Institutional Tuition Waivers
(Commonly known as Scholarships)
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.)
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
Out-of-pocket tuition cost is a major consideration for prospective students when selecting an institution.

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

DSU serves as the “home region” school for many students from southern Nevada and northwestern Arizona.
## Utah Resident FTE Students
(Enrollment decreased by 950 students from FY12 to FY17 despite increased recruiting efforts)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17 (PROJECTED)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,895</td>
<td>5,517</td>
<td>5,100</td>
<td>4,906</td>
<td>4,814</td>
<td>4,950</td>
</tr>
</tbody>
</table>

## Non-resident FTE Students
(Recruiting efforts successfully increased enrollment by almost 700 students)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17 (PROJECTED)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>659</td>
<td>740</td>
<td>877</td>
<td>1,087</td>
<td>1,198</td>
<td>1,350</td>
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</tbody>
</table>
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
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

Real Cost of Attendance: $21,111 per year

- Miscellaneous
- Books/Supplies
- Transportation
- Room & Board
- Student Fees

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

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

This is a high stakes game!
$7 million or 13% of DSU’s E&G budget

Elasticity study needed before any change considered!

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

<table>
<thead>
<tr>
<th></th>
<th>RETAINED STUDENT (ADDITIONAL REVENUE)</th>
<th>DEPARTED STUDENT (DECREASED REVENUE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition</td>
<td></td>
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<tr>
<td>$5,000</td>
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<td></td>
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</tr>
<tr>
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<td>-$25,000</td>
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</tbody>
</table>

- Tuition
- Student Fees
- Room and Board
- Transportation
- Books and Supplies
- Miscellaneous
Nonresident Waiver Reduction Scenario

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

FY17 (Projected) | Scenario Estimate
$7,900,000 | $6,885,000

Total Economic Impact
(Significant loss due to enrollment decrease)

FY17 (Projected) | Scenario Estimate
$28,499,650 | $19,237,500

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