MAXIMIZING STUDENT AID TO ENHANCE ENROLLMENT & RETENTION

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This Presentation has Five Key Sections That Strategically Address: Maximizing Student Aid to Enhance Enrollment & Retention
1. Using Holistic Data, Statistical Models, Competitor Analysis, predictive modeling, and accounting for omitted variable bias to develop a strategic discounting strategy.

2. Leveraging Financial Aid checkpoints to maximize funnel yield and enrollment predictability.


5. Have a Firm Grasp on Financial Aid and Ensure That Your Organization Chart Strategically Accounts For and Empowers Each Key Process
Connecting the Sections to the Workshop Outcomes
Workshop Outcomes

1. How to balance the needs of both recruiting and retention.
2. Ways to tap more resources and help more students.
3. Keys to leading a user-friendly & highly effective financial aid program.
4. Important practices for meeting compliance and regulatory expectations.

Section Content Location

1. Section 1 & 2
2. Section 1 & 3
3. Section 4
4. Section 4 & 5
FA Tools to Maximize SE - 1

Using Holistic Data, Statistical Models, Competitor Analysis, predictive modeling, and accounting for omitted variable bias to develop a strategic discounting strategy.
Quick Hack to Grow Enrollment Without Data
Three words that are guaranteed to grow your enrollment
Give
It
Away
Free doesn’t work - how do we maximize net tuition revenue
Know who you are:
Data, data, data
Holistic Data Analysis

- Enrollment data
- Financial aid data
- Academic data
- Retention data
- Graduation data
Data to Consider Adding

• ACT Student Questionnaire
• SAT Student Questionnaire
• National Student Clearinghouse Data
Rich Data Can Help You Predict the Future: Pricing and Discount Strategies
Consider Elasticity When Setting Your Prices and Your Discounts
Example of Elastic Demand

Price Elasticity of Demand (PED) = \( \frac{\% \text{ change in Q.D.}}{\% \text{ change in Price}} \)
• DesJardins (1999) Demonstrates how Knowing Elasticity Can Equip Practitioners With Information to See What the Impact of Pricing is on Enrollment and Net Revenue
Who are your real competitors?
**StudentTracker Query Types**

<table>
<thead>
<tr>
<th>SE</th>
<th>DA</th>
<th>CO</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Subsequent Enrollment</strong></td>
<td><strong>Declined Admission</strong></td>
<td><strong>Longitudinal Cohort</strong></td>
<td><strong>Prior Attendance</strong></td>
</tr>
<tr>
<td>Where did students attend after leaving my institution?</td>
<td>Where did students enroll who did not attend my institution?</td>
<td>Track a group of students across multiple academic years</td>
<td>Where did applicants to my institution attend previously?</td>
</tr>
</tbody>
</table>
After

1. Reviewing the Data
2. Assessing Your Elasticity
3. Considering Your Pricing
4. Considering Competitors Prices
Begin the Process of Discounting
Two Key Categories

1. Merit Based
2. Need Based
If You Are Not Internally Equipped, Consider Using an Outside Specialist
REQUEST MORE DETAILS ABOUT DATA ANALYSIS

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Tools to Maximize SE: Leveraging Financial Aid

1. Give it away
2. Know who the data says you are.
3. Holistic and robust data analysis
4. Conduct group analysis
5. Determine competitors
6. Establish Discounting Strategy
Leveraging Financial Aid checkpoints to maximize funnel yield and enrollment predictability.
Let’s start at the top of the funnel...
THE ADMISSIONS FUNNEL: BASIC
THE ADMISSIONS FUNNEL: EXPANDED
Example 4-Year Enrollment Funnel

Prospect: 100,000
Inquiry: 60,000
Applicant: 21,000
Completed: 18,480
Admit: 13,650
Deposit: 6,017
Enroll: 5,596

Application Rate = 35%
Accept Rate = 65%
Yield = 41%
"PIPELINES ARE VEHICLES THAT BRING PROSPECTIVE STUDENTS TO THE EDGE OF CAMPUS. THEY CAN BE A GEOGRAPHICAL PROGRAM, AN ACADEMIC PROGRAM, AN EXPERIENCE, OR A CONSTITUENCY, BUT ALL PIPELINES HAVE FOUR THINGS IN COMMON: THEY HAVE A CHAMPION, THEY HAVE A GOAL, THEY HAVE A SOURCE OF SPECIFIC NAMES, AND THEY HAVE A BUSINESS PLAN."

(SOLIDAY & MANN, 2013, P. 108-109)
THE MISSING LINK
...between cat and rabbit
THE MISSING LINK

1. Stealth FAFSA Inquiries
2. Acceptances with completed FAFSA
3. Acceptances with completed FAFSA and given notice of final offers (Financial Aid Offer previously the Award Letter)
ROCKY’S HOLISTIC ENROLLMENT FUNNEL: EXPANDED
Prospects → Non-Stealth Inquiries, FAFSA Inquiries, and Stealth Applicant inquiries → Applicants

Applicants with completed Admissions file → Acceptances

Acceptances given a Final Financial Aid Offer → Deposits

Acceptances with a completed FAFSA → Enrolled
ROCKY’S HOLISTIC ENROLLMENT FUNNEL: EXPANDED
ROCKY’S HOLISTIC ENROLLMENT FUNNEL: EXPANDED
First Time Giver -> Contribution to Target Campaigns -> Attendance at College Events

Monthly Giver -> Organization or Church of Grad is a Giver

Child Becomes a Legacy or They are a Reference for New Student -> Add College to Will or Trust

Organization of Grad is a Giver -> Organization of Grad is a Monthly Giver

Graduate Volunteers to Promote the College
REQUEST MORE FUNNEL DETAILS

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Tools to Maximize SE:
Leveraging Financial Aid

1. Establish conversion rates for your Funnel using the RHEF method.
2. Incorporate FA checkpoints as part of your funnel to maximize yield and enrollment predictability.
Tools to Maximize SE: Leveraging Financial Aid

- The RHEF approach will equip you to leverage Financial Aid checkpoints to maximize funnel yield and enrollment predictability.
FA Tools to Maximize SE - 3
Equip Admissions Professionals With Essential Financial Aid Knowledge and Tools
Three Months
A Basic Knowledge of Financial Aid

Knowledge of the FAFSA

Annual Loan Borrowing for Freshman Students

Pell Maximum
Pop Quiz

How much in Federal loans could Malia and Sasha borrow as Freshmen in College?
A Basic Knowledge of Financial Aid

- Know
  - Aggregate Borrowing Limits
- Know
  - How Dependency Effects Borrowing
- Know
  - How Borrowing Changes Based on Credits Completed
A Basic Knowledge of Financial Aid

State Aid

TEACH Grant

Public Service Loan Forgiveness
A Basic Knowledge of Financial Aid – Canadian Colleges

Province Specific: Ontario Student Assistance Program (OSAP)

Loan Opportunities

Work Study, Band Member, Disability Funding
Return of Title IV Funds Calculation R2T4
How to Process and Complete a FISAP
How to Process and Complete a Professional Judgement
COA – EFC = Financial Need

COA – EFC – EFA = Remaining Need
Equip Recruiters With a Basic Knowledge: Example
Johnson Cost Roughly $26,000
Are you coming to Johnson?
You Qualify for $6,345 in Pell
Johnson Cost Roughly $19,655
Are you coming to Johnson?
Are you coming to Johnson?
You Qualify for $2841 in the Effective Access to Student Education Grant
Johnson Cost Roughly $16,814
Are you coming to Johnson?
You Qualify for $1,200 in FL Student Assistance Education Grant
Johnson Cost $15,614
Are you coming to Johnson?
You Qualify for $1,000 from Johnson’s Minority Scholarship
Johnson Cost $14,614
Are you coming to Johnson?
You Qualify for $2,000 in Johnson’s Merit Scholarship
Johnson Cost Roughly $12,614
Are you coming to Johnson?
You Qualify for $4,000 through the TEACH Grant.
Johnson Cost Roughly $8,614
Are you coming to Johnson?
You Qualify for $5,500 in Loans.
Johnson Cost $3,114
Are you coming to Johnson?
Work study provides our students with an additional $2,500 per year.
Johnson Cost $614
Johnson Cost $307 per semester
Are you coming to Johnson?
Tools to Maximize SE: Leveraging Financial Aid

1. Equip Recruiters With a Basic Knowledge of FA
2. Help recruiters to equip students with how affordable attending your college can be.
Tools to Maximize SE - 4

Hiring Student Centric, Well Trained, Financial Aid Employees Who Strategically Connect Their Processes to the Overarching Enrollment Strategy.
HIRE THE RIGHT PEOPLE

Hire people who are committed to a recruitment and enrollment focus.
HIRE THE RIGHT PEOPLE

Do Students Look Like This When They Leave the Financial Aid Office?
HIRE THE RIGHT PEOPLE
HIRE THE RIGHT PEOPLE
HIRE THE RIGHT PEOPLE
COST OF NOT HIRING THE RIGHT PERSON

- Calculate the impact of one lost student then multiply that by the years they would retain.
COST OF NOT HIRING THE RIGHT PERSON

- Know what your Net Revenue is Per Student
- Know What Your Cost to Recruit is.
CALCULATING THE CNHRP

CNHRP = Cost to Recruit + Net Revenue * 4

(NACCAP, 2020)
CNHRP = $44,224 PER STUDENT

CNHRP =

+$4,224 (Average Bible College)

+$10,000*4 (Estimated Revenue)
THE CNHRP IS EVEN HIGHER

“THE U.S. DEPARTMENT OF LABOR SAYS THE COST OF A BAD HIRE CAN REACH UP TO 30 PERCENT OF THE EMPLOYEE’S FIRST-YEAR EARNINGS.

THE UNDERCOVER RECRUITER REPORTS BAD HIRES CAN COST $240,000 IN EXPENSES. THOSE ARE BROKEN DOWN INTO COSTS RELATED TO HIRING, PAY AND RETENTION. CAREERBUILDER SAYS 74 PERCENT OF COMPANIES WHO MADE A POOR HIRE LOST AN AVERAGE OF $14,900 PER POOR HIRE.”
IS FINANCIAL AID A KEY PART OF STUDENT VISITS?

“No we avoid the FA Office”
IS FINANCIAL AID A KEY PART OF STUDENT VISITS?

ELIMINATING FA MAKES RECRUITMENT AN UNFAIR FIGHT.
IS FINANCIAL AID A KEY PART OF STUDENT VISITS?

- Do you know what is covered in FA Meetings?
- Have you strategized what is strategic for a prospective student?
Make recruiting Students a Fair Fight by Strategically Including Financial Aid in the Process
Include Professionals Who Are Equipped to Partner and Grow Enrollment.
TRAIN YOUR FINANCIAL AID TEAM
REQUEST TRAINING MATERIALS: BOOKS, PODCASTS, WEBSITES, ARTICLES, NEWS, OR CREDENTIALS

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Tools to Maximize SE: Leveraging Financial Aid

1. Avoid the CNHRP Loss to both enrollment and revenue dollars
2. Connect Your FA Process as Part of your SEM Plan
3. Invest in Training Your Team
FA Tools to Maximize SE - 5

Have a Firm Grasp on Financial Aid and Ensure That Your Organization Chart Strategically Accounts For and Empowers Each Key Process
STRENGTHENING YOUR GRASP ON FINANCIAL AID
Financial Aid, As We Know it, Has Recent Origins
Higher Education Act of 1965
(Pub.L. 89–329)
PART I—GENERAL HIGHER EDUCATION PROGRAMS

Higher Education Act of 1965

(P.L. 89–329)

[As Amended Through Public Law 113–67, Enacted December 26, 2013]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may
HIERARCHY OF INFORMATION

- “Higher Education Act of 1965 (as amended)
- Federal Register
- Code of Federal Regulations
- Federal Student Aid Handbook
- Dear Partner/Colleague Letters
Financial Aid Office
Tools to Maximize SE: Leveraging Financial Aid

1. Strategically Assess the Most Strategic Oversight of Key Duties.
2. Be Aware of How to Use Each Aspect to Improve the Process for Prospective Students
REQUEST SCENARIO INFORMATION: SAP, REENROLLMENT PROCESSES, LOAN ELIGIBILITY FOR MODULES, RECALCULATION PERIOD, FINANCIAL AID OFFER, COST OF ATTENDANCE

- TinyUrl.com/RockysPresentationMaterials
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REFERENCES

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