

COMMUNITY by DESIGN 2021

Redefine the Tuition Revenue Model Ensuring Affordability and Institutional Revenue

Colleges, particularly private colleges, are caught in the game of discounting tuition. Tuition discounts have increased scholarships but have also inflated sticker price. There are many tuition pricing models used to transition and institution away from discounting, but none seems to be an effective solution.

2017-18 Focus: Student Debt Reduction Pilot Project

In an effort to balance student and parent affordability with the institution's need for revenue, McPherson College will be focused on reducing student debt as the first step in redefining its tuition revenue model. The rationale for a focus on student debt is grounded in data that debt is a major factor in student's decision to attend a particular college and whether the student actually completes a degree at the chosen college. McPherson College will pilot a Student Debt Reduction Project that is not focused on price and scholarships – rather, it is focused on limited student debt.

The Student Debt Reduction Project will start in August 2017 with 4-8 students who agree to work at least 15 hours per week during the academic year and 40 hours per week during the summer and breaks – coordinated through the Career Services office (which may or may not be Career Connections eligible depending on student) with \$.25 of every \$1 earned matched with institutional aid; complete a one-hour financial planning workshop/create and annually update a personal budget; must be in good standing academically and with student life; bi-annual meetings with an academic advisor; bi-annual student progress check with project director; regular meetings with mentor.

2017-18 Milestones

- Finalize project plan and engage support system for student.
- Select first cohort of students. The pilot year will aim to include 2-3 returning students and 2-3 new students.
- Implement and assess the program.

2017-2018 Action Items	Responsibility
August	
• Finalize application for project	VP Enrollment
• Select students to participate	VP Enrollment
• Arrange first financial planning workshop	VP Enrollment
• Establish Career Connection credit	Director of Career Services
• Recruit 3-5 mentors	VP for Enrollment
• Job Placement complete	Director of Career Services
• Introduction of mentors	VP for Enrollment
• Determine process for \$.25 match	VP Enrollment/VP Finance
September	
• Establish a method of accountability	VP Enrollment
• Ongoing bi-monthly with academic advisor	VPAA
• Students complete financial planning course and budget	VP Enrollment
• Bi-monthly meetings with mentor	VP Enrollment/Mentor
October	
Bi-monthly meetings with mentor	VP Enrollment/Mentor
November	
Bi-annual check with project director	VP Enrollment
Bi-monthly meetings with mentor	VP Enrollment/Mentor
December	
First semester program evaluation	VP Enrollment
March	
Bi-annual check with project director	VP Enrollment
May	
Second semester program evaluation	VP Enrollment, Mentors, Dir. of Career Services
Future Years	
• Develop year 2-4 cohort plans to keep students engaged	VP Enrollment
• Study, analyze and scale broad-based debt reduction model	VP Enrollment