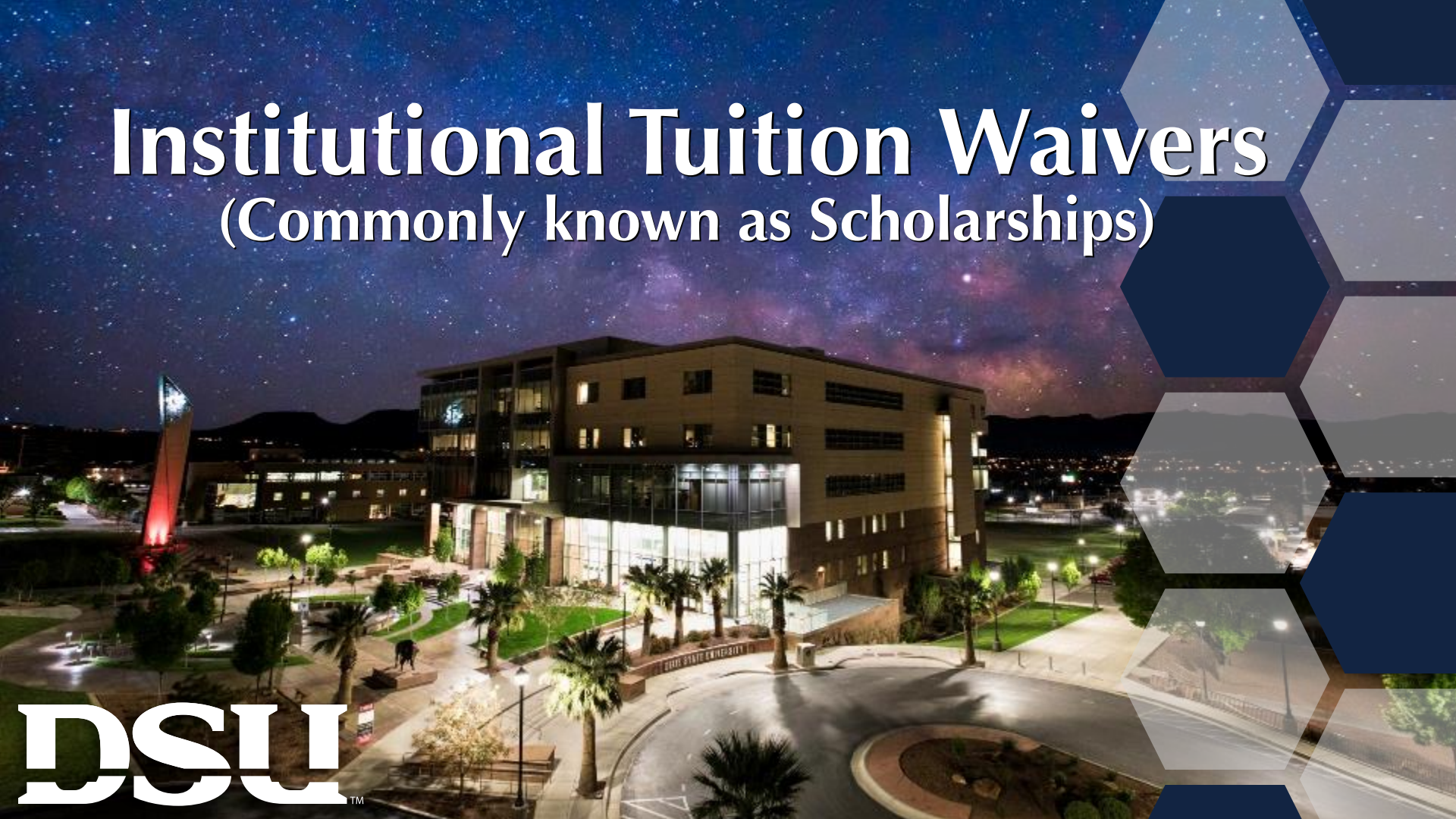


Institutional Tuition Waivers

(Commonly known as Scholarships)

DSUTM



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



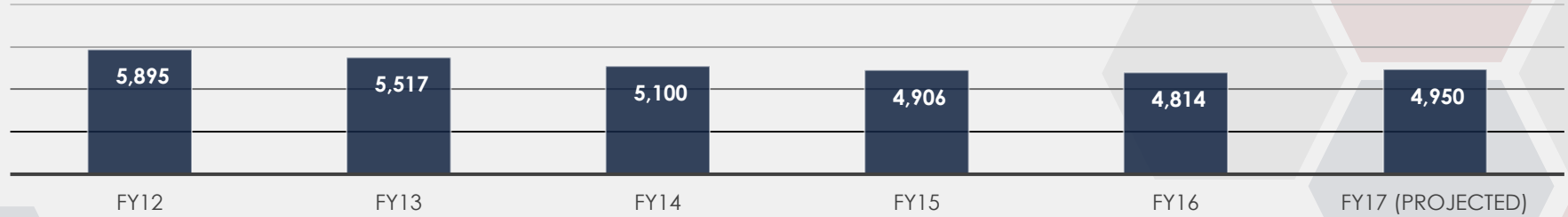
Out-of-pocket tuition cost is a major consideration for prospective students when selecting an institution

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

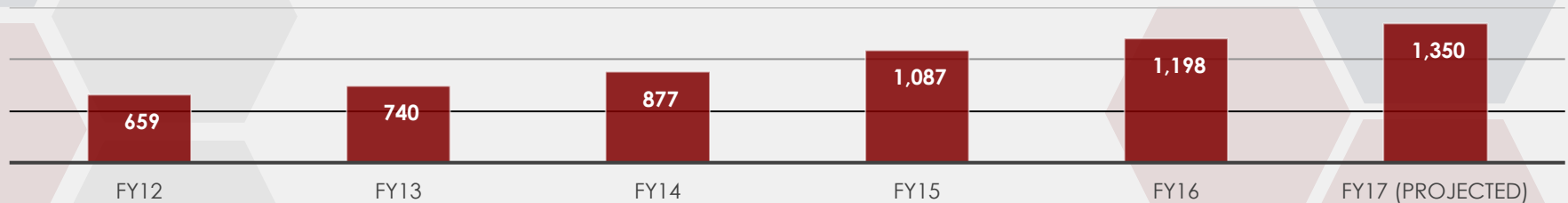
Utah Resident FTE Students

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



Non-resident FTE Students

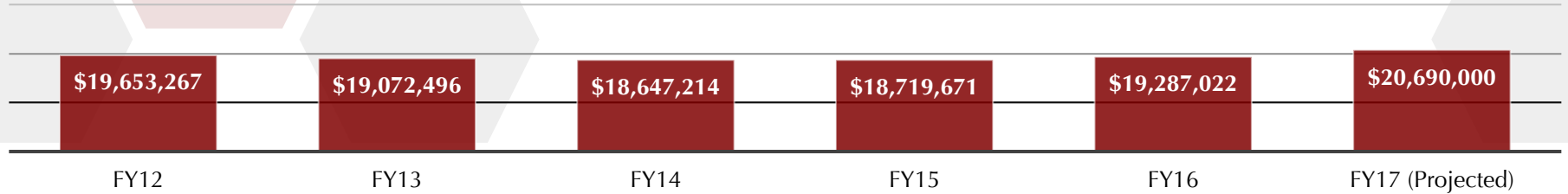
(Recruiting efforts successfully increased enrollment by almost 700 students)



Enrollment Results

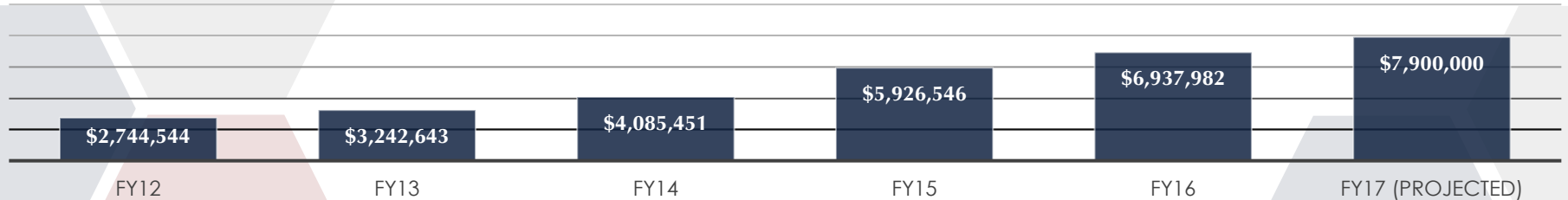
Resident Net Tuition

(Stagnant revenues despite annual tuition rate increases)



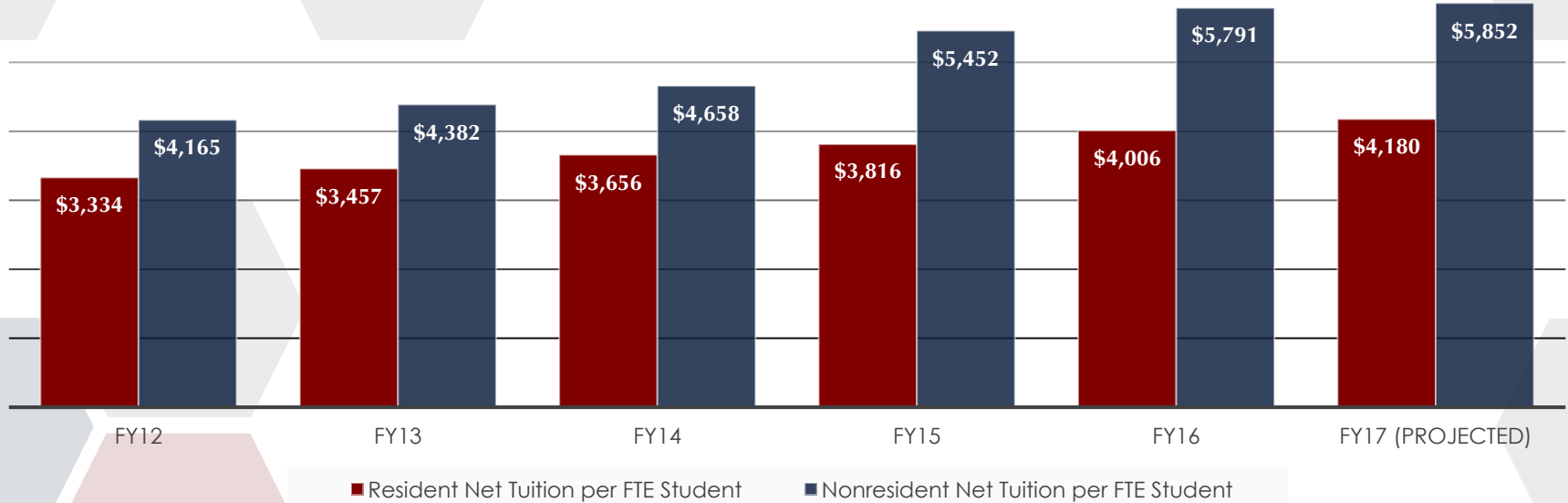
Nonresident Net Tuition

(\$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

Tuition

\$25000

\$20000

\$15000

\$10000

\$5000

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

Miscellaneous

Books/Supplies

Transportaion

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?



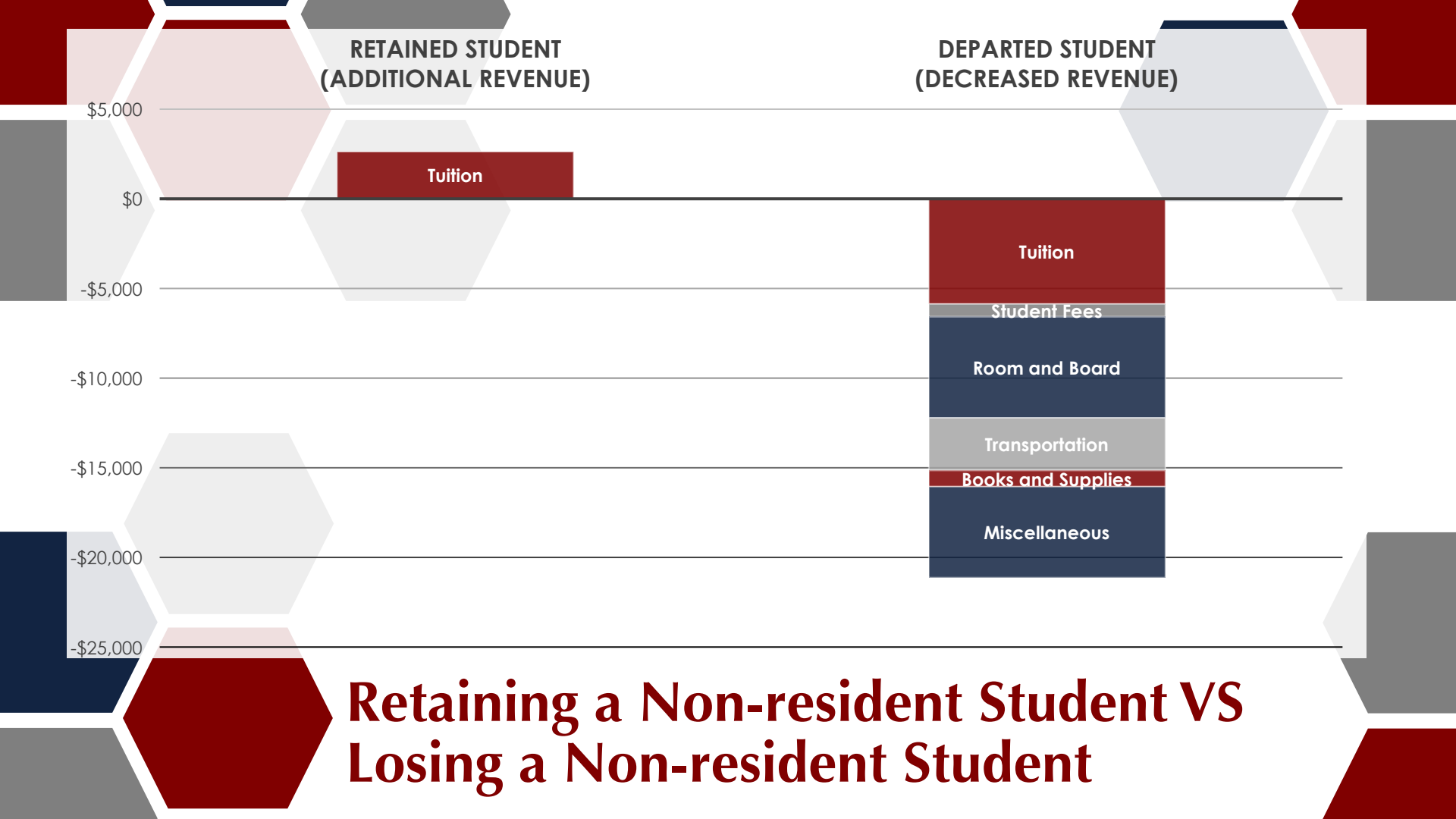
DSU Prediction



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

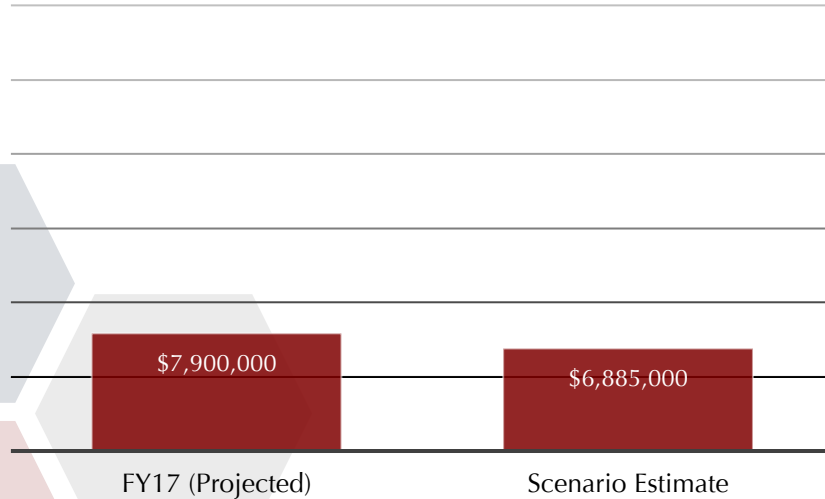
DSU estimates 40% loss of nonresident students
From 1,350 to 810 non-resident students

Increase Non-resident Tuition Rates?

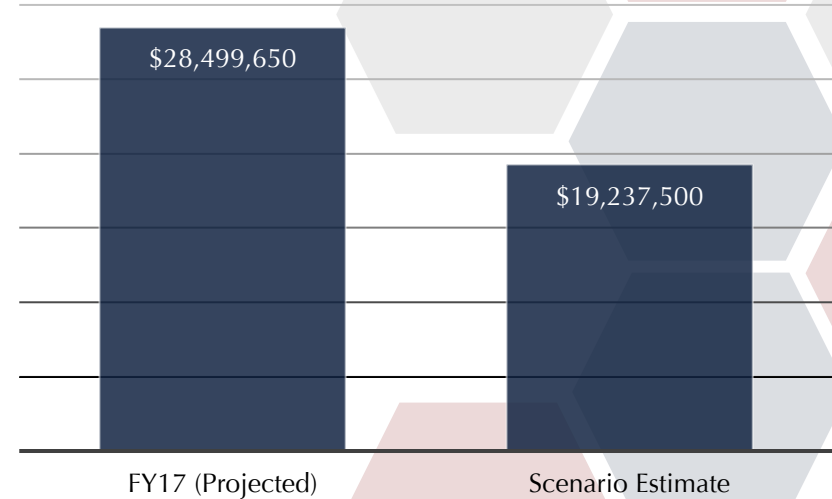


Retaining a Non-resident Student VS Losing a Non-resident Student

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

A collage of hexagonal images on the right side of the slide. The images include a clock tower, green trees, a building, and a grassy area.

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

