

RNL and the Advanced FinAid Solutions



Derek Flynn

Your Two Largest Budget Items

Salary and Financial Aid



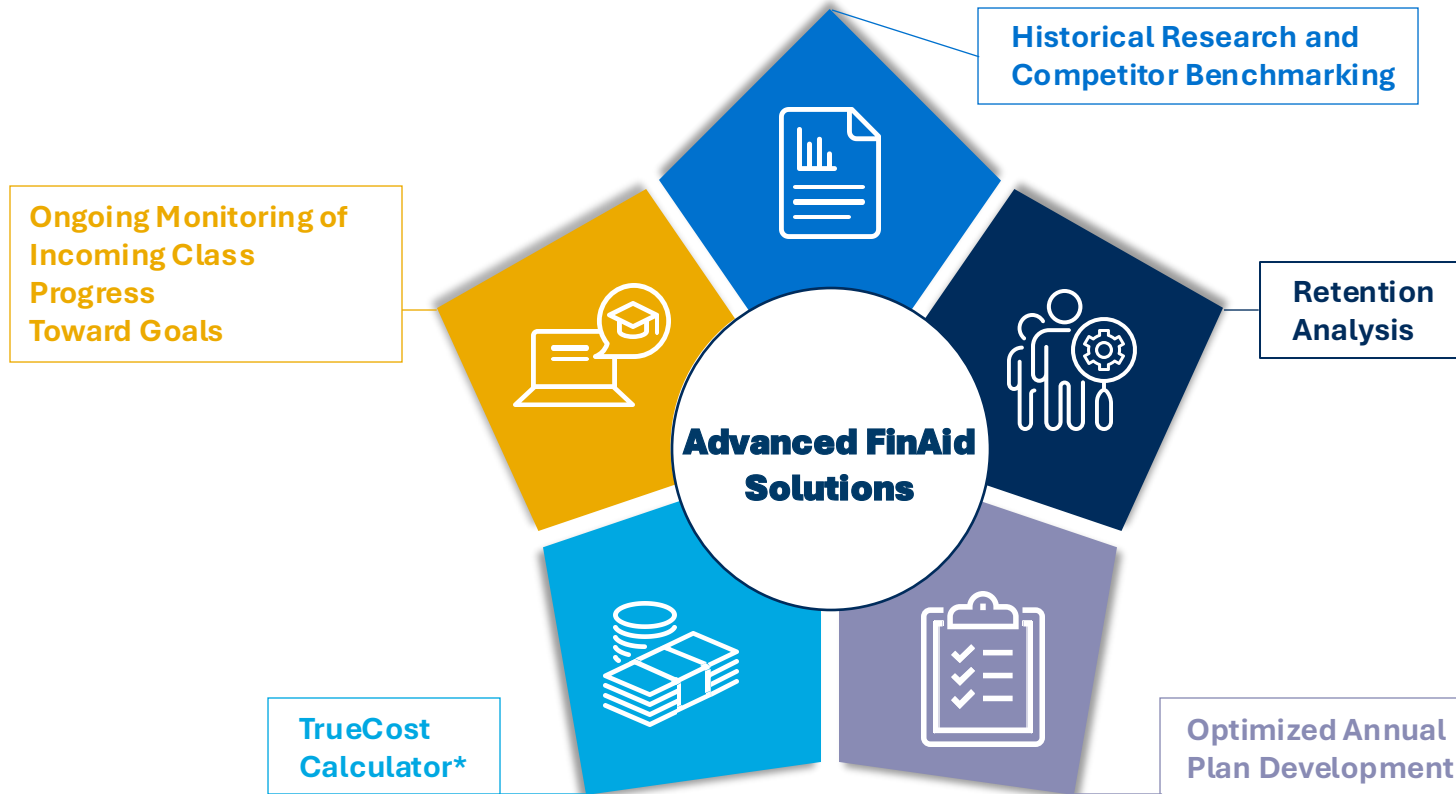


Every institutional financial aid dollar should have intention and purpose. In addition, effectiveness should be measured and evaluated, annually.

The background of the slide features a blue-tinted image. It shows several interlocking mechanical gears of different sizes, some of which are partially obscured by a hand holding a pen, suggesting a theme of finance, engineering, or business operations.

What is the Advanced FinAid Solutions Suite of Services?

Our Advanced FinAid Solutions suite is a fully developed, thoroughly tested system for financial aid research and management systems.



Why the Advanced FinAid Solutions and Why RNL?

1. Grow your enrollment with a strategic financial aid framework
2. Increase your net tuition revenue/student
3. Manage discounting while achieving other goals
4. Increase overall net tuition revenue while growing enrollment
5. Make Moves on the Fly as You Monitor Progress to Goal
6. Blend Theory and Practicality

Clearly Defined Goals

Agreed on at time of planning



**Increase enrollment to 500
new FY students and 100
new Transfer students**





Grow out-of-state market by 15% to
115 FY students






**Decreased spending per
student by \$500**



**Sustain academic profile at
3.25 HSGPA and 23 ACT for
FY students**



**Grow your enrollment with
a strategic financial aid
framework**



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**Advanced FinAid Solutions
for new partners (private):
Year 1 = 8.2% enrollment
increase**

+ 8.2%

Data based on a RNL Advance FinAid Solutions partners after 1st year of implementation.

The Importance of Establishing an Effective Financial Aid and Scholarship Strategy



- Makes the program **affordable** to students who are willing to pay **without spending more than is necessary to enroll or retain** each student.
- **Contributes directly** to enrollment goals.
- **Maximizes net revenue** so the college can maintain or improve the quality of programs and services.

The Strategic Financial Aid Framework



Support enrollment with a strategic financial aid framework

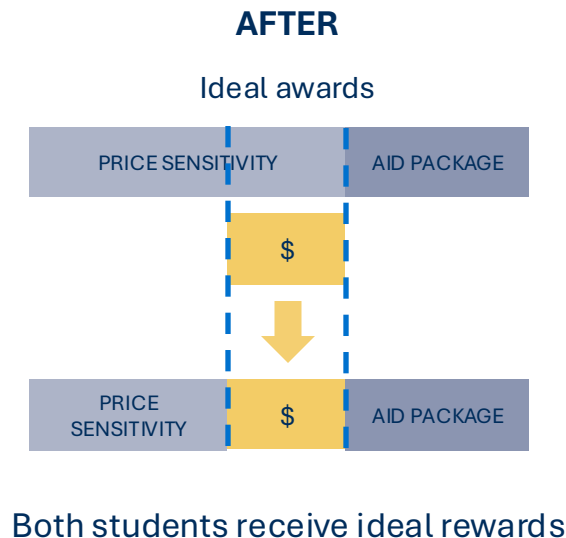
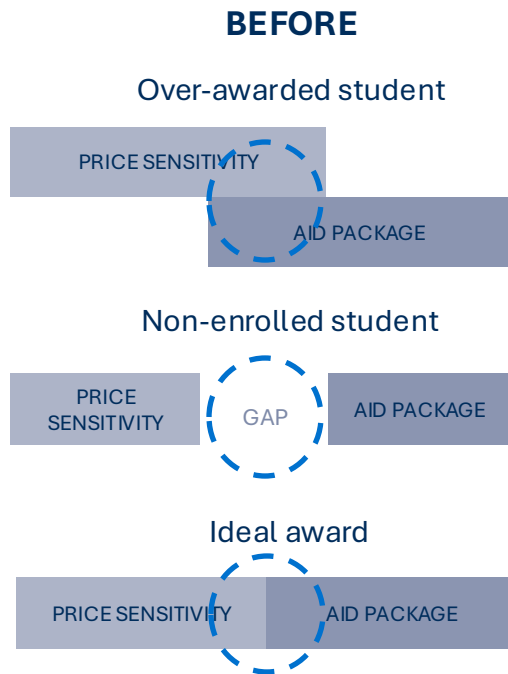
A checklist for success





- ☐ Launch a financial aid strategy that supports enrollment.
- ☐ Develop a structure that facilitates an analysis of student response rates to awards.
- ☐ Understand the amount of institutional gift aid needed to enroll students by ability and willingness to pay, geography, program of study, and other key combinations.
- ☐ Analyze yield rates by percentage of need met with gift so you can determine what's *too much* and what's *too little*.
- ☐ Leverage over-awarded students with under-awarded (or unawarded) students.

Enrollment Objectives & Fin Aid Strategies should be aligned.




Does your financial aid structure support your enrollment objectives?

What is the concept behind an effective financial aid strategy?





**Increase your net tuition
revenue/student by awarding
with precision**



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**Advanced FinAid Solutions
for new partners (private):
Year 1 = 2.3% increase in
NTR/student**

+2.3%

Data based on a RNL Advance FinAid Solutions partners after 1st year of implementation.

Key Metrics



Yield

(and retention) rates by cell



Percentage of need met

and need met with gift aid for need-based students



Yield by institutional gift

offer for low-need and merit-aid-only students

Award Dollars With Precision and Have the Greatest Control Over Net Revenue and Discounting



Determine precise amounts of institutional gift aid:

- ✓ Ability/willingness to pay
- ✓ Geography
- ✓ Program of study



Assess the effectiveness of fund categories such as:

- ✓ Talent
- ✓ Merit
- ✓ Need



Implement an awarding strategy that:

- ✓ Is clear
- ✓ Can be executed with ease
- ✓ Can be loaded into your net price calculator



Test against an institution-specific econometric model for likely results and probability of success.

Subpopulations are identified based on statistical analysis and your enrollment goals



In-state



Athletes



Out-of-state

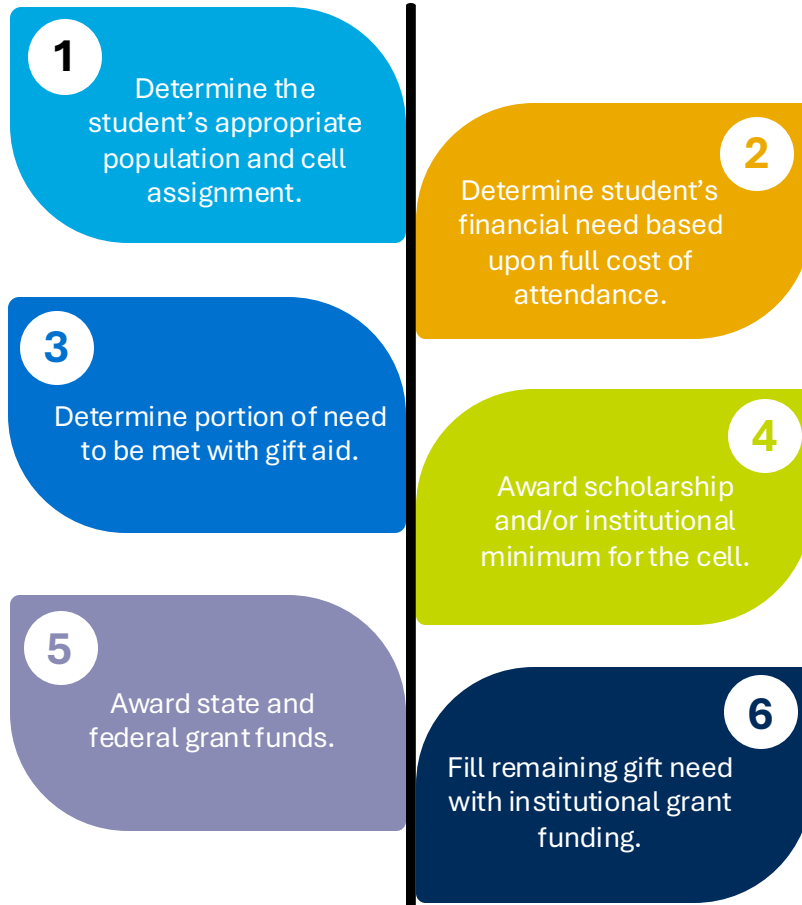


Total enrollment



Transfers

Awarding Percent of Need Met With Gift



Executing an optimized plan provides understanding of student response while also awarding with precision to manage discounting and NTR.

Meeting a % of need with all sources of gift

Student	Total Gift
John	\$33,600
Ryan	\$42,450
Lisa	\$41,265
Laurie	\$39,505
Sylvia	\$42,800
Albert	\$44,400
Majid	\$42,950
Alicia	\$29,155
Skyler	\$40,560

58% of need met with gift (target based on SAI, academic criteria, geography, and intended major)

Each student is provided an award based on your optimized awarding plan

Econometric modeling

Assess price sensitivity and student enrollment behavior based on changes in net charges (in real time).



Measure the impact of aid on student's ability to enroll

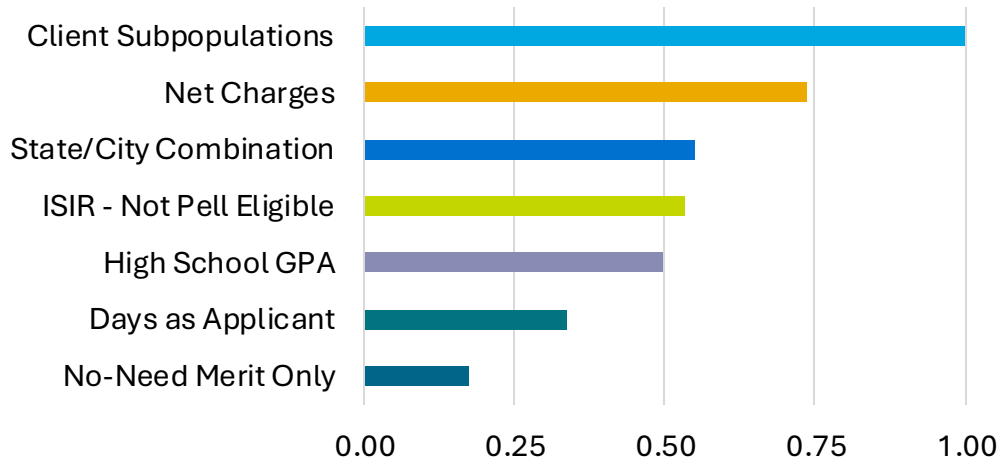


Determine other factors predictive of enrollment



Assess change in enrollment probability by changing net charges

Relative Importance of Variables





**Manage discounting while
achieving other goals**

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**Advanced FinAid Solutions
for new partners (private):
Year 1 = MINIMAL change in
tuition/fee discounting**

0 pt.

Data based on a RNL Advance FinAid Solutions partners after 1st year of implementation.

Annual plan development with your consultant

Build a plan, modify the inputs, and test the results. Things to consider...

How many admitted students do you anticipate?

What's the enrolled goal?

What direct cost increase is being assumed?

How much total institutional gift aid will be spent?

What is the average institutional gift amount and resulting discount rates?

What assumptions are made for external aid?

What is the resulting Total and Average Net Tuition Revenue?

Impact on Academic Profile

What does a detailed plan look like?

	2024 Actual	2024 Goals
Total admitted students	3119	2470
Total enrolled students	687	610
Yield Rate	22.0%	24.7%
Revenue Summary		
Total Revenue	\$21,692,700	\$18,814,428
Tuition and required fees	\$17,587,200	\$15,616,000
Housing and food	\$4,105,500	\$3,198,428
Net Revenue Summary		
Net tuition & fee revenue	\$10,350,171	\$8,862,485
Average net revenue	\$15,066	\$14,529
Revenue minus unfunded gift aid:		
Tuition	\$10,280,467	\$8,905,577
Housing/Food	\$4,105,500	\$3,198,428
Total (includes fees & other charges)	\$14,385,967	\$12,104,005
Institutional Gift Aid Summary		
Total	\$7,237,029	\$6,753,515
Need-based gift aid	\$2,047,218	\$1,399,748
Merit-based gift aid (incl. premier)	\$4,040,007	\$3,754,000
Talent-based gift aid	\$776,305	\$1,037,878
Other institutional gift	\$373,499	\$561,889
Average institutional gift per enrolled student	\$10,534	\$11,071
Discount Summary		
Tuition & fee discount rate	41.1%	43.2%
Unfunded overall discount	33.5%	35.6%



Making Moves on the Fly as You Monitor Progress to Goal



4

**It's imperative that you know
WHAT you need to know WHEN
you need to know it!**

Monitor progress to goal

Institutional Aid Levels

Cell-by-cell evaluation



Net Revenue Goals

Discount rate tracking



Regular Tracking

Strategy development and implementation



Admit and Enroll Goals

Population assessment

FinAid scoring

Analyzing current class behavior on the fly

- Students are “scored” against the institution specific econometric model each time data is sent to RNL
- Each student (each transmission) is assigned an enrollment likelihood “score” (.01 – 1) indicating their resemblance to previous years enrollments using variables from the institution specific econometric model.
- Students are also assigned a record level probability and a change in that probability should institutional aid be incrementally increased or decreased. This provides insight into the price sensitivity of your currently admitted students.
- From this information both tactical and strategic actions can be discussed and taken to include aid adjustments that the likely result.



**Enrollment
likelihood
score**



**Aid
receptivity**



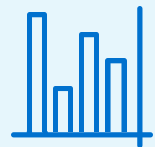
Elasticity



**Change
effect**



**Financial
aid award**



Probability



**Increase overall net tuition
revenue while growing
enrollment**



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**Advanced FinAid Solutions
for new partners (private):
Year 1 = 11.4% increase in
net tuition revenue with
enrollment change**

+11.4%

Data based on a RNL Advance FinAid Solutions partners after 1st year of implementation.



Blending Theory and Practicality

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The Margin for Error Is Slimmer than Ever

Your plan can be sophisticated, but remember we are still dealing with students

You need to know precisely where you are headed with:

- Recruitment
- Retention
- Revenue
- Expense

Your financial aid spend should NEVER be a surprise!



Blending Theory and Practicality

A dedicated team from onboarding to planning to management tracking

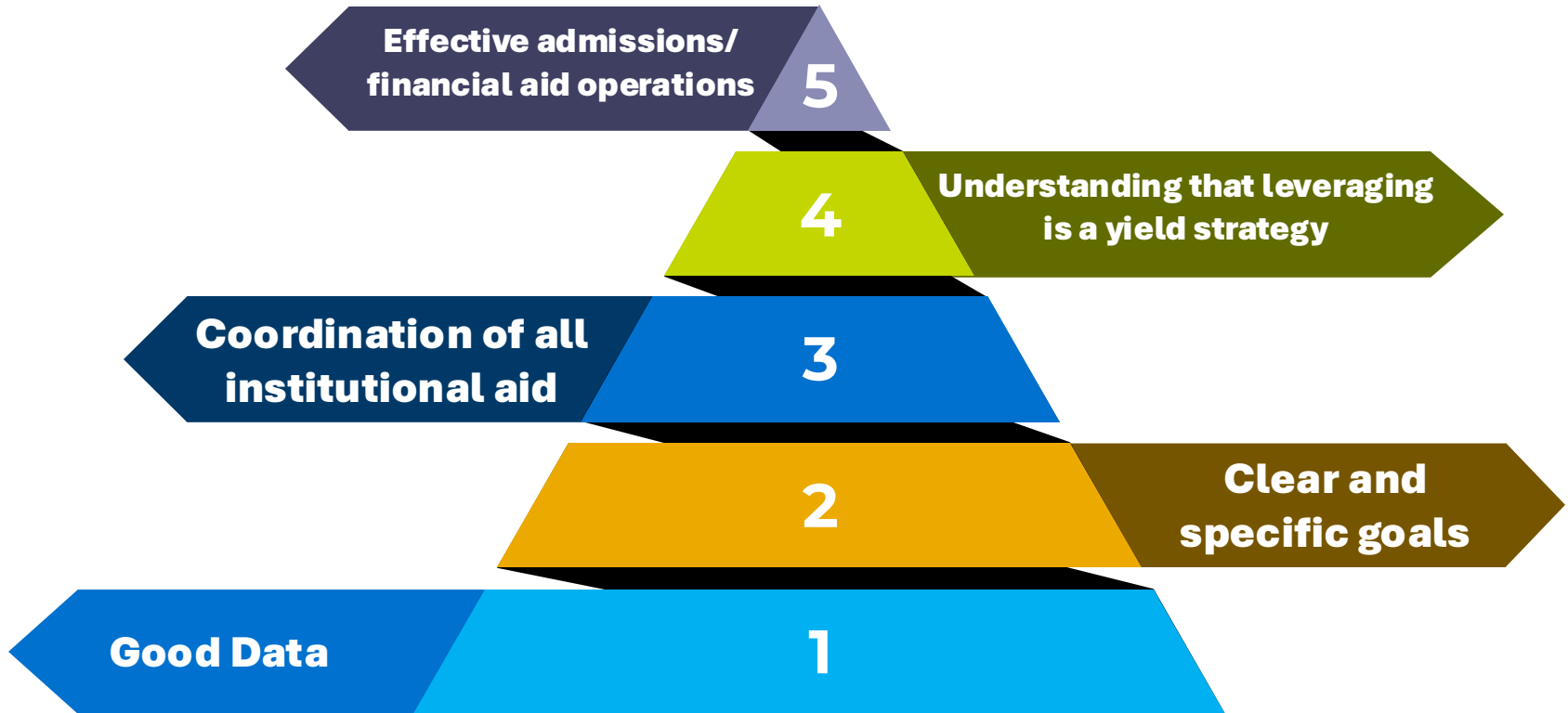
- Data Integrity Analyst – committed to ensuring your data is cleaned and processed using state of the art tools built for, and with, RNL to ensure your data is processed accurately and in a timely manner.
- Strategic Consultant – An average RNL tenure of more than 10 years with another decade or greater of on campus experience in enrollment and/or financial aid. Your consultant will deep dive into your campus data using state of the art data mining and statistical tools to ensure your framework, populations, and students are optimized f to achieve your institutional goals.
- RNL Bench

10+

Average years of
on-campus
experience of our
consultants

How does success start?

Advanced FinAid Solutions Effectiveness Requires



Thank you for your time today!



Derek Flynn

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Services



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The 39th Annual National Higher Education Conference