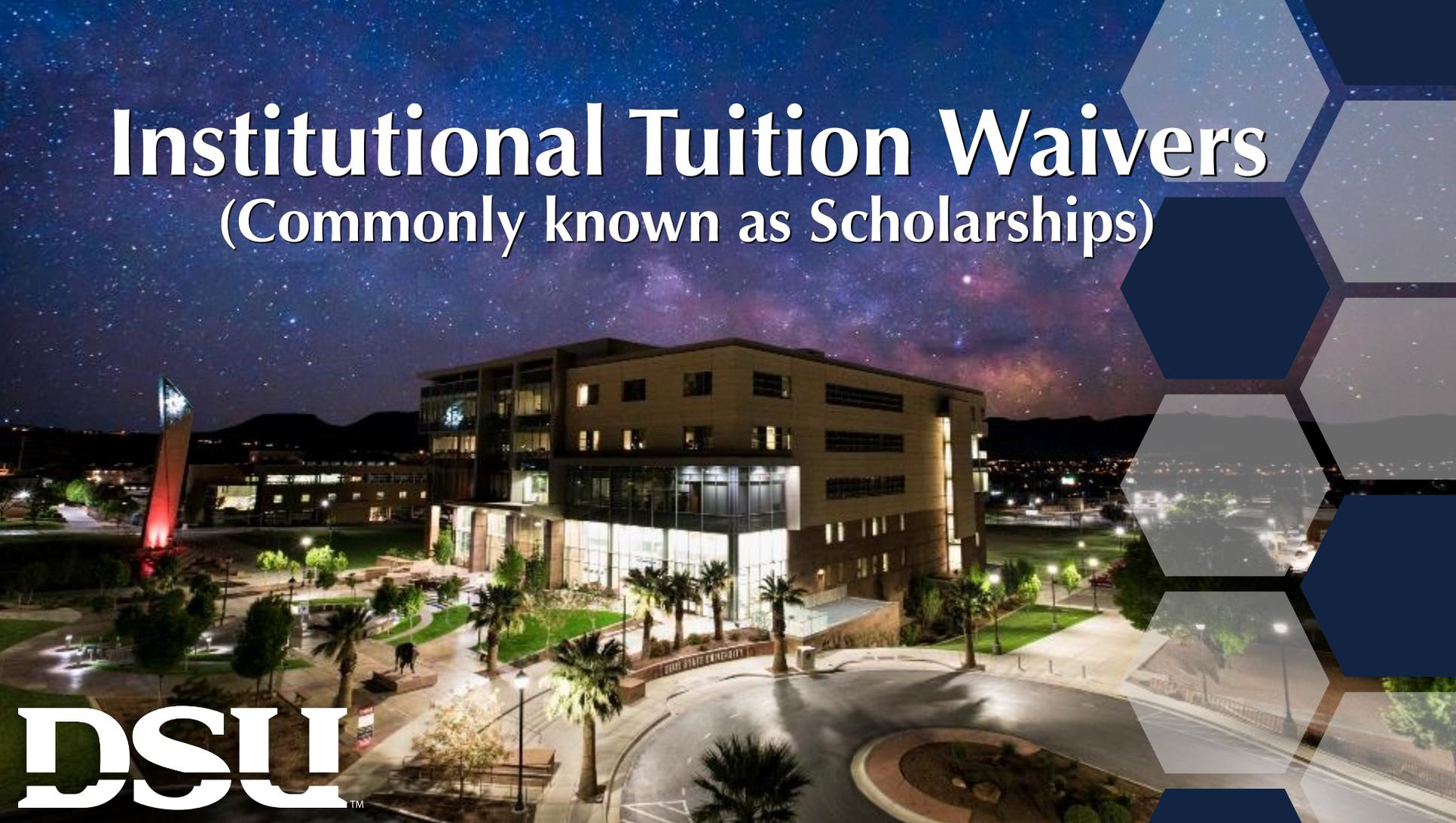


# Institutional Tuition Waivers

(Commonly known as Scholarships)

**DSU**<sup>TM</sup>

An aerial night photograph of a modern university building with large glass windows and palm trees in the foreground. The sky is dark with a visible Milky Way galaxy. The building is illuminated from within, and the surrounding area includes a paved road and landscaped grounds. The text 'DSU' is overlaid in the bottom left corner.

# Matt Devore Story



# Target Institutional Scholarships (waivers)

- **Resident Awards**
  - Academic (GPA/Test Scores)
  - Student athletes
  - Targeted groups (Veterans, etc.)
- **Nonresident Awards**
  - Academic (GPA/Test Scores)
  - Student athletes
  - Geographical

(Western Undergraduate Exchange, Good Neighbor, etc.)



# Financial Health

DSU has a solidly balanced institutional budget

Tuition revenue targets are accurate and have been consistently met each year

Use of tuition waivers is carefully managed

After the LDS missionary age change, DSU resident enrollments declined



# Recruiting Plan Principles



Out-of-pocket tuition cost is a major consideration for prospective students when selecting an institution

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DSU offers a residential college experience to non-resident students at a competitive cost

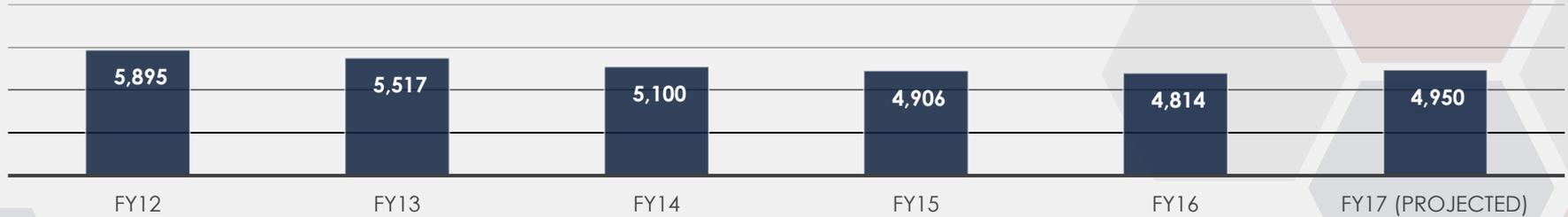
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DSU serves as the “home region” school for many students from southern Nevada and northwestern Arizona

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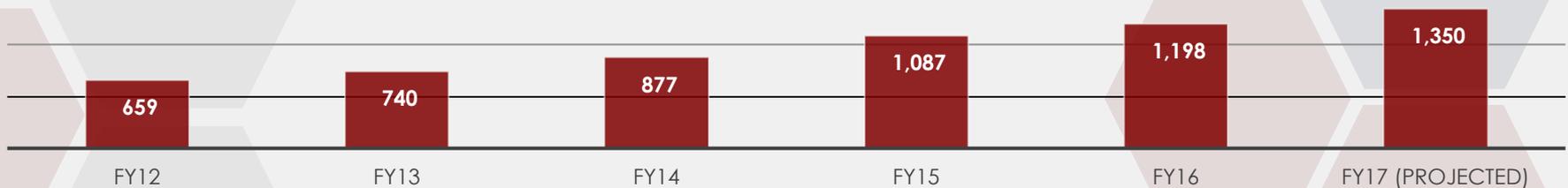
# Utah Resident FTE Students

(Enrollment decreased by 950 students from FY12 to FY17 despite increased recruiting efforts)



# Non-resident FTE Students

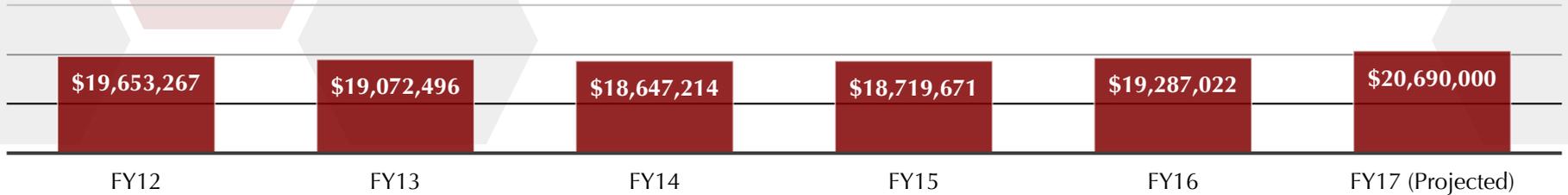
(Recruiting efforts successfully increased enrollment by almost 700 students)



# Enrollment Results

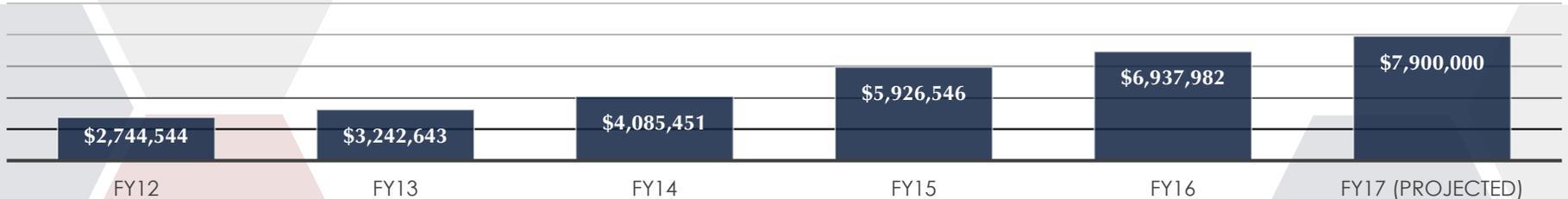
# Resident Net Tuition

(Stagnant revenues despite annual tuition rate increases)



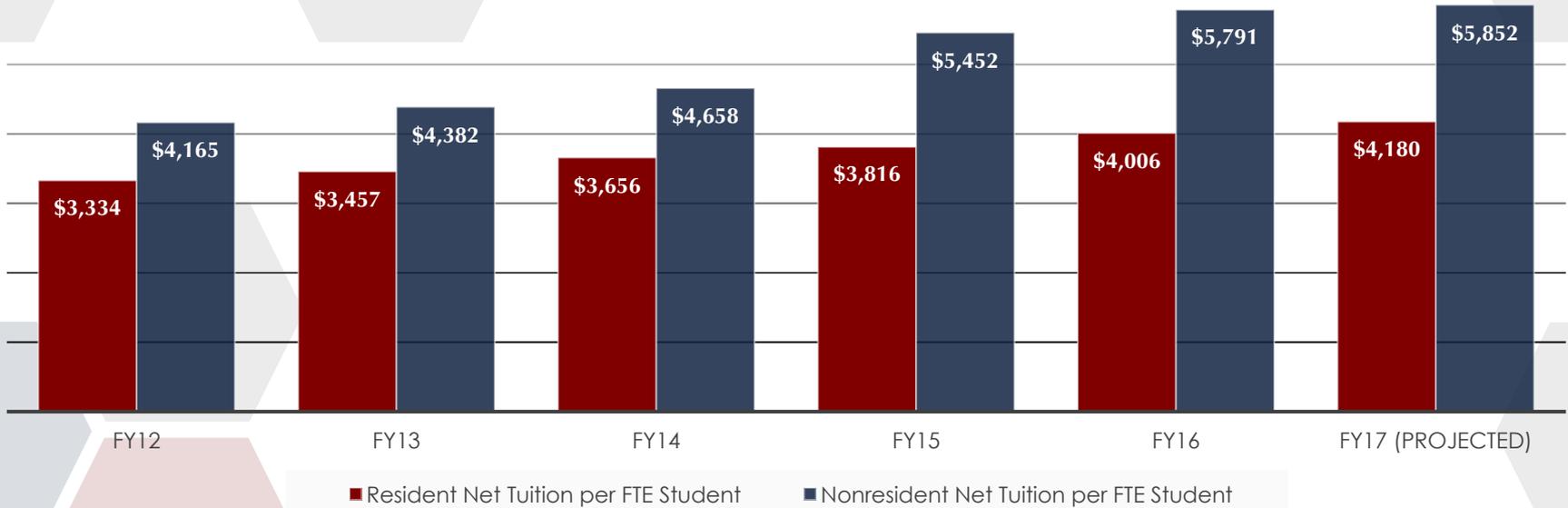
# Nonresident Net Tuition

(\$5 million in increased revenues due to enrollment and tuition rate increases)



# Tuition Revenue Results

# Institutional Target: Nonresidents Pay 50% Higher Average Tuition



## Average Net Tuition per Student

# *New Money to Utah*

## Economic Value of Nonresident Students

- Tuition is a small part of the big picture
- Non-resident students also pay for:
  - Student fees
  - Course materials
  - Room and board (DSU housing 52% non-residents)
  - Transportation
  - Miscellaneous living expenses
- How much money does a nonresident student bring to Utah?



# Economic Value of a Nonresident Student

**Tuition Only: \$5,852 per year**



\$25000

\$20000

\$15000

\$10000

\$5000

**Real Cost of Attendance: \$21,111 per year**



Law of Demand... When the price of a product increases, the demand for the same product will fall!

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Can anyone confidently predict the enrollment impact of increasing non-resident tuition collected from 1.5 to 2 times the resident rate?

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This is a high stakes game!

\$7 million or 13% of DSU's E&G budget

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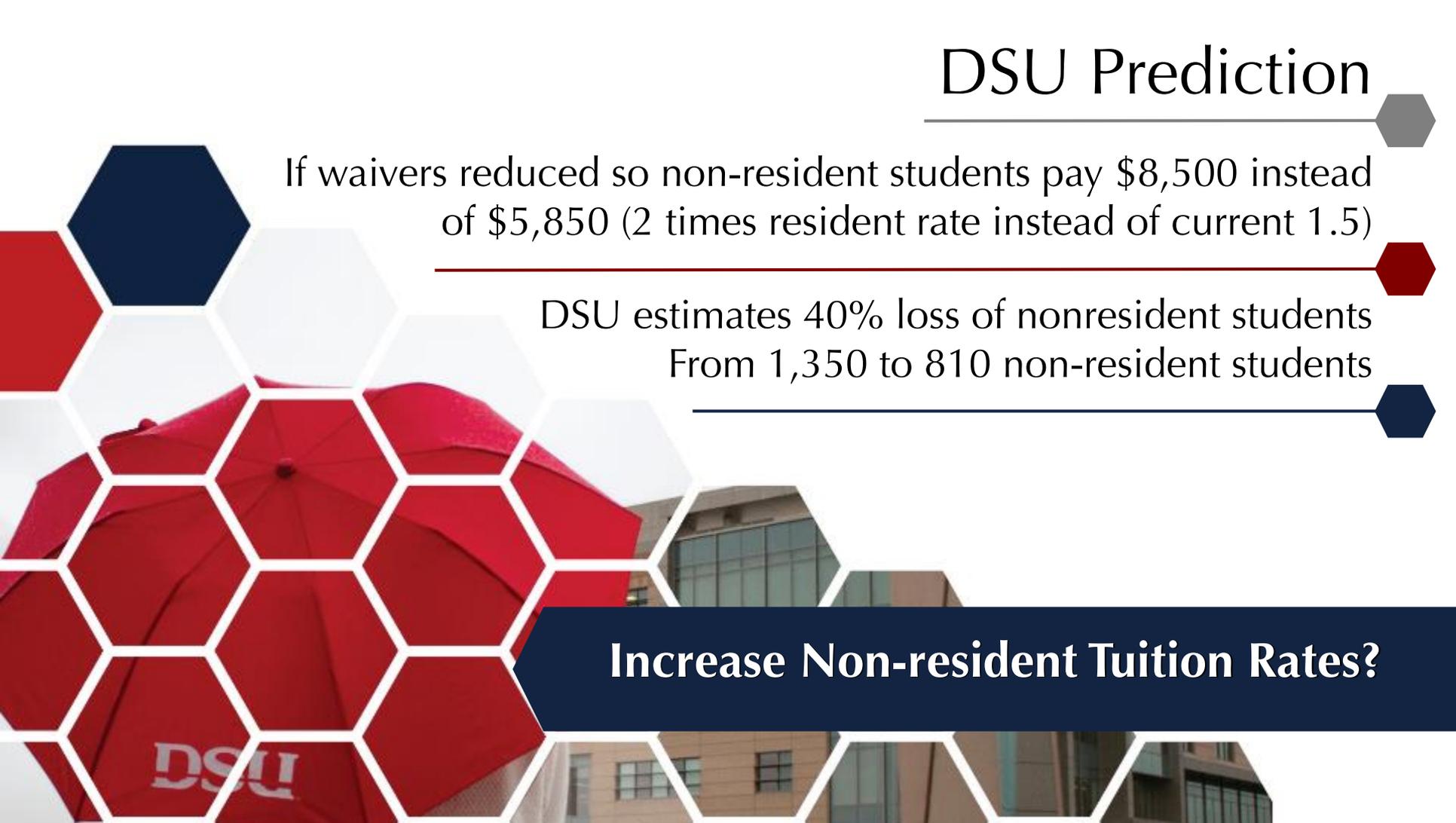
Elasticity study needed before any change considered!

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**Increase Non-resident Tuition Rates?**



# DSU Prediction



If waivers reduced so non-resident students pay \$8,500 instead of \$5,850 (2 times resident rate instead of current 1.5)

DSU estimates 40% loss of nonresident students  
From 1,350 to 810 non-resident students

**Increase Non-resident Tuition Rates?**

**RETAINED STUDENT  
(ADDITIONAL REVENUE)**

**DEPARTED STUDENT  
(DECREASED REVENUE)**

\$5,000  
\$0  
-\$5,000  
-\$10,000  
-\$15,000  
-\$20,000  
-\$25,000

Tuition

Tuition

Student Fees

Room and Board

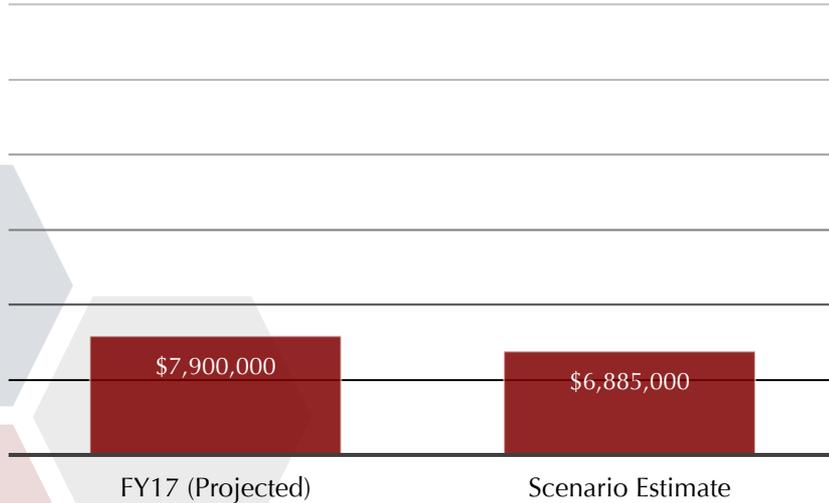
Transportation

Books and Supplies

Miscellaneous

**Retaining a Non-resident Student VS  
Losing a Non-resident Student**

## Tuition Collection Impact (Enrollment decrease partially offset by tuition increase)



## Total Economic Impact (Significant loss due to enrollment decrease)



# Nonresident Waiver Reduction Scenario

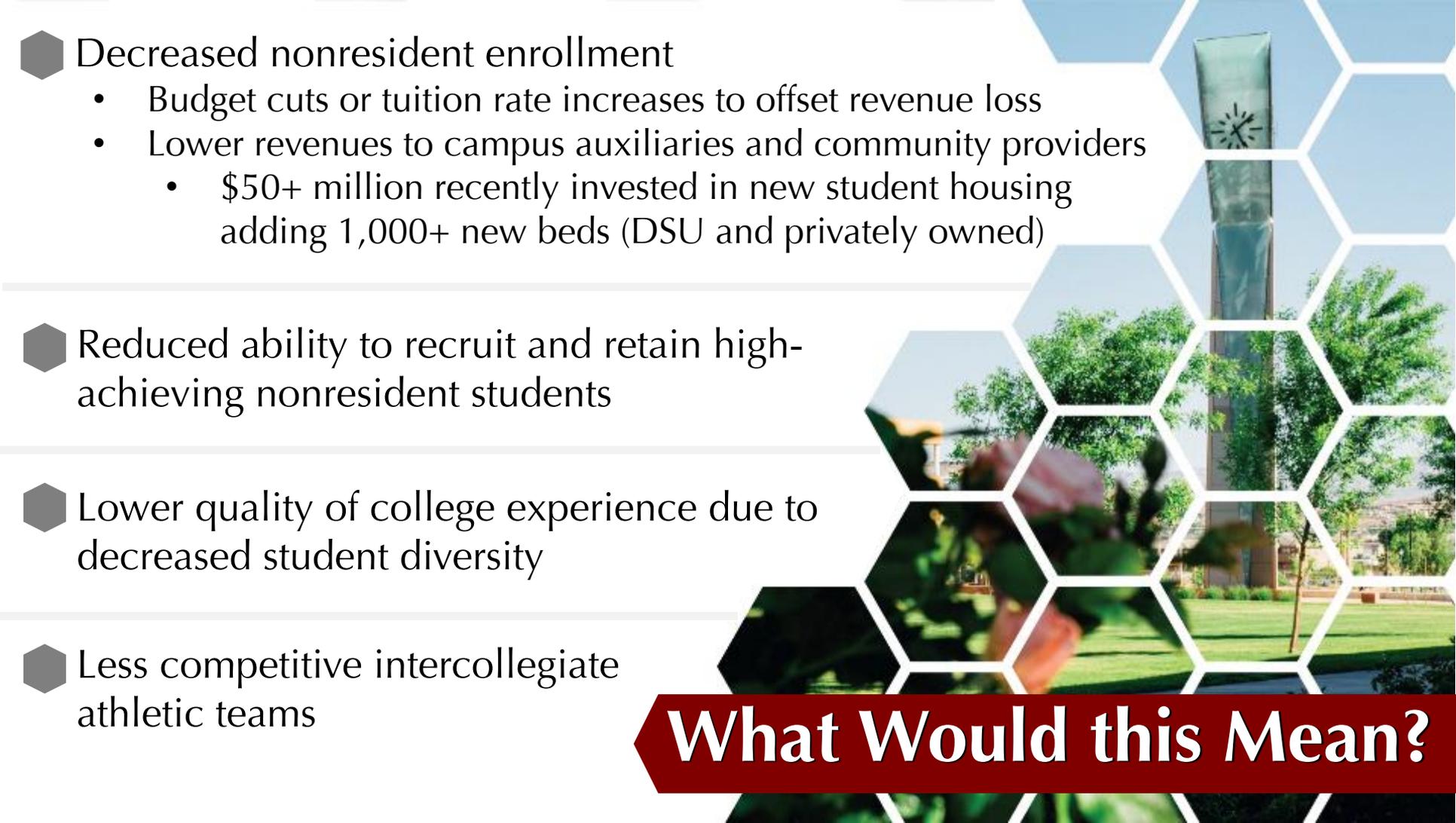
## Decreased nonresident enrollment

- Budget cuts or tuition rate increases to offset revenue loss
- Lower revenues to campus auxiliaries and community providers
  - \$50+ million recently invested in new student housing adding 1,000+ new beds (DSU and privately owned)

Reduced ability to recruit and retain high-achieving nonresident students

Lower quality of college experience due to decreased student diversity

Less competitive intercollegiate athletic teams



**What Would this Mean?**

# DSU is Better Today than 5 Years Ago



- ◆ New bachelor's degrees
  - ◆ Chemistry
  - ◆ Dance
  - ◆ Exercise Science
  - ◆ Digital Film
  - ◆ Bioinformatics
  - ◆ Applied Sociology
  - ◆ Many additional academic programs in development
- ◆ Student Success Center
- ◆ General Counsel
- ◆ Title IX
- ◆ Improved salary equity relative to peer institutions
- ◆ Adjunct compensation now at competitive rates

**Our students are being recruited nationally**

**Convincing our graduates to stay in Utah will become more difficult**

**Workforce demand in Utah will continue to increase**

**Our policies are good and allows flexibility**

**Concluding Thoughts**

