



Retention Revenue Estimator

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Retaining students preserves revenue

- Retention doesn't generate revenue
- Preserves revenue that would otherwise be lost



There are three key components involved in retention revenue

- Gross undergraduate tuition revenue
(tuition x enrollment)
- Institutionally funded student aid awarded to undergraduates
(grants & waivers)
- Retention rates



Gross Revenue

New money for instruction comes from primarily three pools

- The Legislature for new growth
- New students paying tuition
- Current students paying more in the form of tuition increases

Legislature

- For the last few years student enrollment has declined, so **no** new growth money from the legislature will be coming any time soon
- During periods of growth, the legislature has traditionally funded growth
- In recent years, enrollment has gone through a period of significant decline
- All current enrollments have been funded
 - 2006-07 E&G 12,617 FTE
 - 2006-07 E&G 13,989 FTE funded
(Annualized E&G Total - Budget Related only)



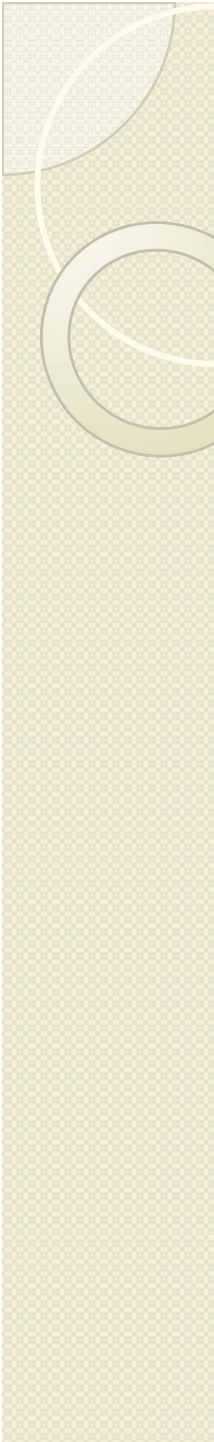
Students & Tuition

- Enrollment has dropped, so everything else being equal, tuition revenue has fallen significantly
- Tier 1 & 2 tuition increases have been the only source of new tuition revenue for several years and have helped offset tuition revenue lost from falling enrollment



Tuition is a big part of the revenue mix for the university...

- **2006-07 E&G undergraduate gross tuition = \$51,121,000**



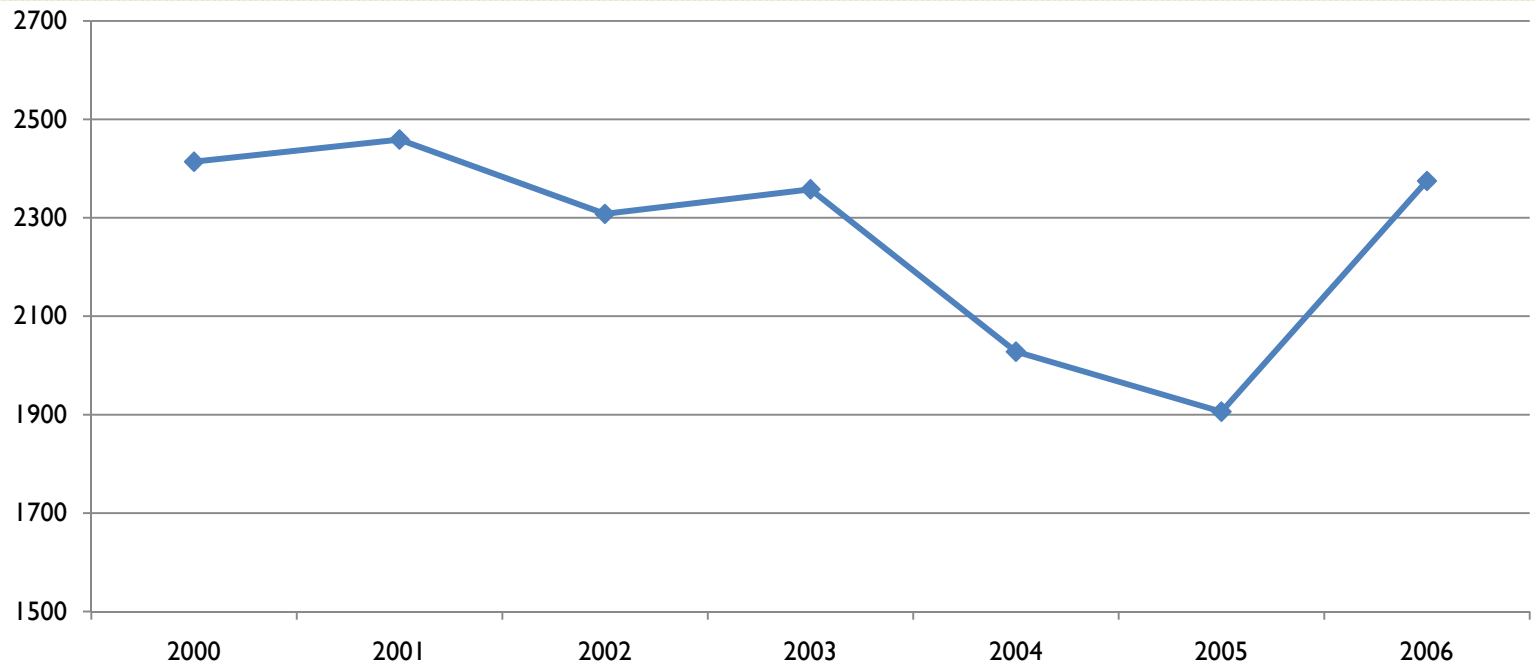
and is becoming a bigger part of the total revenue of the university

- During the last six years, the average undergraduate tuition increase has been over **8.13%** (AY tuition at 15 credit hours)
(Office of Budget & Planning - History - Tuition Rates AY.xls)
- During the same period, average on-going state funding has increased **2.67%** (this will increase next year because of the significant appropriations received for 2007-08)
(Office of Budget & Planning – A-1)

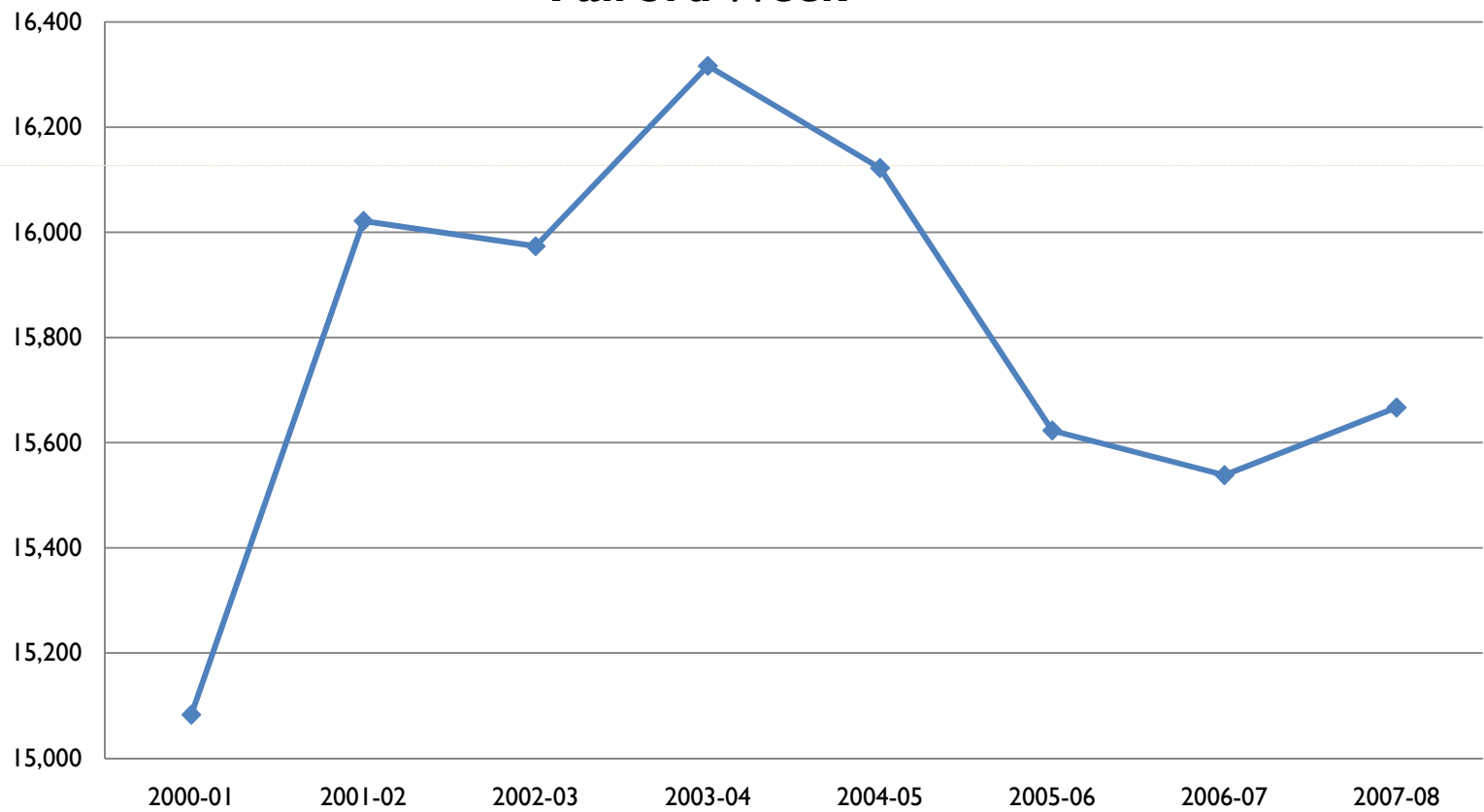
New Students

Enrollment seems to be coming back

Full Time Degree Seeking **First Time Freshmen**



Total USU FTE Fall 3rd Week





Institutionally funded student aid (grants & waivers)

Grants and waivers are also a big part of the revenue picture at USU

- Legislature authorize the type and number of waivers
- USU funds and awards additional grants
- Grants & Waivers represent tuition that USU never collects

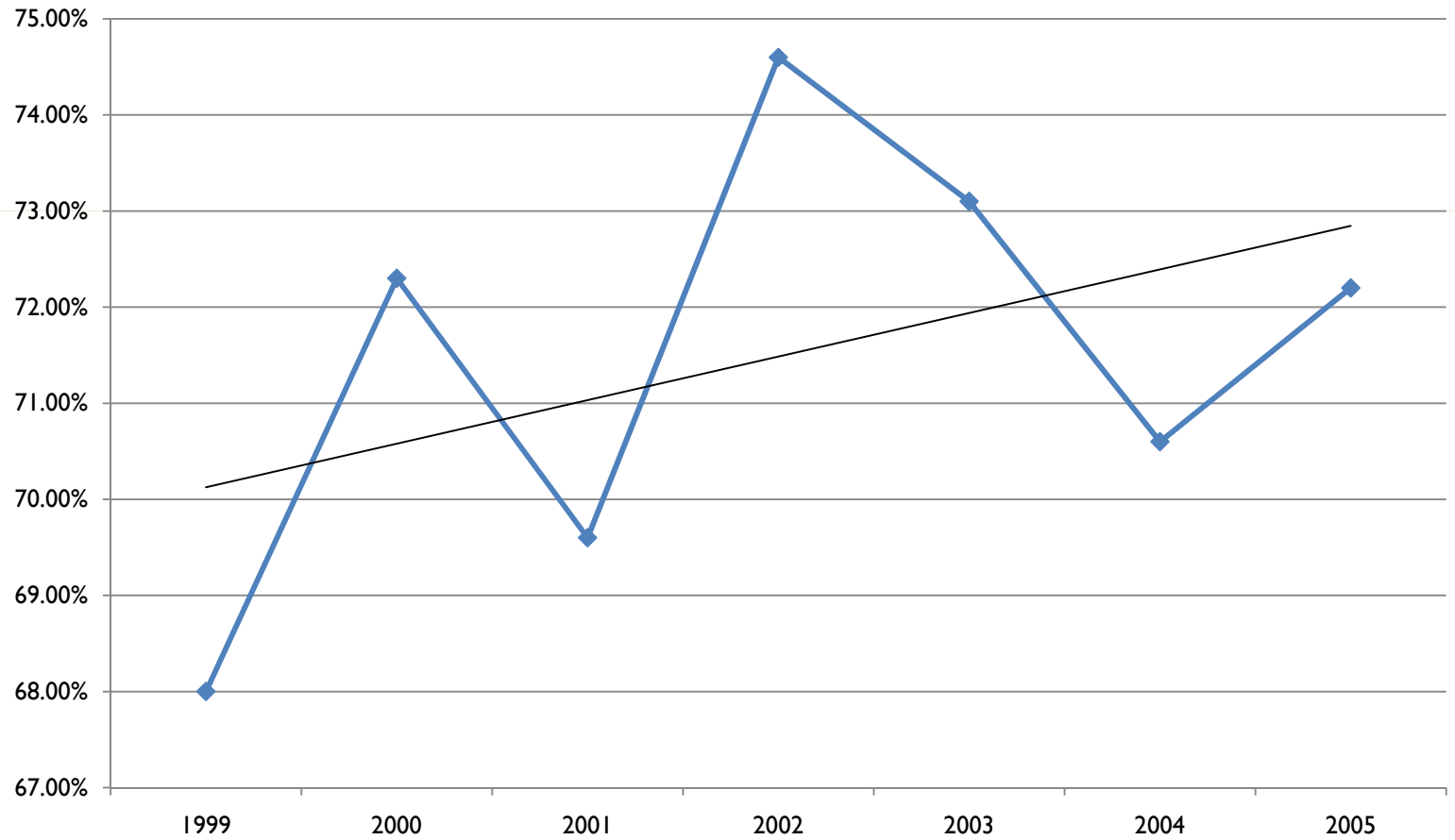
Grants & Waivers

(2006-07 Undergraduate)

• Institutional grants	\$ 8,861,444
• Waivers	9,835,679
Resident	3,730,232
Non-resident	6,105,447
Total	<u><u>\$ 18,697,123</u></u>

Retention Rates

USU Retention Rates



USU Common Data Set



Selected Regional Retention Rates (2005)

Utah State University	72%
Brigham Young University	94%
Colorado State	82%
University of Utah	81%
University of Wyoming	76%
University of Nevada-Reno	75%
Weber State University	71%
Boise State University	61%
Idaho State University	58%
Southern Utah University	57%
Utah Valley State College	49%
Dixie State College	48%



Retention Revenue Estimator

- Originally developed by Noel Levitz, customized to incorporate USU data

- Analyzes tuition revenue, enrollments, and retention rates
- Estimates revenue retained from students that would have otherwise left USU



Summary

- Over the three years we retain these students, for each 1% we improve retention rates:

- 60 Students “saved”
- Nearly \$200,000 in tuition that would otherwise be lost
- To replace those 60 lost students would cost approx. \$7,800