

# Investment Considerations

## Investment Considerations

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February 2011



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## Enrollment Projection Linked to Investment




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## Enrollment Model (Ten-year Model)

Noel-Levitz University  
Current Date: June 1, 2010  
Last Modified Date: March 16, 2010

**Enrollment Projections for all Classes**

**Scenario #2: Increases in New Student Market Share & Student Retention Rates**

	Fall of 2009	Fall of 2010	Fall of 2011	Fall of 2012	Fall of 2013	Fall of 2014	Fall of 2015	Fall of 2016	Fall of 2017	Fall of 2018	Fall of 2019
Freshmen	732	750	804	807	808	808	808	808	808	808	808
Sophomore	477	469	496	505	507	508	508	508	508	508	508
Junior	615	575	589	590	599	601	602	602	602	602	602
Senior	549	539	508	502	517	525	527	528	528	528	528
<b>Total</b>	<b>2,373</b>	<b>2,373</b>	<b>2,377</b>	<b>2,404</b>	<b>2,431</b>	<b>2,442</b>	<b>2,445</b>	<b>2,446</b>	<b>2,446</b>	<b>2,446</b>	<b>2,446</b>

**Revenue Implications Using 10 Year Model Based on Scenario Noted Above**

	Fall of 2010	Fall of 2011	Fall of 2012	Fall of 2013	Fall of 2014	Fall of 2015	Fall of 2016	Fall of 2017	Fall of 2018	Fall of 2019
<b>Tuition Revenue</b>	\$2,940,470	\$10,620,763	\$10,991,815	\$11,445,663	\$11,903,479	\$12,370,618	\$12,874,000	\$13,399,756	\$13,925,387	\$14,462,403
<b>Based on Enrollment and Student Revenue</b>	\$6,016,332	\$6,617,196	\$7,006,756	\$7,315,886	\$7,623,528	\$7,928,470	\$8,245,608	\$8,575,433	\$8,918,450	\$9,275,188
<b>Total</b>	\$9,217,325	\$9,495,842	\$9,119,716	\$9,629,183	\$10,047,788	\$10,467,088	\$10,885,770	\$11,321,201	\$11,774,049	\$12,240,011
<b>Total</b>	\$1,756,929	\$7,600,140	\$7,811,812	\$8,366,827	\$8,895,146	\$9,224,900	\$9,611,798	\$9,996,280	\$10,396,110	\$10,811,952
<b>Total</b>	\$1,936,720	\$33,204,740	\$34,929,869	\$36,757,550	\$38,410,342	\$39,999,775	\$41,617,970	\$43,282,688	\$45,013,996	\$46,814,556

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# Investment Considerations

## What strategies are ready for immediate implementation?

- Undergraduate student retention strategies related to e-communication
- Undergraduate student recruitment related to micro-site development
- Community service requirement
- Academic demand analysis study for off-site locations
- New financial aid model leveraging tool to maximize net tuition

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## The Cost of Not Enhancing Undergraduate Recruitment and Retention




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## The cost not to implement

With no significant increase in student recruitment, we will maintain current market share of incoming high school and incoming transfer market student population. Additionally, this scenario does not reflect any change in retention rates.

Enrollment Projections for All Classes  
Model New Scenario 1

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Freshmen	2,368	2,352	2,437	2,452	2,437	2,391	2,355	2,279	2,255	2,262	2,279
Sophomore	1,815	1,738	1,788	1,834	1,831	1,824	1,890	1,772	1,730	1,698	1,695
Junior	2,439	2,467	2,474	2,516	2,525	2,520	2,508	2,473	2,439	2,381	2,353
Senior	4,216	4,131	4,141	4,157	4,188	4,205	5,207	4,194	4,161	4,116	4,057
<b>Total</b>	<b>10,778</b>	<b>10,688</b>	<b>10,840</b>	<b>10,959</b>	<b>10,981</b>	<b>10,940</b>	<b>11,870</b>	<b>10,718</b>	<b>10,585</b>	<b>10,457</b>	<b>10,384</b>

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# Investment Considerations

Sunset current activities  
and shift dollars

A photograph of a sunset over a mountain range. The sun is a bright white circle in a red and orange sky, with dark silhouettes of mountains in the foreground.

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Five recommended focus areas to increase enrollment, revenues, and student success

1. Immediate projects to increase fall 2010 retention rates for current freshman class
2. Data reveals an opportunity for a targeted population
3. Immediate projects to increase fall 2011 new student enrollment
4. Projects focus on further data refinement and analysis
5. Identification of priorities and dollar implications for 2011-2012 budget

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Larger Investment Items

A golden piggy bank is shown against a blue background, with a white trail of smoke or dust coming out of its bottom, suggesting it is falling or being launched.

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# Investment Considerations

**Categories**

- Academic Demand
  - Start, Grow, Sustain, Eliminate
- Web site
  - Skin
  - Search optimization
- Financial aid leveraging
- Predictive modeling
- Early-warning identifications
- Academic advising
- Engagement technology
  - Smartphone
  - Course Web software
  - Social networking
  - Electronic response
- New or expanded program development
- Expanded program development



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**Identify immediate projects to increase fall 2010 retention rates**

1. Create supplemental instruction program for top 8 DFW courses for spring 2011
2. By early-March, conduct department-level advisement meetings with all first-year freshmen
3. By early-February, Student Affairs will contact fall 2010 first-time freshmen who did not enroll spring 2011
4. Require students placed on probation to meet with the advisor/success center
5. Early-alert system launched by mid-terms of 2011
6. Mid-term grades process activated in spring of 2011
7. Parent communication program implemented (parent contact information added to new student application)

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**Potential Return on Investment**



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# Investment Considerations

With no significant increase in student recruitment, we will maintain current market share of incoming high school and incoming transfer market student population. Additionally, this scenario does not reflect any change in retention rates.

### Enrollment Projections for All Classes

#### Model New Scenario 1

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
<b>Freshmen</b>	2,308	2,352	2,437	2,452	2,437	2,391	2,355	2,279	2,255	2,262	2,279
<b>Sophomore</b>	1,815	1,738	1,788	1,834	1,831	1,824	1,800	1,772	1,730	1,698	1,695
<b>Junior</b>	2,439	2,467	2,474	2,516	2,525	2,520	2,508	2,473	2,439	2,381	2,353
<b>Senior</b>	4,216	4,131	4,141	4,157	4,188	4,205	5,207	4,104	4,161	4,116	4,057
<b>Total</b>	10,778	10,688	10,840	10,959	10,981	10,940	11,870	10,718	10,585	10,457	10,384

A 2% increase in market share each year for five years, a 7% overall increase in first-year retention, and a 2% increase in second- and third-year retention over a four-year

### Enrollment Projections for All Classes

#### Model New Scenario 4

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
<b>Freshmen</b>	2,308	2,352	2,471	2,526	2,553	2,545	2,540	2,473	2,448	2,427	2,476
<b>Sophomore</b>	1,815	1,738	1,843	1,996	2,058	2,111	2,118	2,107	2,063	2,027	2,025
<b>Junior</b>	2,439	2,467	2,497	2,598	2,701	2,773	2,820	2,809	2,787	2,725	2,693
<b>Senior</b>	4,216	4,131	4,156	4,213	4,325	4,438	4,565	4,635	4,651	4,632	4,579
<b>Total</b>	10,778	10,688	10,967	11,334	11,637	11,897	12,051	12,024	11,949	11,841	11,773

## Return on Investment

Enrollment Projection Scenarios with annual and cumulative revenue impact	Enrollment by 2009-2010	Revenue Impact	Enrollment by 2014-2015	Revenue Impact
Scenario 1 - maintain current market share and no change in retention	10,840	\$914,584	10,718	\$180,510
Scenario 4 - increase market share and increase retention	10,967	\$1,678,743	12,024	\$8,038,712
Return on Investment	127	\$764,159	1,306	\$7,858,202

## Investment in 2010-2011 for Enhanced Retention Activities

Retention Investments	Reoccurring	One-time
Director of Retention - salary, benefits, and operating costs	\$100,000	\$8,500
Training	\$5,000	\$22,000
Supplemental instruction staffing	\$52,500	
<b>Total</b>	\$157,500	\$30,500

# Investment Considerations

## Investments for Projects to Enhance Recruitment Activities

Market Share Investments	Recurring	One-time
Enhanced telecounseling	\$30,000	
SMART Approach test scores	\$13,000	
Transfer student advising software	\$30,000	
Formalized predictive modeling	\$27,000	
Constituent Relationship Module	\$30,000	\$100,000
Enrollment Revenue Management System	\$38,000	
<b>Total</b>	<b>\$168,000</b>	<b>\$100,000</b>

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## Investment in 2010 Strategic Enrollment Planning

Future Investments	Costs
Costs for extended Noel-Levitz consultation and travel	\$54,000
Additional research necessary for satellite campus expansion	\$58,000
Price sensitivity research for out-of-state markets	\$50,000
<b>Total</b>	<b>\$162,000</b>

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## Summary of Investments and Return on Investments

	Recurring	One-time
<b>Total investments (no inflation)</b>	<b>\$325,500</b>	<b>\$292,500</b>
<b>Cumulative investments by 2014-15 (no inflation)</b>		<b>\$2,365,500</b>
<b>ROI – Increased Student Success</b>		
<b>ROI in 2009-2010 (no inflation)</b>	<b>\$764,000</b>	
<b>ROI in 2014-2015 (no inflation)</b>	<b>\$7,858,000</b>	

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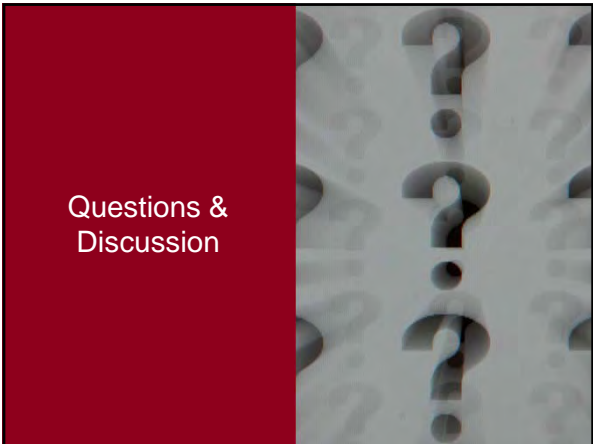
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# Investment Considerations



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