Communicating Affordability to Prospective Students

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COLLEGE RAPTOR
College Costs
A Major Concern for Families

“The majority of incoming first-year students in 2016 expressed some level of concern about their ability to finance their college education. Over half (55.9%) of incoming students have some concern about their ability to finance college while 13.3% report that they have major concerns about their ability to finance college.”


Communicating Affordability to Prospective Students
College cost impacts decisions

54% of respondents to Sallie Mae’s “How America Pays for College” study eliminated at least one school based on cost before applying.

(61% of students)

Sallie Mae “How America Pays for College” 2017
Discounts increasing

Affordability has been and remains a giant concern for students and parents, so institutions (particularly privates) are often increasing their discounting.

“The headline average institutional tuition discount rate for first-time, full-time students hit an estimated 49.1 percent in 2016-17, up from 48 percent the previous year. For all undergraduates, the average institutional tuition discount rate rose to an estimated 44.2 percent, up from 43 percent.”

Deeper discounts are not always translating to higher enrollment (or net tuition revenue).

“Respondents largely blamed students’ sensitivity to prices, increased competition and changing demographics for losing enrollment. Chief business officers at institutions that had lost first-year enrollment were asked why they believed it fell. The price sensitivity of students was the top response, named by 68 percent of respondents.”

Bottom Line

• Most institutions recognize financial aid (and by extension, net cost) as an important factor in enrollment decisions

• Communicating affordability early in a student’s college discovery phase is critical to encouraging the student to take next steps toward enrollment

• It is even more important for schools with a significant gap between sticker price and average net cost
Getting the message out

What are some best practice ideas to communicate affordability online?
Where should the information be?

Pages where information may be include:

- Admissions
- Financial Aid
- Parent
- Bursar (Tuition/Fees)
- Others?
Profiles

Sample Cost to Attend for 1 Year:

$12,790
(includes tuition, room, board and fees)

HOW WE CALCULATE YOUR COST TO ATTEND:

- $26,070 Total Cost or “Sticker Price”
- $5,615 Federal Pell Grant
- $4,500 Merit Scholarship
- $1,500 Need Scholarship
- $1,750 Federal Work Study
- YOUR COST: $12,790

Communicating Affordability to Prospective Students
Profiles

Positives:
Provides some holistic views that include all types of aid
Easy to target specific groups

Negatives:
Static
Not every scenario can be covered
It can be hard to make sure students can tell which most closely applies
Publish the actual grid

**Fall 2018 Freshman Academic Scholarships**

<table>
<thead>
<tr>
<th>Test Score</th>
<th>New SAT</th>
<th>Old SAT</th>
<th>ACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;=1310</td>
<td>1240-1300</td>
<td>1160-1230</td>
<td>&gt;=28</td>
</tr>
<tr>
<td>1160-1230</td>
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<td>26-27</td>
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</tr>
<tr>
<td>1020-1080</td>
<td>940-1010</td>
<td>860-930</td>
<td>22-23</td>
</tr>
<tr>
<td>940-1010</td>
<td>860-930</td>
<td>No Score or &lt;= 930</td>
<td>20-21</td>
</tr>
<tr>
<td>860-930</td>
<td>No Score or &lt;= 930</td>
<td>No Score or &lt;= 850</td>
<td>18-19</td>
</tr>
</tbody>
</table>

**HS GPA**

- >=4.00: $14,000
- 3.70-3.99: $12,000
- 3.50-3.69: $10,000
- 3.20-3.49: $8,000
- 3.00-3.19: $6,000
- 2.70-2.99: $4,000
- 2.69 & below: $2,000

**Weighted Allowed**

- $4,000
- $3,000
- $2,000
- $1,000
- $0
The grid

Positives:
Totally transparent (be sure to note if test retakes are allowed)

Negatives:
Confusing
No need based aid or state merit aid
Scholarship calculator

**SCHOLARSHIP CALCULATOR**

To estimate how much scholarship funding you may qualify to receive (based on your ACT/SAT scores and cumulative high school grade point average), enter your data in the Calculator below.

### Residency (Choose one)
- Missouri Resident
- Non-Missouri Resident
- Legal resident of one of the following states: Arkansas, Iowa, Illinois, Kansas, Kentucky, Nebraska, Oklahoma or Tennessee
- Non-Resident child, stepchild, grandchild or stepgrandchild of a UCM or CMSU Alumnus

### Cumulative High School GPA
(You must use the 4.0 grading scale and include 2 decimal places, e.g. 3.85)

<table>
<thead>
<tr>
<th>GPA</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.00</td>
</tr>
</tbody>
</table>

### High School Grading Scale

<table>
<thead>
<tr>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.0</td>
</tr>
</tbody>
</table>

### ACT Composite Score
(earned on or before June of senior year in high school)

<table>
<thead>
<tr>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
</tr>
</tbody>
</table>

### SAT Score
(sum of evidence based Reading and Writing & Math earned on or before March of senior year in high school)

Submit to Calculate Estimate

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**Communicating Affordability to Prospective Students**
Scholarship calculator

**Positives:**
Transparent
Can be easy to use

**Negatives:**
No need based aid or state merit aid
Can be hard to build
All students and families, regardless of income, should apply for financial aid.

Financial aid is money from federal, state, college and private sources that can help you pay for SMC.

Grants, scholarships, work-study funds, low-interest federal loans and even private loans are all available.
Dedicated pages

**Positives:**
Can be very targeted

**Negatives:**
Hard to make sure students that match find it
Those not eligible can feel left out
Net Price Calculator

Welcome to Asbury University’s Net Price Calculator.

This tool is designed to help you and your family estimate your financial aid options at Asbury. This is not an official application for Financial Aid and is not a substitute for applying for aid. Your results provided through the Net Price Calculator are only an estimate and do not guarantee the actual aid you will receive.

Communicating Affordability to Prospective Students
NPC

**Positives:**

Accessible – whether promoted or not (many outside sites link to it)
Dynamic and highly personalized
Always available

**Negatives:**

Can be difficult to setup
NPC – The Federal Template

- Uses ranges for estimates
- Hard to make accurate for different populations
- Does not assess academic profile
- Can add to it, but not easily

Communicating Affordability to Prospective Students
NPC – Things happen sometimes...

Communicating Affordability to Prospective Students
NPC – Things happen sometimes...

FRESHMEN CALCULATOR

Click here to display the calculator in a mobile-friendly window.
NPC – Things happen sometimes...
NPC – But it can look really good as well

Communicating Affordability to Prospective Students
NPC – Keys to making it more effective

- Make it usable (responsive design, simple survey, etc.)
- Promote it – If that’s your strategy
- Accurate results matter (How much detail depends on how transparent you want to be)
- Cost and award information should be up to date
- Cover multiple populations (if you can, and if it makes sense to)
NPC – Making it usable

• Is it responsive?

• *Would you fill out your own survey?*

• Is it necessary to have a full financial survey?

• Can the user request more information right from the calculator?
NPC – Promotion

- Make it easy to access online
- Spread the word in print and electronic campaigns
- Make the campus community aware of it and how to direct people to it

Is there such as thing as too much transparency?

Communicating Affordability to Prospective Students
NPC – Accuracy

This result was generated last week.

- This school reset tuition to under $20,000 for 2016-17
- The net price for an in-state student with the scenario entered would actually be under $10,000

Have you updated/tested your calculator recently?
NPC – The results page

• Can include a direct cost estimate, but must have the Federal estimate

• Mirror an award letter? The shopping sheet? Other ways to render?

• What’s included in the frame for the page (if you can control it)?
NPC – Make sure you’re compliant

Common errors include:

- Making contact submission mandatory
- Only including direct cost estimates
- Not labeling properly

The standards are at https://nces.ed.gov/ipeds/report-your-data/resource-center-net-price
NPC – Usage Data from College Raptor

National, Public – 9,279 / year (max = 14,990 / year)
Regional, Public – 2,435 / year (max = 6,484 / year)

National, Private – 2,380 / year (max = 5,316 / year)
Regional, Private – 1,303 / year (max = 2,268 / year)

More than 40% of College Raptor NPC users provide contact information
Doing more with your NPC

• Let admissions staff work through it with prospects to provide pre-awards
• Send a link to prospects
• Develop a communication plan for NPC inquiries (if you receive them)
• Send along with encouragement to complete the FAFSA
Final thoughts or questions

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