

OHIO's Scholarship Leveraging Approach

Budget Planning Council

November 13, 2023, 4:00 p.m.

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Financial Aid—The Basics

Types of Aid

- Scholarships
- Grants
- Student Employment
- Loans

Sources of Aid

- Federal
- State
- Institution: Central
- Institution: Non-central
- Institution: Endowed
- Third-Party
 - Examples: employers, non-profits, government agencies, private parties

Financial Aid—The Basics

Merit-based scholarship process:

- Application for admission serves as initial application for scholarships; no separate application to complete for most awards
- Highest-value awards programs host competitive processes in winter and spring
- May 1 National Candidate's Reply Deadline to accept scholarship
- Typically only available for fall starts (different approach in pandemic)
- Regional scholarship timelines different and later
- Upperclass: automatic renewal per criteria; additional awards via upperclass scholarship application

Need-based aid process:

- FAFSA opens October 1; must file annually and be received by February 15 first-priority date (*will return to January 15 for 2025+*)
- EFC to be replaced by “Student Aid Index” for aid year 2024-25
- Packages issued in March for new students, April for continuing students

FAFSA Simplification Impacts

2024-25 timelines:

- FAFSA Release Date – previously October 1, now “in December”
Students and parents can apply for an FSA ID now!
- First-Priority FAFSA Receipt Date – previously January 15, now February 15
- Freshman Packaging – previously late-February, now in March for 2024
- Continuing/Transfer Packaging – previously late-March, now April

FAFSA changes to remember:

- The FAFSA requires parental information for most students. (No “guardian” on FAFSA.)
- For divorced, separated, or unmarried parents, the parent required on the FAFSA is the parent providing the most support to the student in the past 12 months, and that parent's spouse, if married.
- Household size based on dependents listed on 2022 taxes.
- Expected Family Contribution (EFC) is replaced by the new Student Aid Index (SAI).

Factors Considered in Enrollment Assumptions



Landscape and market data



National trends, precedents, surveys



Graduation rates and trends



Competitive info and intelligence



YTD metrics and milestones



Interest indicators and activities



Scholarship predictive modeling



Economic conditions



Government actions, restrictions, orders



Institutional changes



International considerations

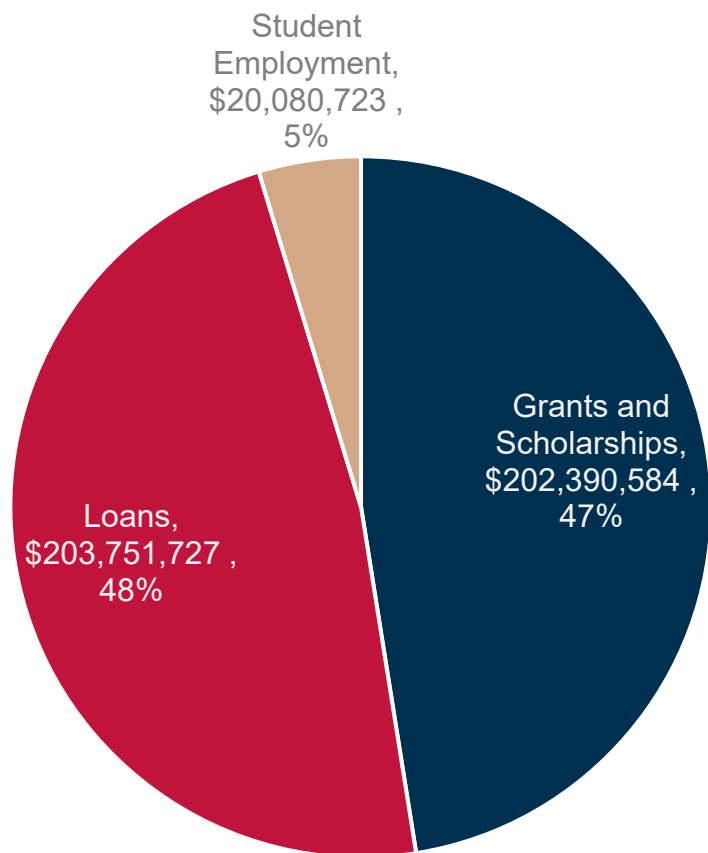


COVID-19 impacts and outlook

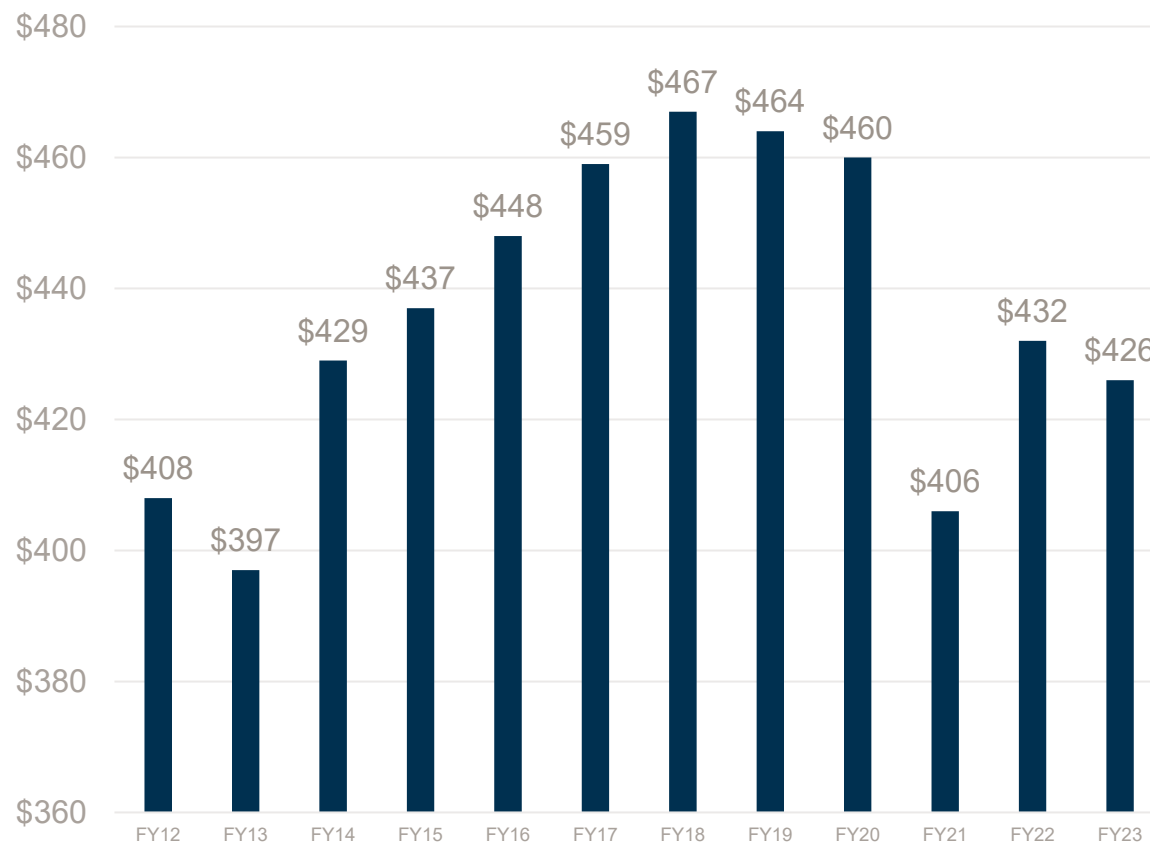
Overview of Scholarship and Aid Disbursements

Total Aid Awarded 2022-23*

Total Aid Awarded, 2022-23*
 \$426,223,034
 (all programs, all students)



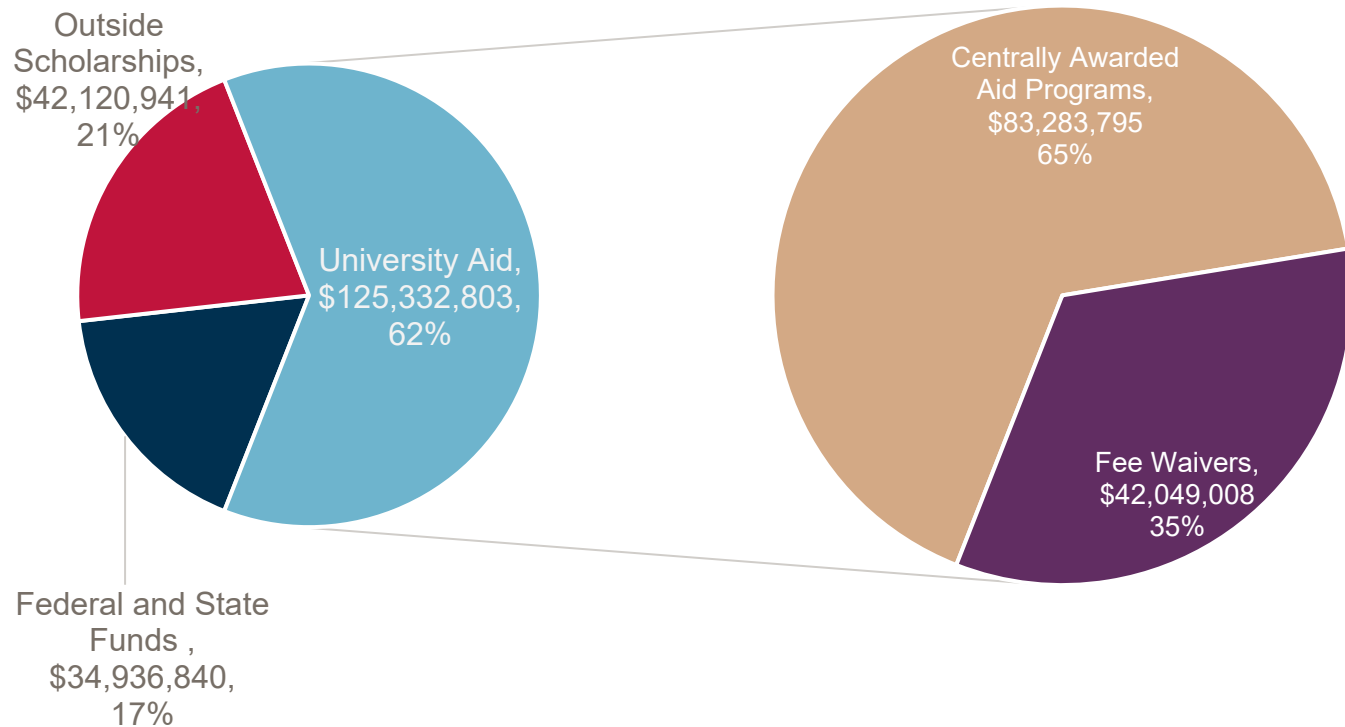
Total Aid Awarded, FY12-FY23, In Millions



*2022-23 AFIS Report

Total Grants and Scholarships, 2022-23*

Total Grants and Scholarships, 2022-23
\$202,390,584



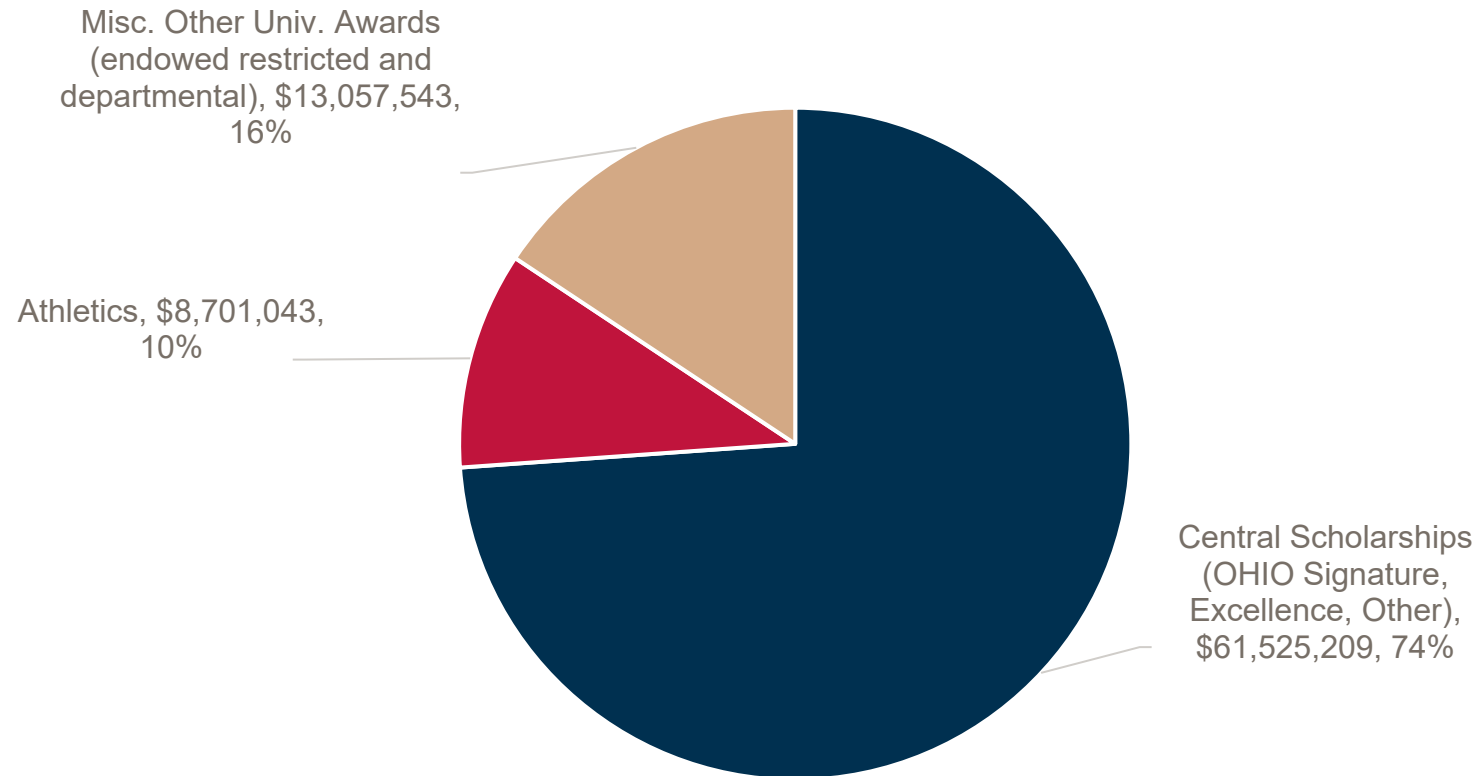
In the 2022-23 aid year, OHIO awarded and processed more than \$202 million in grants and scholarships.

\$125 M (62%) of those funds are awarded by the University in the form of fee-waivers and centrally awarded aid programs.

Centrally awarded aid programs, otherwise known as “institutional gift aid,” accounts for 65% of all central awarding.

Centrally Awarded Aid Programs, 2022-23*

Centrally Awarded Aid Programs, 2022-23 \$83,283,795



“Central Scholarships (OHIO Signature, Excellence, Other)” details:

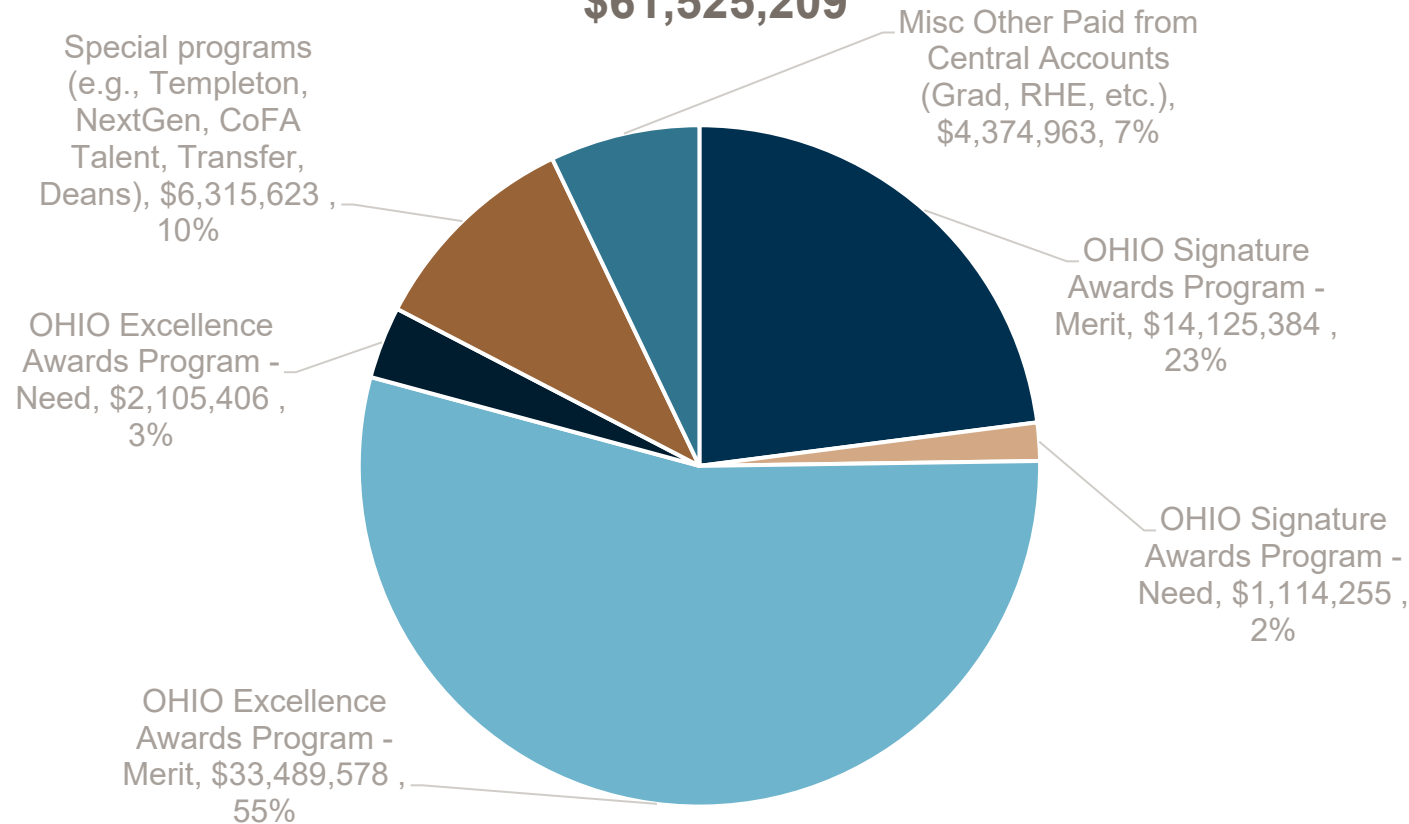
- All campuses and levels included
- Accounts for ~74% of total centrally awarded aid
- Includes both merit and need
- Represents \$61.5 million (14.4%) of the total \$426 million in aid awarded to students

Central Scholarships (OHIO Signature, Excellence, Other), 2022-23*

Central Scholarships (OHIO Signature, Excellence, Other)

2022-23

\$61,525,209

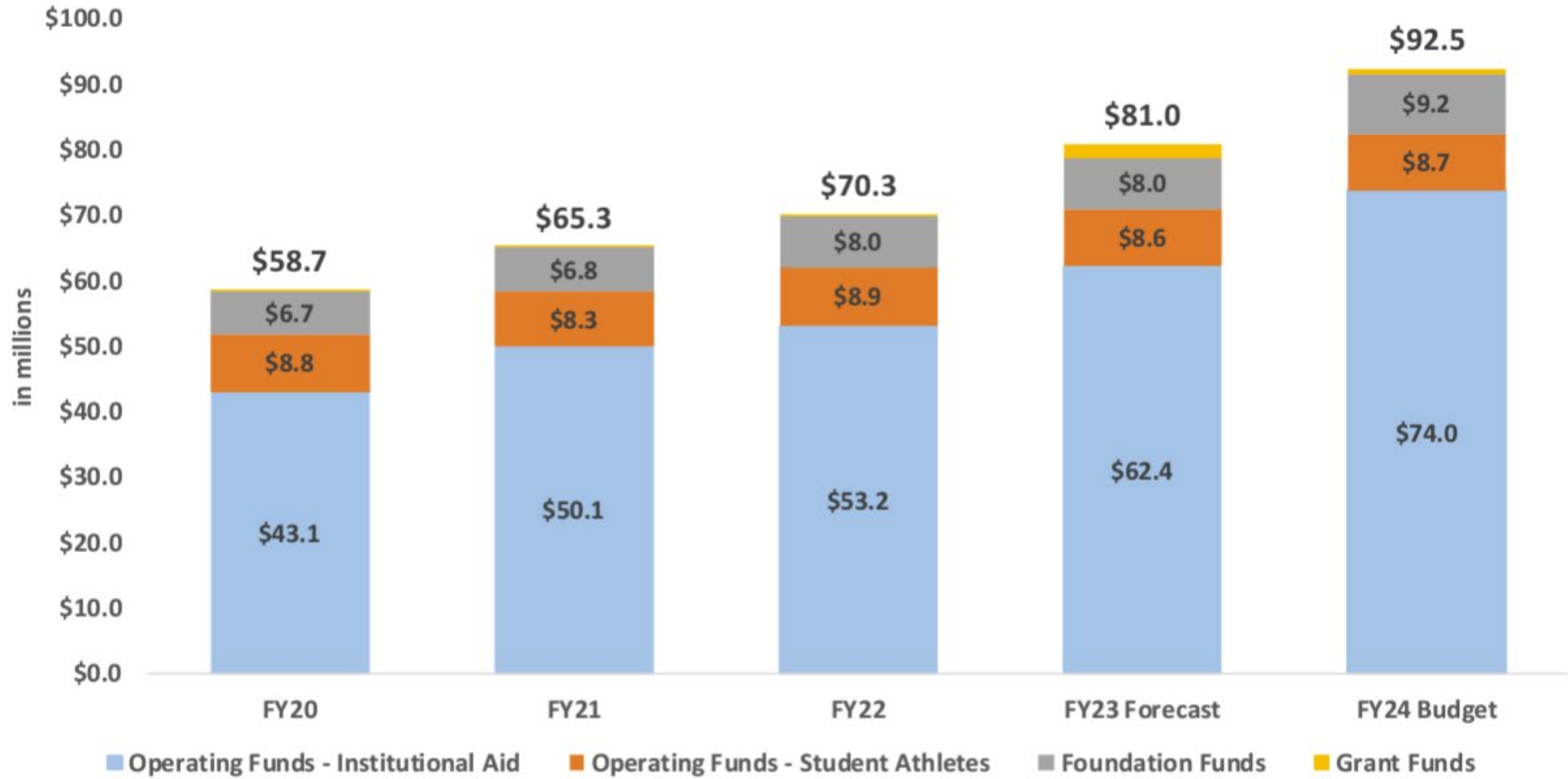


Both OHIO Excellence and Signature Awards programs:

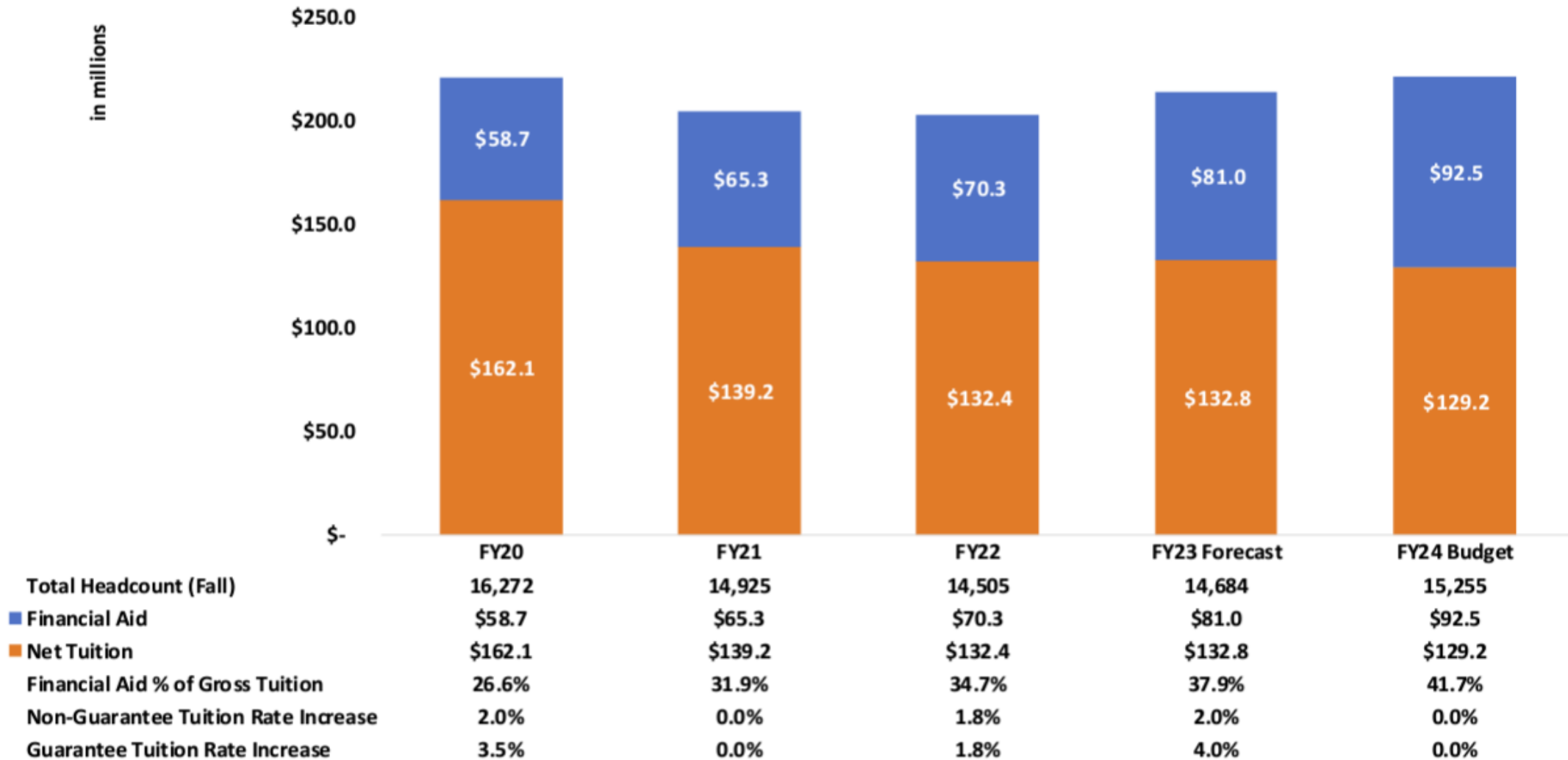
- Include full-tuition Premier (HTC)
- Include base awards for all qualifying students
- Include awards for targeted populations (academic, geographic, demographic) who also meet academic criteria

*2021-2022 AFIS and Financial Aid projection estimate reports

Institutional Scholarship Expenditures FY20-FY24



Athens Undergraduate Net Tuition and Institutional Aid, FY20-FY24



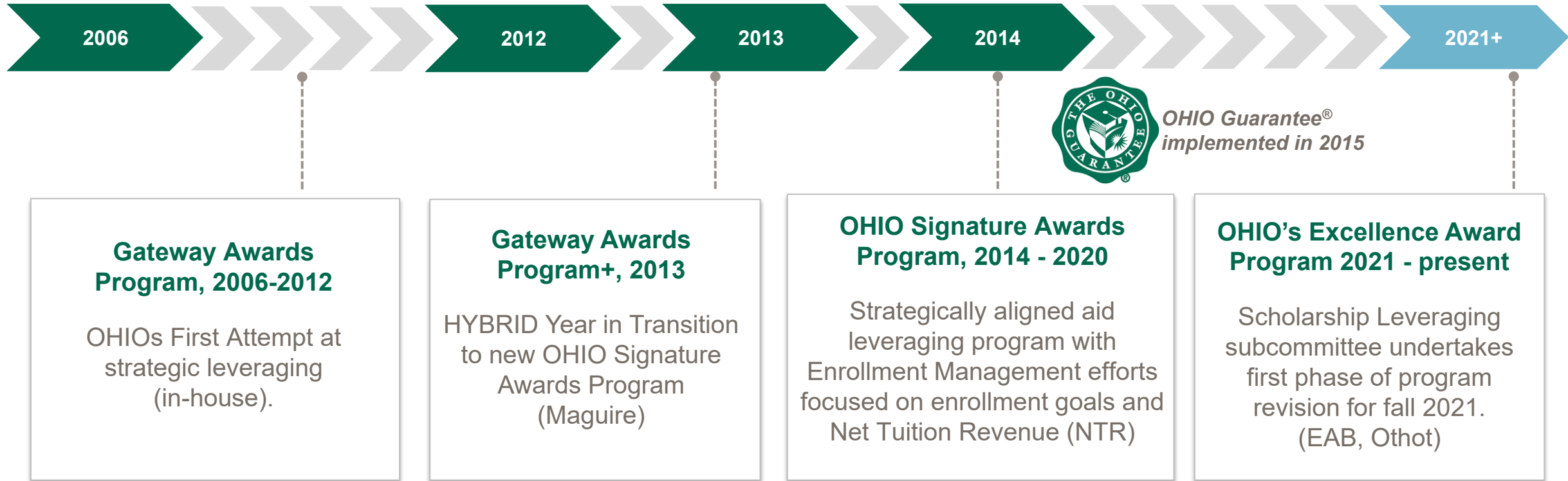
Source: FY24 Budget Book, page 12

OHIO's Aid Optimization History and Goals

Financial Aid Optimization and Scholarship Leveraging at OHIO

Background

“Financial aid leveraging is the strategic investment of financial aid funds to help campuses enroll the students they desire, control discounting and financial aid expenditures, and achieve the net revenue they need. It also helps institutions pinpoint the amount of aid students need to enroll.”*



*Rob Baird, Ruffalo Noel Levitz, <http://blogem.ruffalonl.com/financial-aid-leveraging-benefits-public-universities/>

What should a contemporary scholarship program do?

Priorities and Tradeoffs

A contemporary scholarship program might prioritize any of the following objectives:

- **Improve enrollment:** Headcount, FTE, credit hours
- **Maximize revenues:** Net tuition, net total, total lifetime
- **Manage discount rate:** Tuition and fees discount, total discount
- **Increase diversity to achieve educational benefits:** Race, ethnicity, gender balance, first-gen status, geography, citizenship
- **Improve or shape academic profile:** Major mix, quality indicators, program demand, capacity limitations, program goals
- **Achieve socio-economic objectives:** Affordability, access, socio-economic mobility, minimizing borrowing, preventing default
- **Motivate and support student success:** Retention, persistence, and graduation goals
- **Achieve programmatic goals:** OHIO Honors, alumni engagement, talent-based programs, etc.
- **Improve reputation and brand:** Generate interest, solicit applications, increase yield
- **Anticipate and respond to competition:** Net price comparisons, price sensitivities

Key Principles in Approach to Scholarship Leveraging

Beginning Fall 2021 (FY22)

- **Prioritize enrollment rebound** when optimizing the model.
- **Consider total lifecycle enrollment revenue and SSI** in any ROI analysis.
 - Tuition + fees + housing + meal plan + SSI* over all terms of enrollment
*SSI revenues are deferred, realized over period of up to 7 years
- **Front-load “merit,” shifting awards more toward the fall** while still addressing need.

Fall Timeline

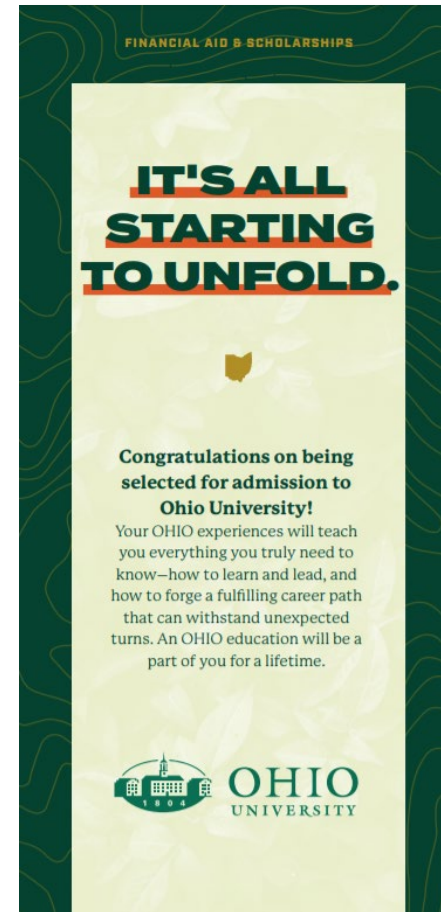
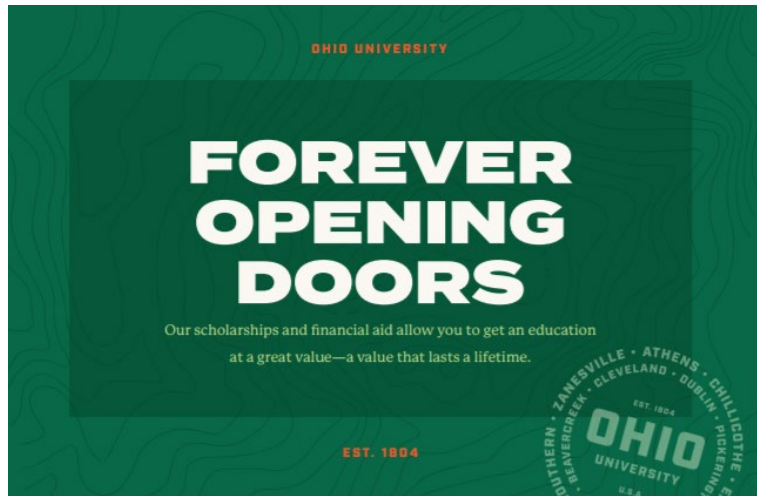
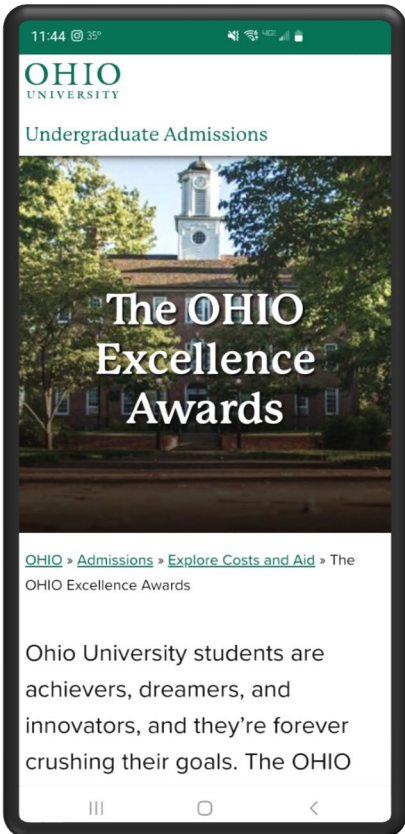


Other Important Principles in Fall 2021 (FY22) Optimization

- **Recover Ohio market share** to reverse decline and achieve growth faster amid extraordinary competition.
- **Consider test scores only if beneficial** to the student.
- **Maintain or improve demographic diversity** of enrolled class.
- **Maintain or improve academic quality**, including predicted retention.
- **Maintain or improve success of out-of-state strategy** to ensure geographic diversity and create new pipelines.

OHIO Excellence Awards Program

- Replaced OHIO Signature Awards Program
- Launched Fall 2021
- Continued in 2022, 2023, and 2024
- www.ohio.edu/ohio-excellence-awards



OHIO Excellence Awards Program Structure

Merit (December):

- OHIO Admission Promise Award (*spring for fall 2024*)
- OHIO Excellence Scholarship
- OHIO Premier Scholarship (HTC)
- OHIO Trustee Award (Out-of-State Students)

Also packaged centrally in initial offer:

OHIO Next Generation Award, OHIO Tradition Scholarship, Russ Vision

Need (February-March):

- OHIO Forward Award
- OHIO Forward Scholarship
- President's Opportunity Promise Award (*new!*)

Evolving the OHIO Excellence Awards Program

Fall 2022 / FY23

- **In Ohio, continue to prioritize new freshman enrollment** as part of efforts to address market share amid continued extraordinary competition.
- **Outside Ohio, prioritize both enrollment and NTR.**
- **Maintain or grow demographic diversity** of enrolled class.
- **Maintain academic quality**, including predicted retention.
- **Continue to consider total lifecycle revenue and SSI** in any ROI analysis.
- Continue to **prioritize early awarding** while still addressing need and realize savings by **managing deadlines**.
- **Increase promotion** broadly.

Fall 2023-2024 / FY24-25

- Further enhance efforts to **balance net tuition revenue and enrollment goals**.
- **Prioritize geographic rebound and maintain academic quality**, including predicted retention.
- Prepare for **intentional observation of deadlines** to manage enrollment, quality, and NTR.

New Featured Initiative:

President's Opportunity Promise Award

- Qualifying Pell-eligible students who live in Athens County or any of its bordering counties in Ohio can attend Ohio University **tuition-free** starting fall semester 2024.
 - *Eligible Ohio Counties:* Athens, Hocking, Meigs, Morgan, Perry, Vinton, and Washington
- Expansion of the OHIO Admission Promise that offers qualified applicants with 3.0 GPA automatic general University admission to the Athens campus — and a renewable \$2,000 OHIO Admission Promise Award for students filing the FAFSA.
- This 4-year renewable award pilot program will cover remaining Athens campus tuition and mandatory fees after subtracting a student's Pell Grant and other federal, state and institutional gift aid.

President's Opportunity Promise Award for Fall 2024

Action steps for fall 2024 applicants residing in eligible Ohio counties:

- ✓ Submit complete application by early action deadline of November 15, 2023, with high school transcript showing a minimum 3.0 GPA (weighted or unweighted).
- ✓ File the FAFSA by first-priority date of February 15, 2024.
- ✓ Confirm intent to enroll by May 1, 2024, and enroll in fall 2024 as a full-time, first-year degree-seeking student on the Athens campus.

www.ohio.edu/opportunity-promise



Considerations for OHIO's Financial Aid Optimization

- Management of price position, including net price
- Ongoing analysis of market intelligence and research
- Incorporation of more contemporary modeling tools
- FAFSA changes and Student Aid Index
- Elevation of reputation and brand
- Studying impact of renewal guidelines on retention
- Evolving corporate and employer incentive scholarship strategies
- Evaluating international scholarship approaches

Price position impacts discount strategy.

But “price” is not singular, and competitive price position lags reality.

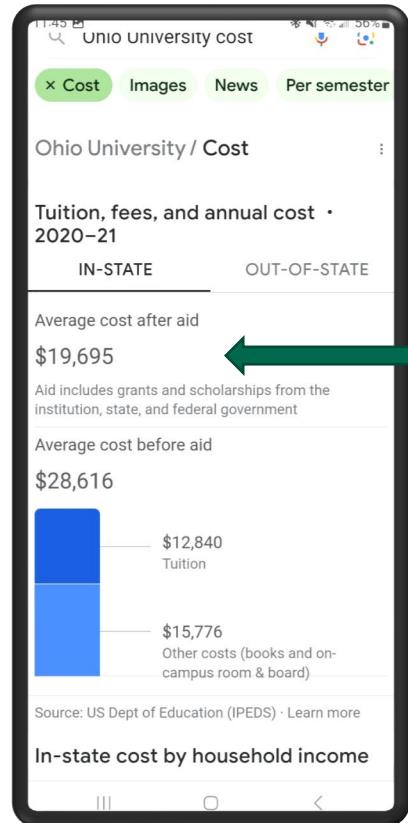
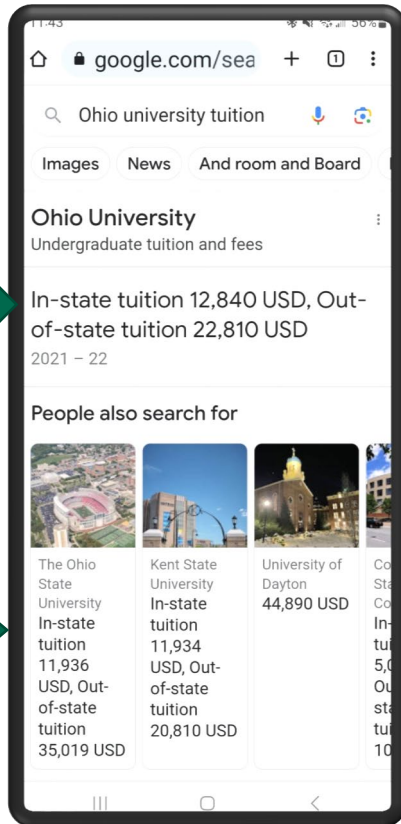
Multiple versions of price are considered in the college search.

IPEDS feeds most college search engines, including Google, and trails actuals by up to three cycles.

Strategies to impact price position can vary by point in the cycle.

Tuition and Fees
2022-2023 rates will appear in summer 2023

Competitor Pricing Information
2022-2023 rates will appear in summer 2023



Net price for students receiving federal aid
2021-2022 costs will appear in fall 2023

Direct costs

TUITION & FEES

ATHENS CAMPUS TUITION AND FEES
2022-2023 Academic Year*

Ohio Residents Per Year	
Tuition and Fees	\$13,352
Room (Standard Double)	\$7,600
Meal Plan (Traditional 14)	\$4,736
TOTAL	\$25,688
Out-of-State Residents Per Year	
Tuition and Fees	\$23,720
Room (Standard Double)	\$7,600
Meal Plan (Traditional 14)	\$4,736
TOTAL	\$36,056

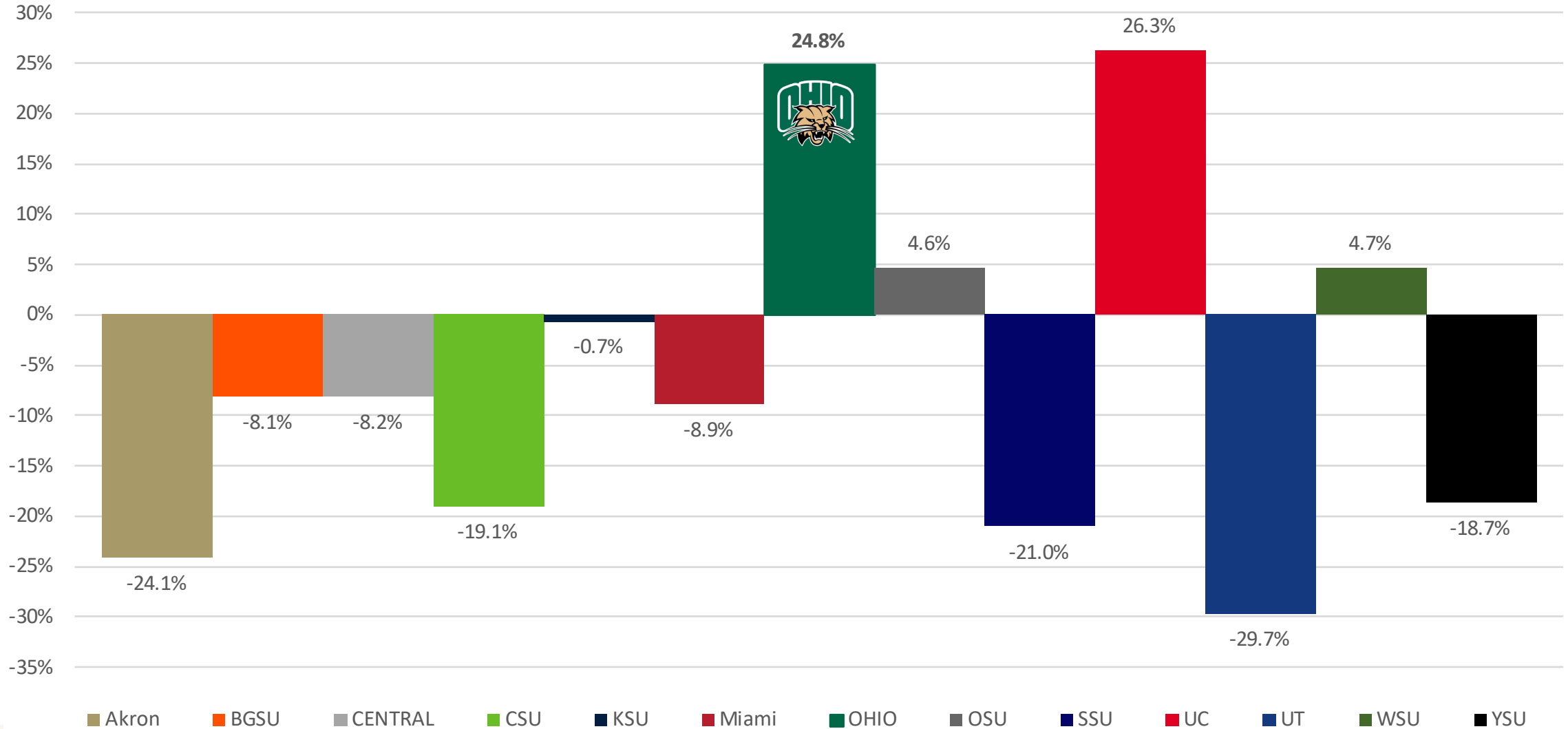
*Subject to change by action of the Board of Trustees.

At OHIO, you can choose from a variety of room and meal plans to meet your price point. A Standard Double room is among the most affordable housing options, and the Traditional 14 is the lowest-priced meal plan for first-year students living on campus.



Emerging from the pandemic and a period of enrollment decline, OHIO's rebound in first-year enrollment out-performed most OHIO publics.

Change in New First-time Freshman Class Size, Fall 2019 to Fall 2023



Considerations for OHIO's Financial Aid Optimization

- Continued management of price position, including net price
- Ongoing analysis of market intelligence and research
- Incorporation of more contemporary modeling tools
- FAFSA Simplification
- Elevation of reputation and brand
- Studying impact of renewal guidelines on retention
- Evolving corporate and employer incentive scholarship strategies
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Discussion and Questions