



Millersville University
**Per-Credit Tuition Model Update
Board of Governors
Workshop**
March 27, 2017

PER-CREDIT TUITION UPDATE

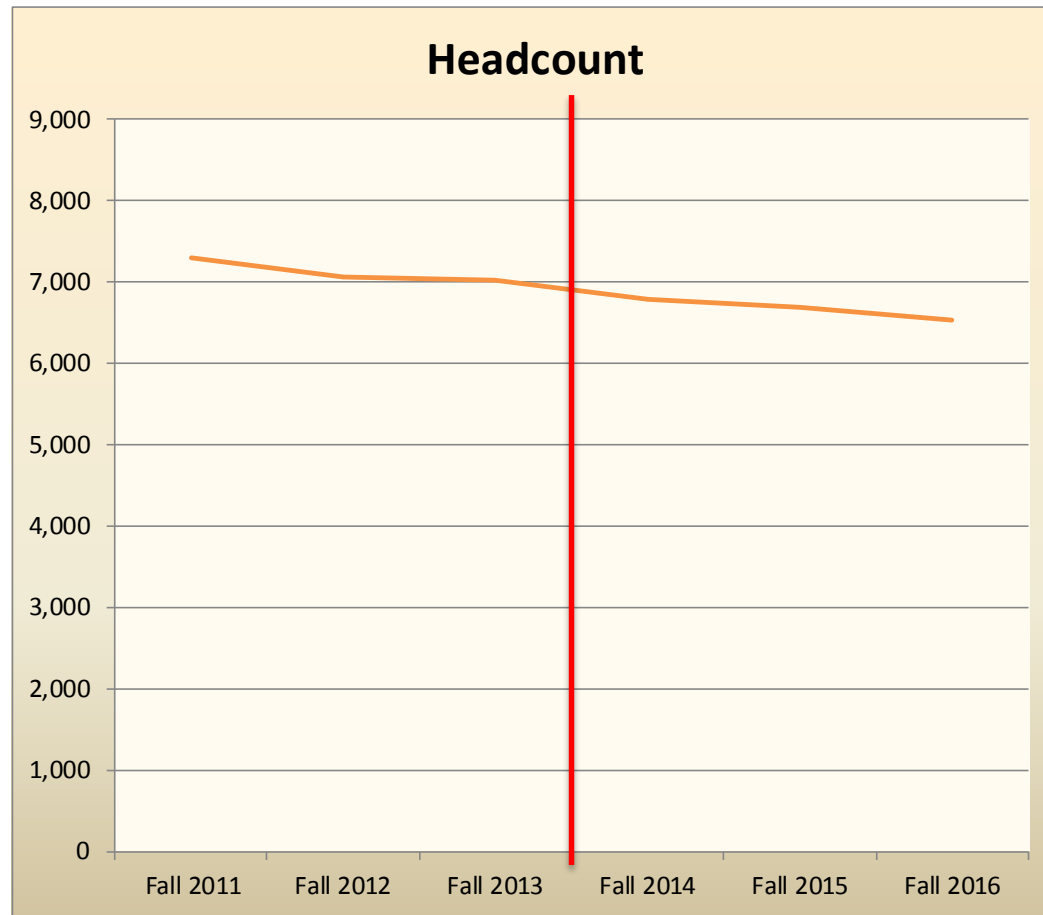
- Applies to in-state undergraduate students only.
 - Tuition is assessed on every credit.
 - Replaces flat rate model.
 - Is not revenue neutral.
-
- **The model is changing student behavior:**
 - Students are changing how they register for courses.
 - Students are becoming more deliberate with their schedules.
 - Student scheduling is maximized by using the whole calendar year.
 - Students are graduating with fewer credits.
 - The model frees up student time for other activities.





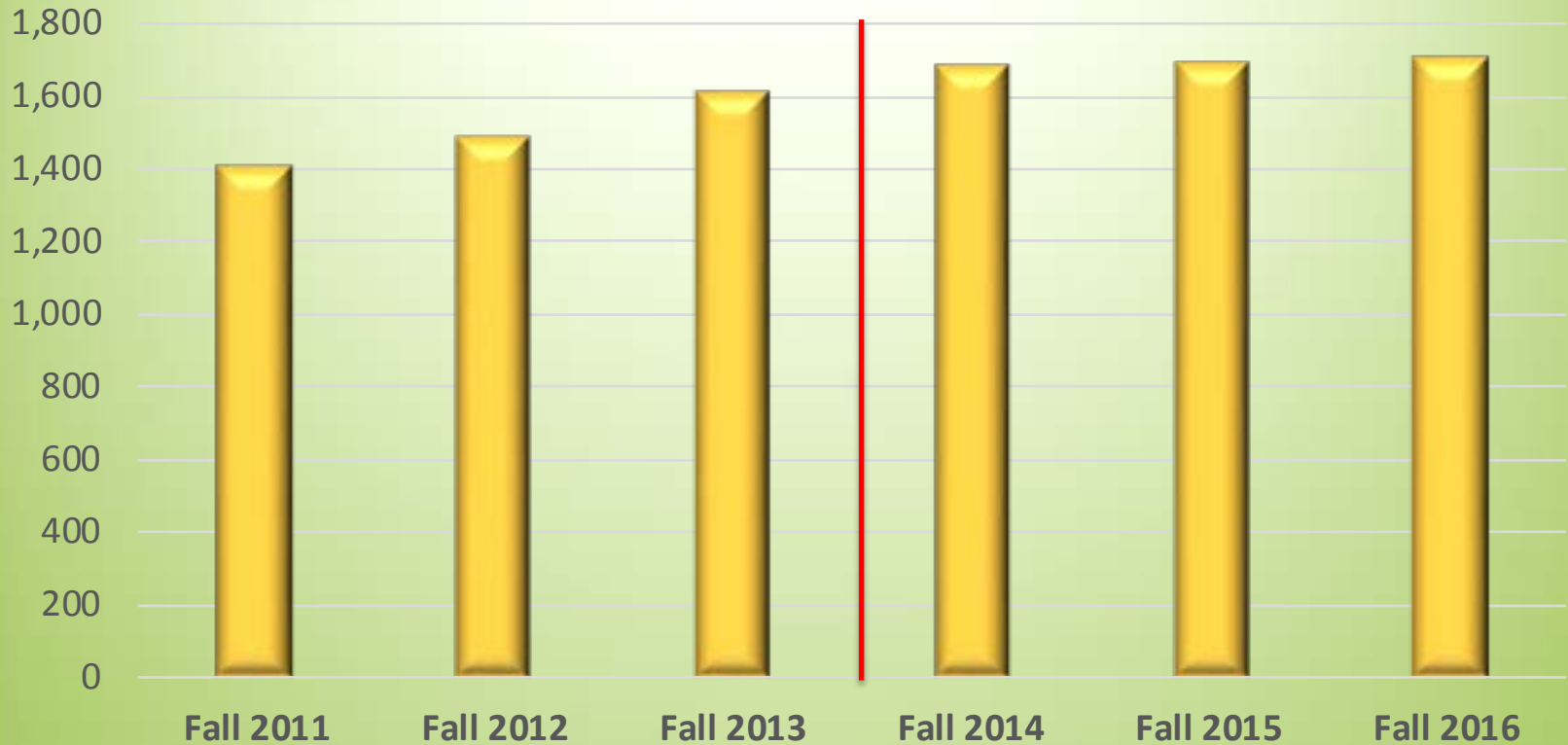
What has been the impact on enrollment?

Undergraduate In-State Enrollments



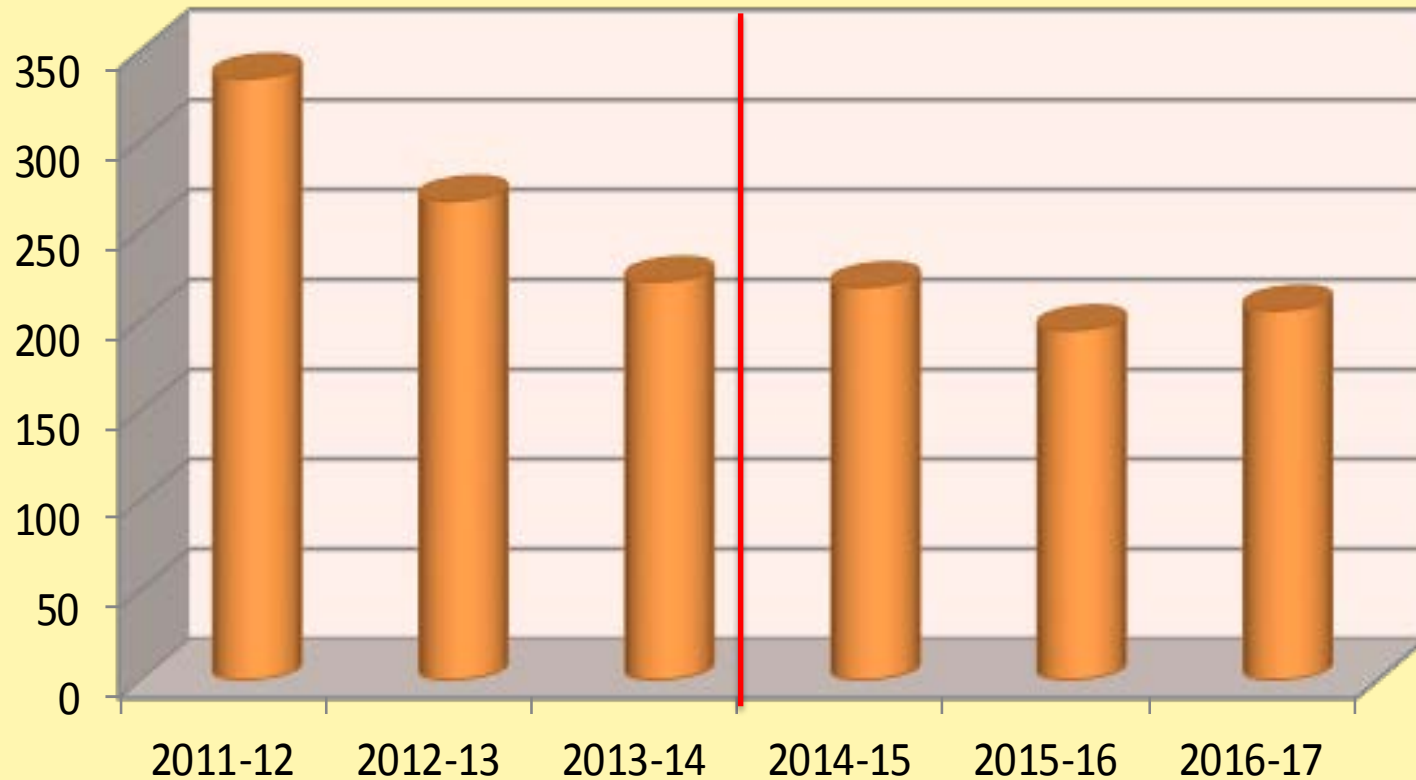
The above data reflects a 10.48% decline in headcounts from Fall 2011 through Fall 2016. The system average over the same time period is a decline of 12.83%.

Underrepresented Headcounts



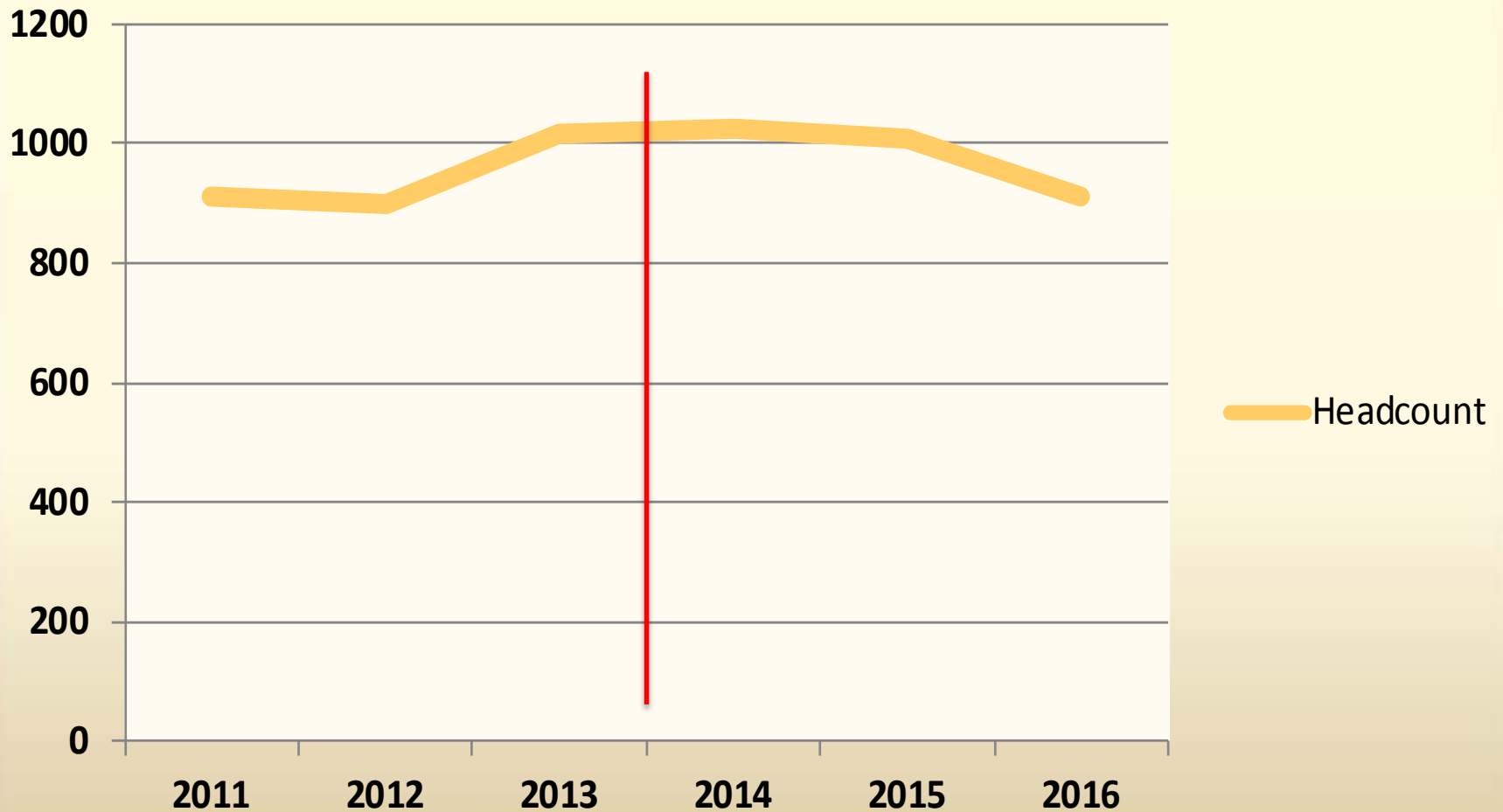
The number of underrepresented students has increased by 21.63% from Fall 2011 to Fall 2016.

Second Major Enrollment



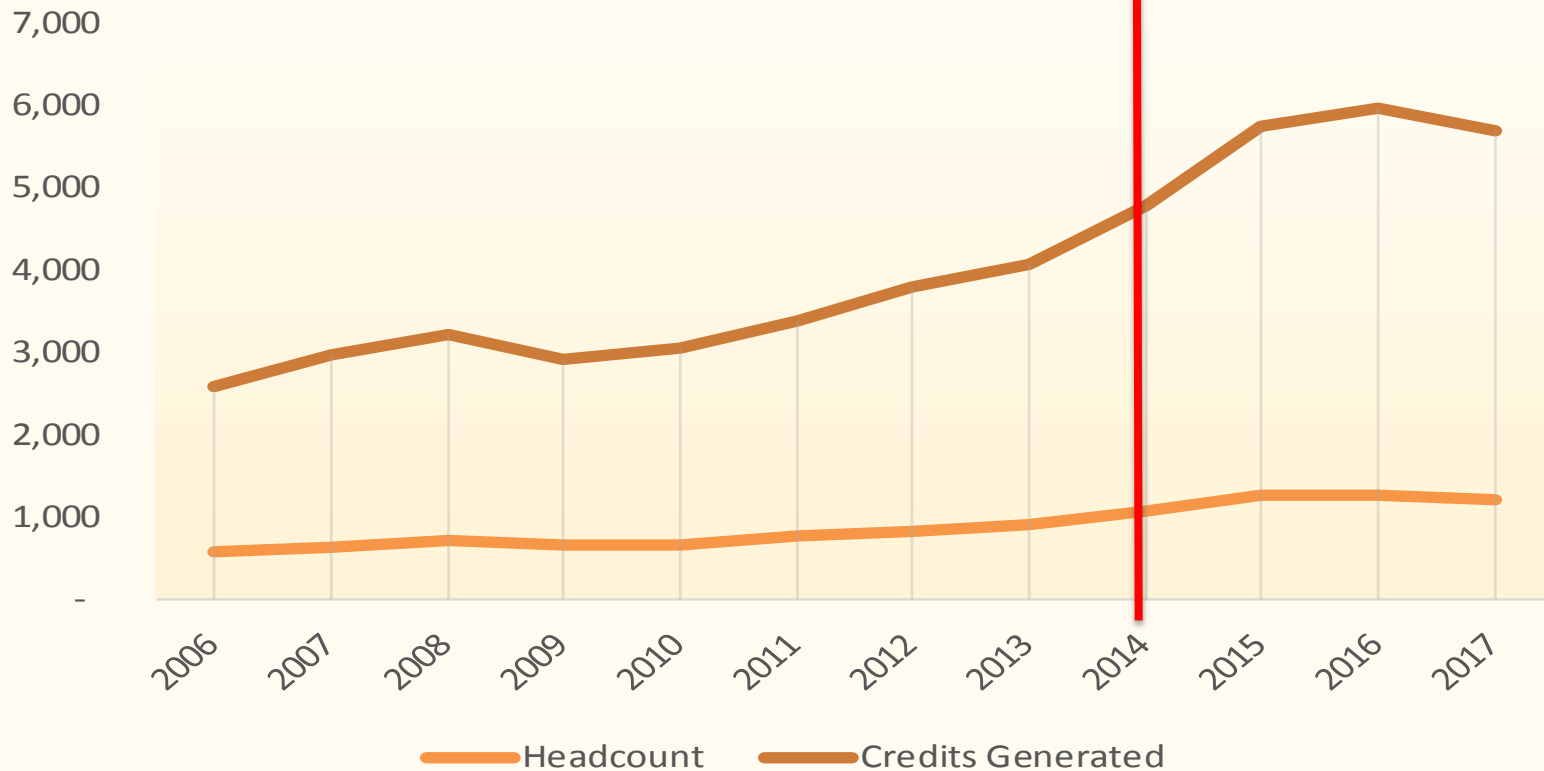
According to the *Journal of Benefit-Cost Analysis* second majors have no correlation to higher salaries or job satisfaction.

Fall Undergraduate Students with a Declared Minor



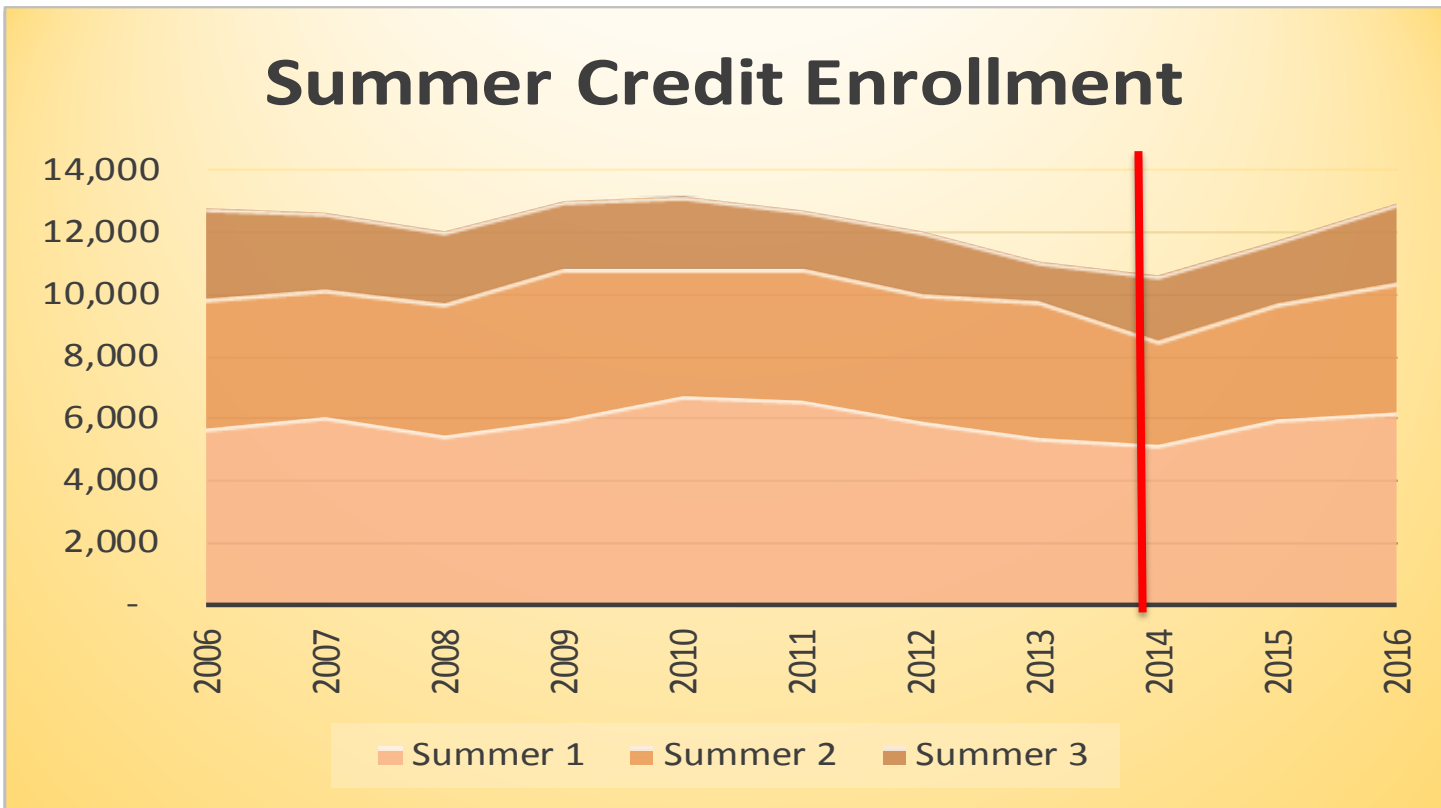
Impact on Winter Session

Winter Session Headcounts and Credits



Winter 2017 saw a growth of 768 credits or 20.72% since the inception of the per-credit tuition pilot program.

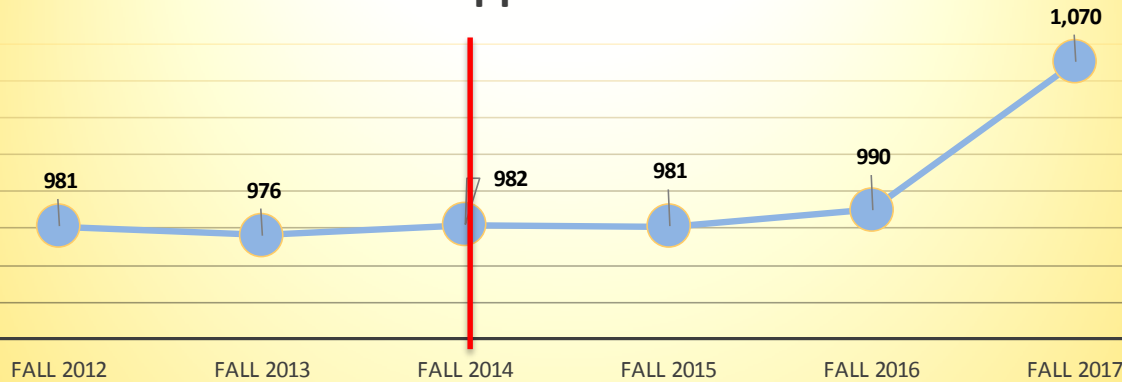
Summer Sessions History



Summer 2016 saw a growth of 2,299 credits or 21.64% since the inception of the per-credit tuition pilot program, rebounding summer enrollments to the 2011 level.

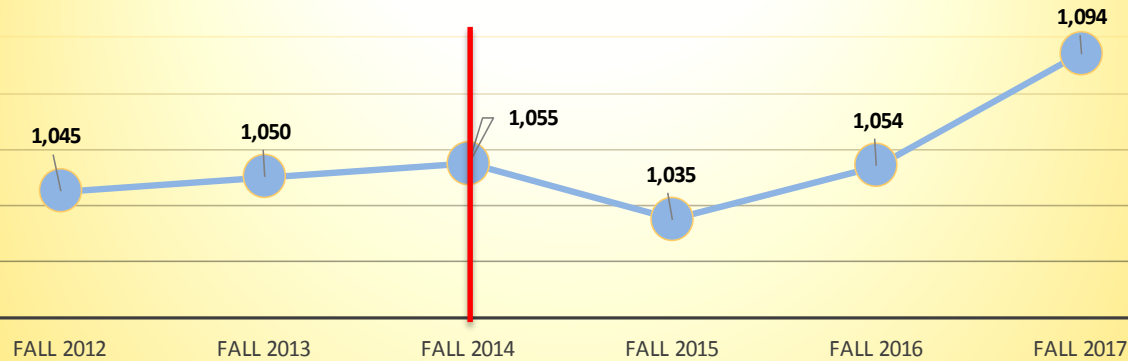
Impact on Admissions - Combined SAT (as of March 3, 2017)

Applications



Analysis shows a significant increase in SAT scores since the inception of the model.

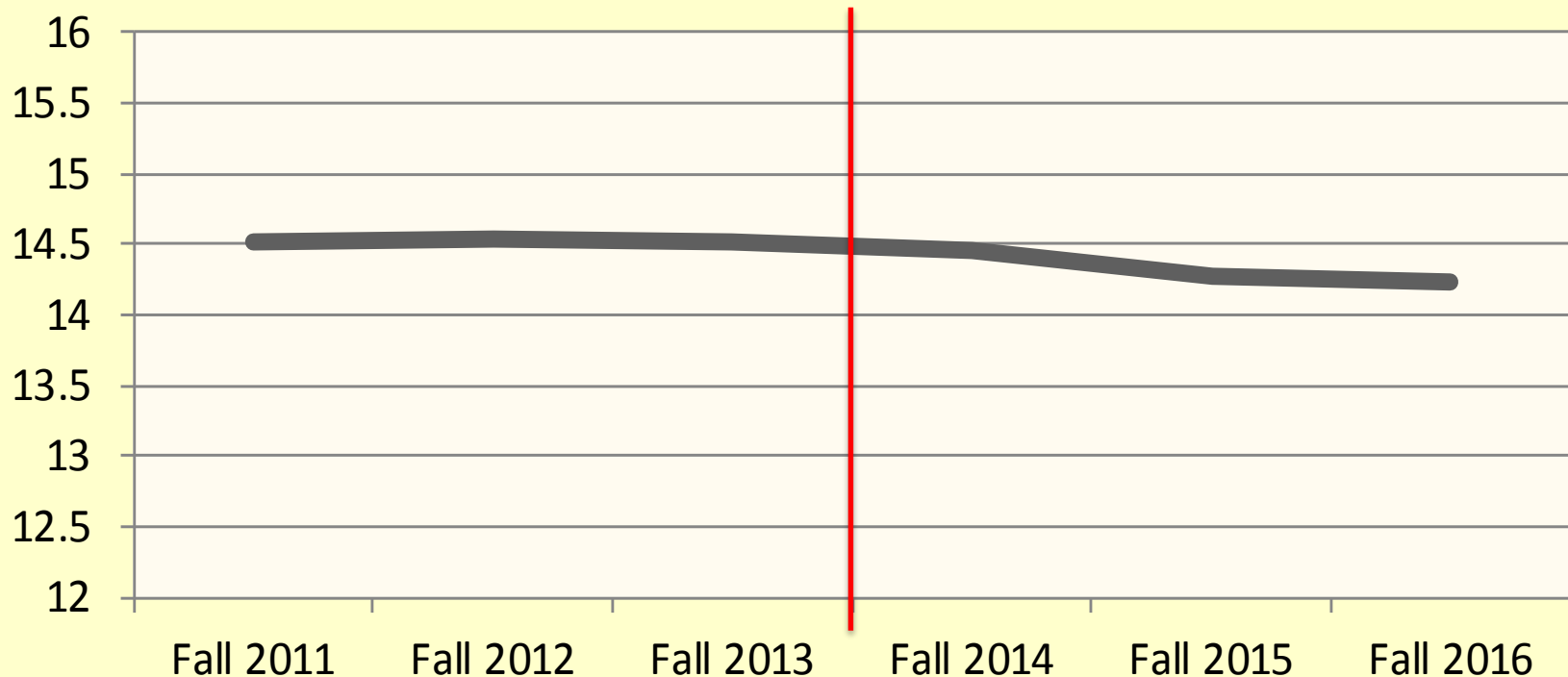
Admitted Students





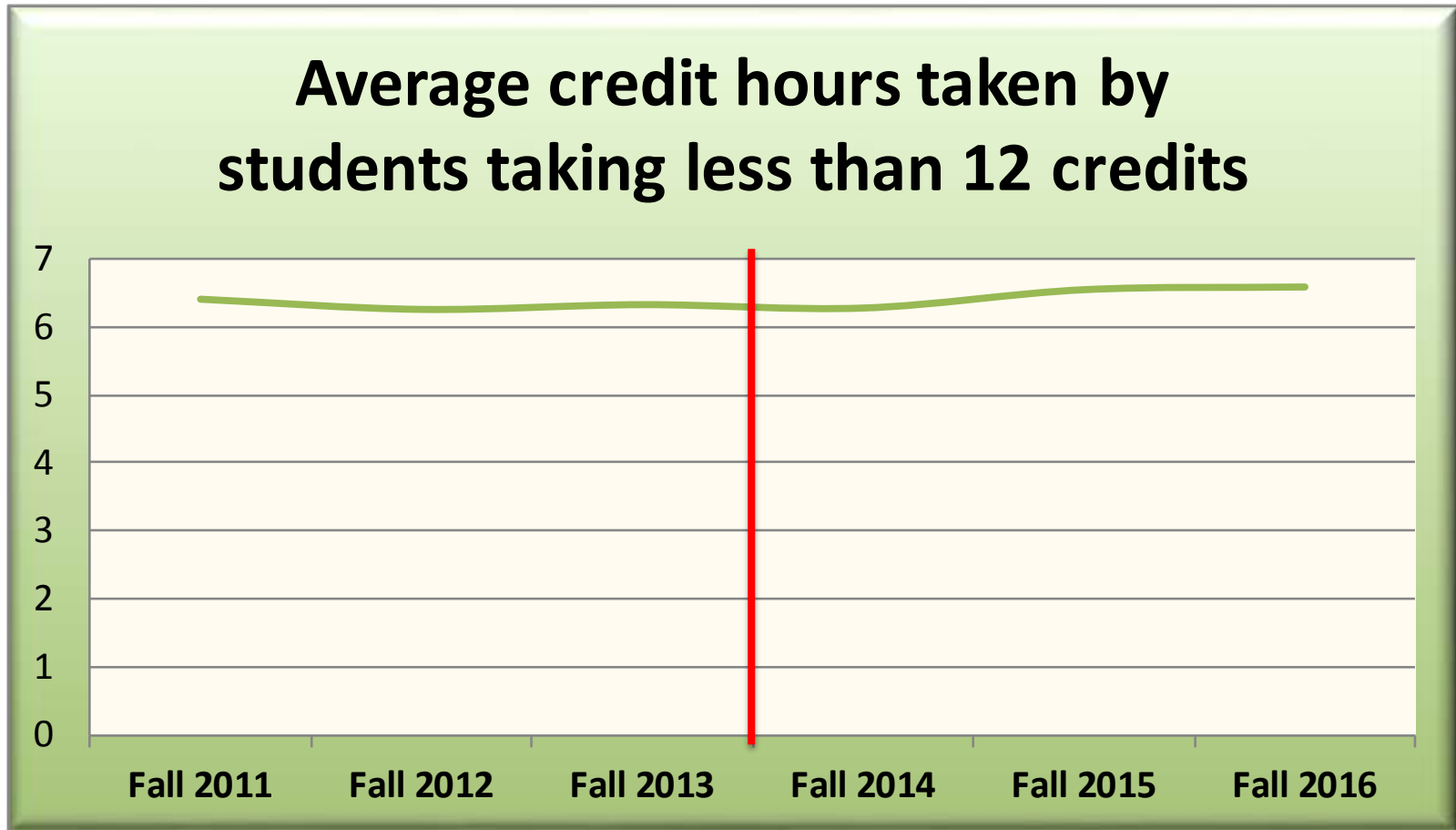
**What has been
the impact on
credit hours
and courses?**

Average Number of Credit Hours for Full-Time Fall In-State Undergraduate



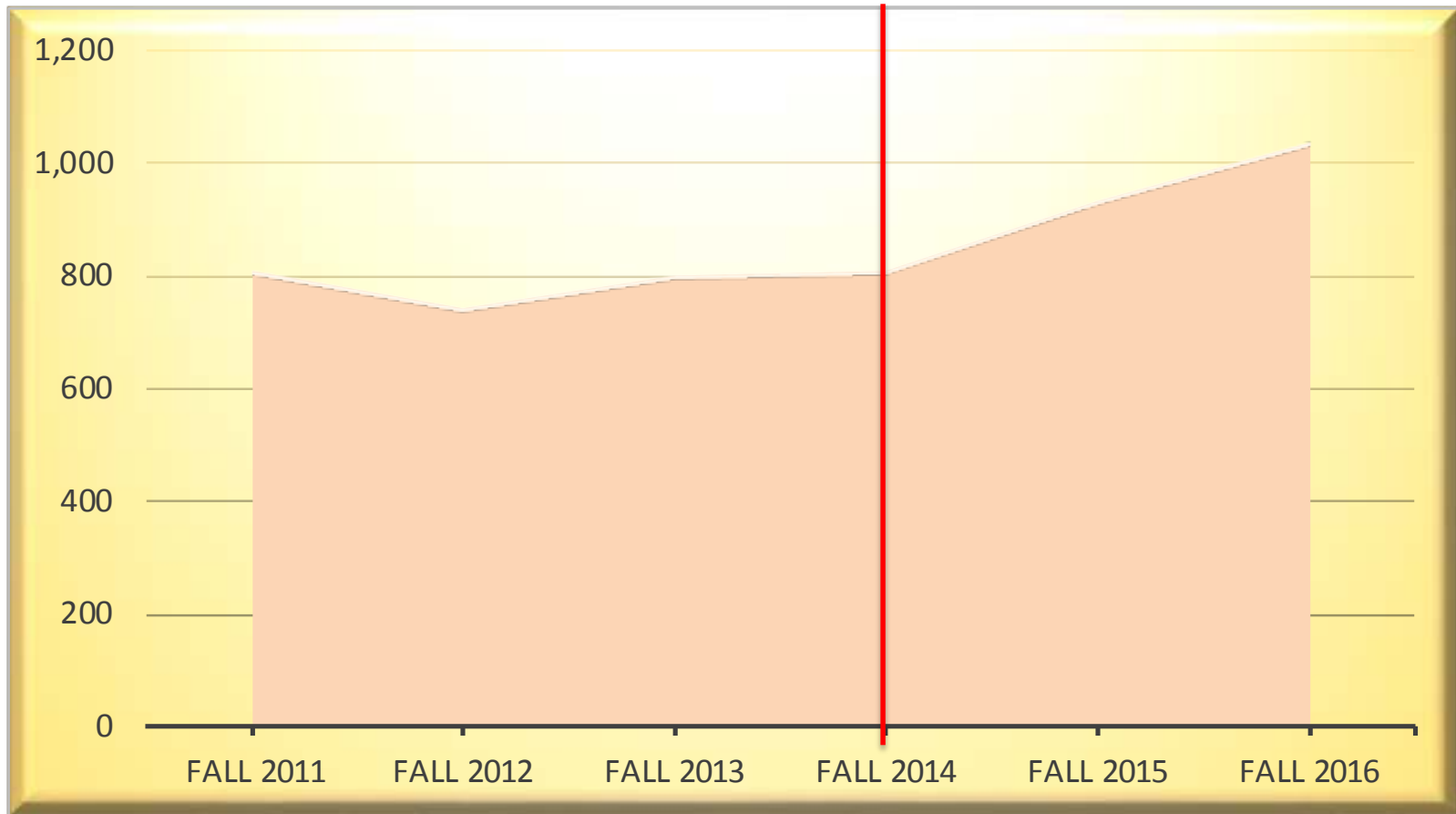
Average number of credit hours dropped from 14.51 in Fall 2013 to 14.24 in Fall 2016 or 1.86%

Student Credit Hour Impact



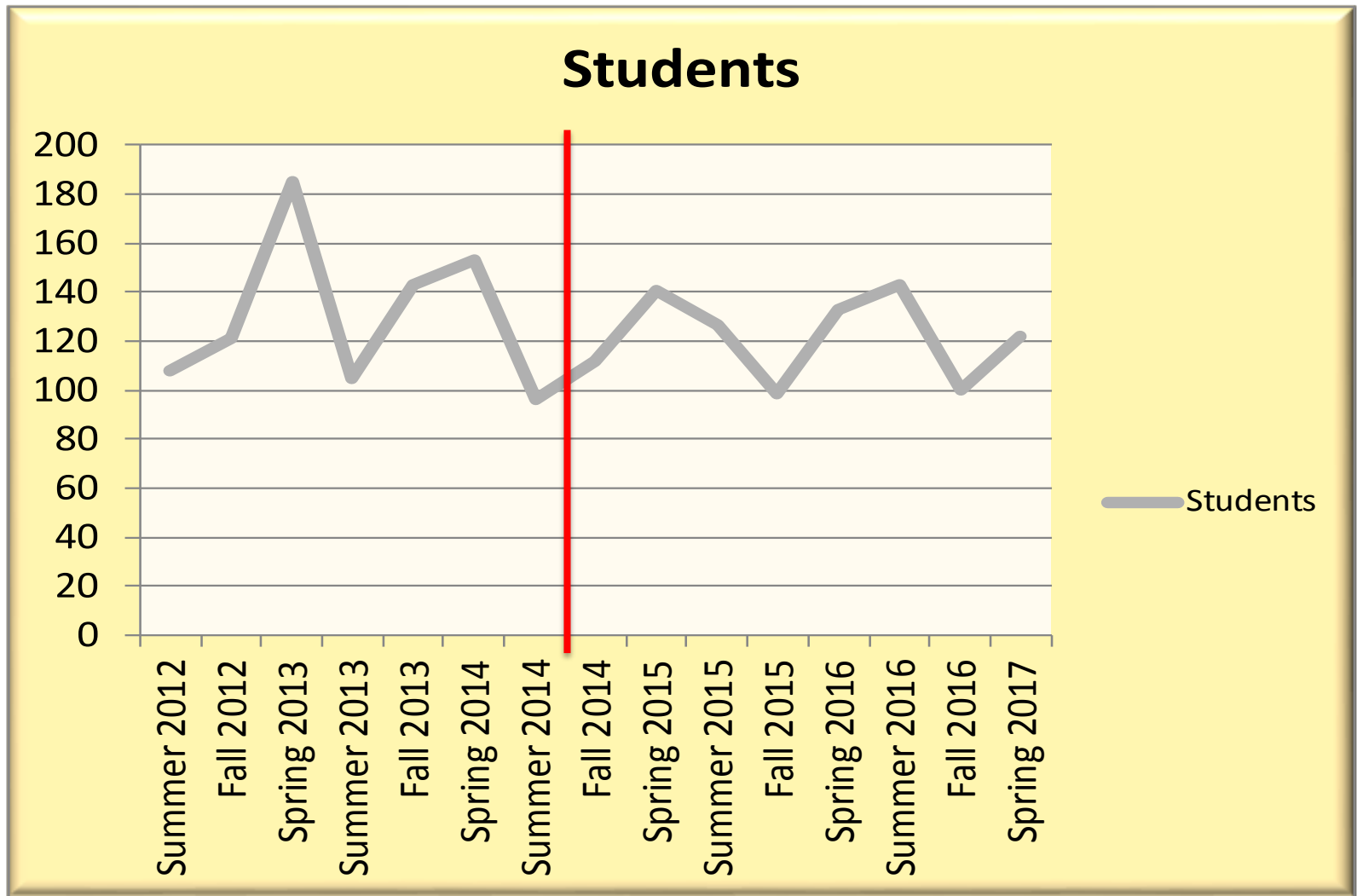
Average number of credit hours increased from 6.41 in Fall 2011 to 6.59 in Fall 2016 or 2.81%

Part-Time Undergraduate In-State Headcount

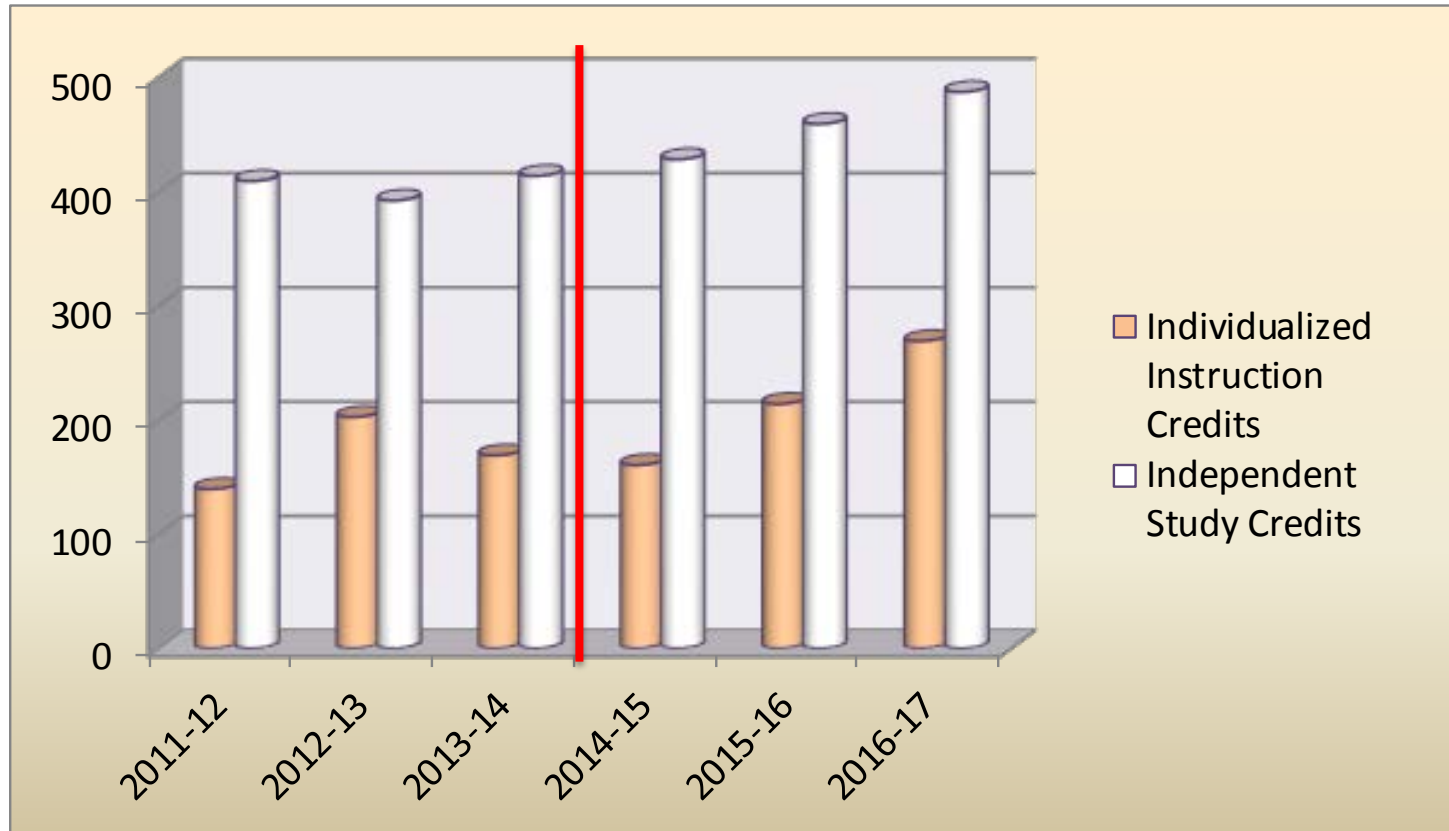


Fall 2011 through Fall 2016 shows an increase of 27.99% in the number of students registered for part-time credits.

Impact on Internships

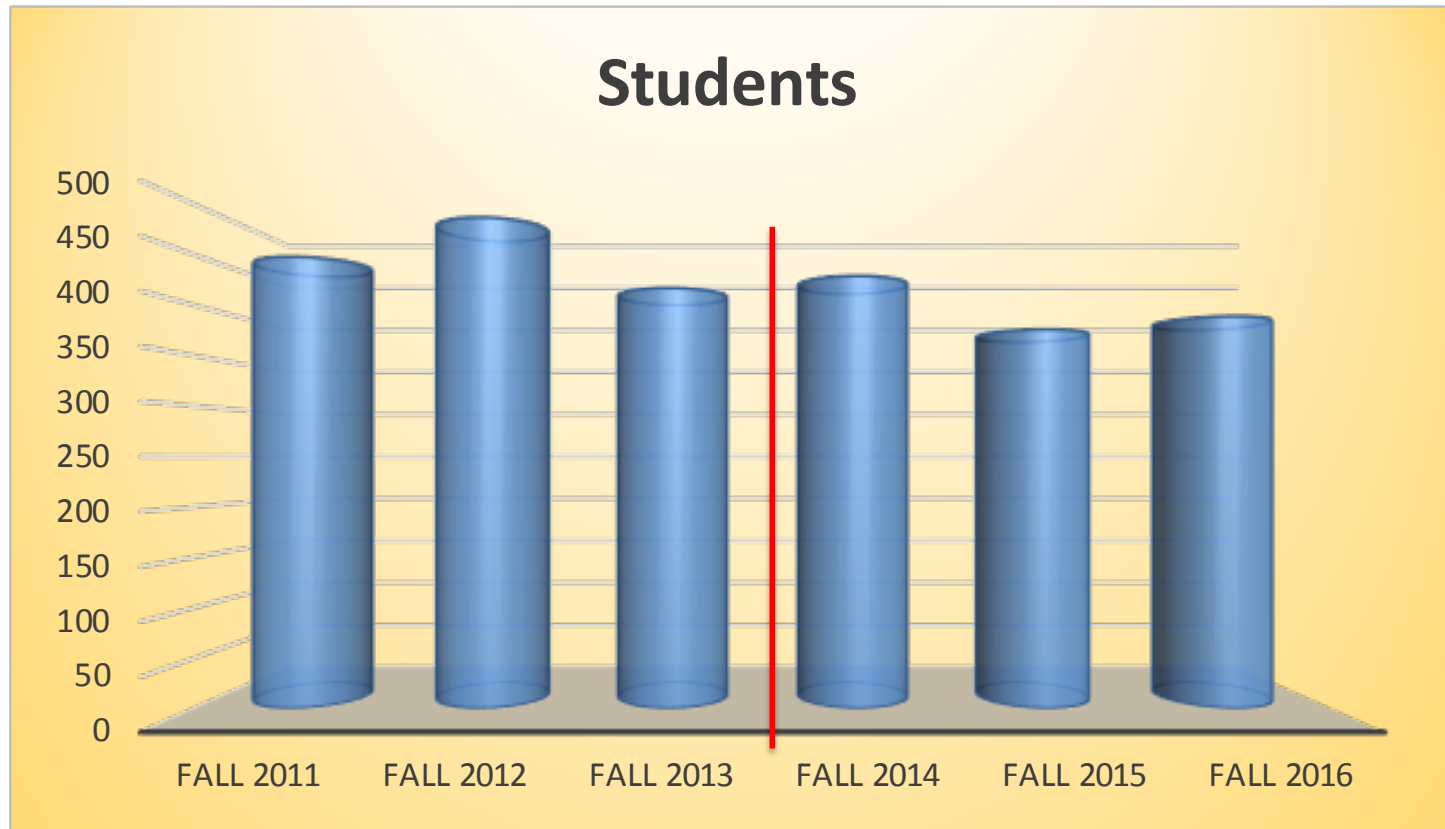


Impact on Individualized Instruction & Independent Study



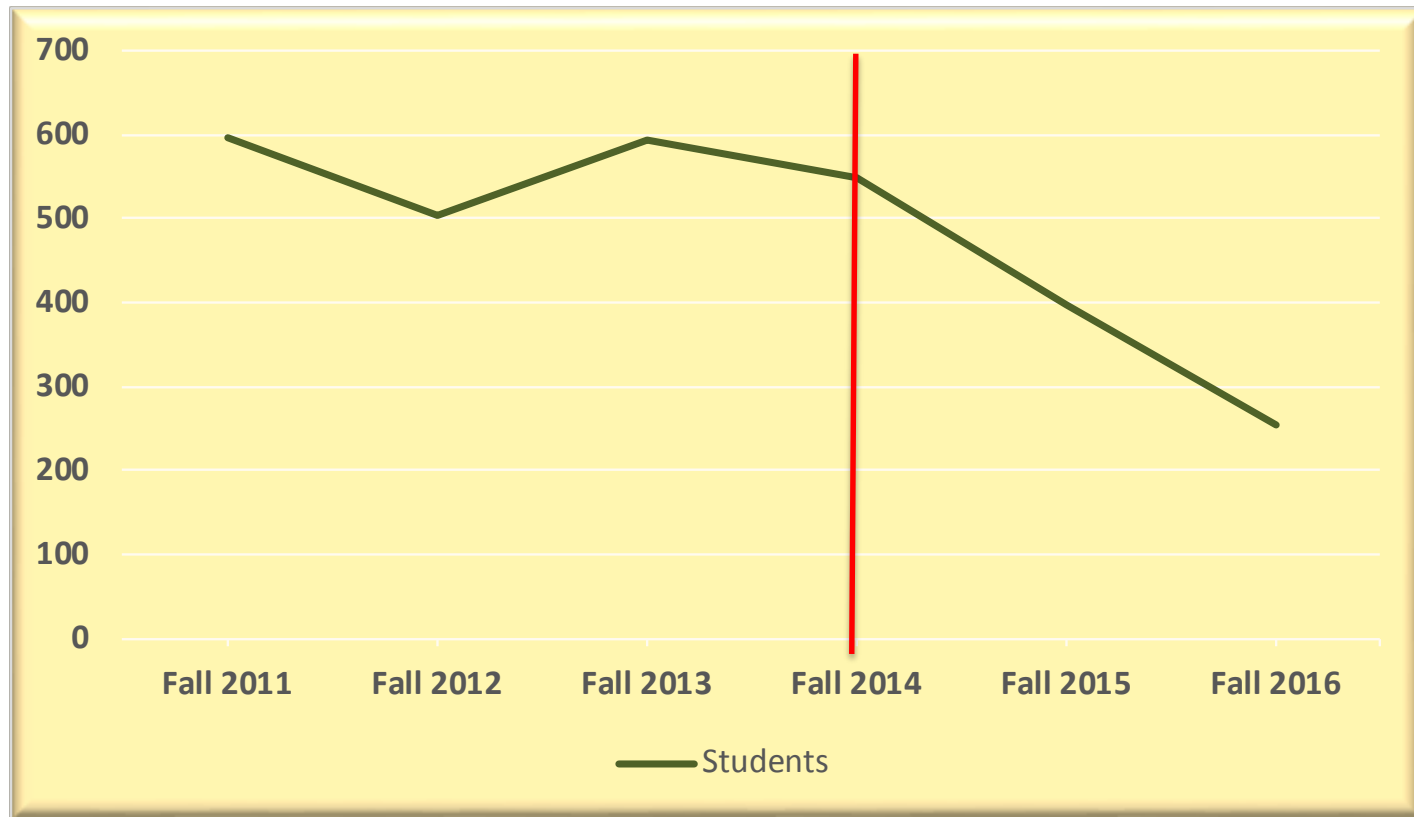
The total number of credits generated by ISII increased 37.83% from FY 2011-12 through FY 2016-17.

Change in courses Day 1 vs. the end of drop/add



The number of students registered for more credits Day 1 vs the end of drop/add period decreased by 13.17% from Fall 2011 to Fall 2016.

Impact on Waitlist

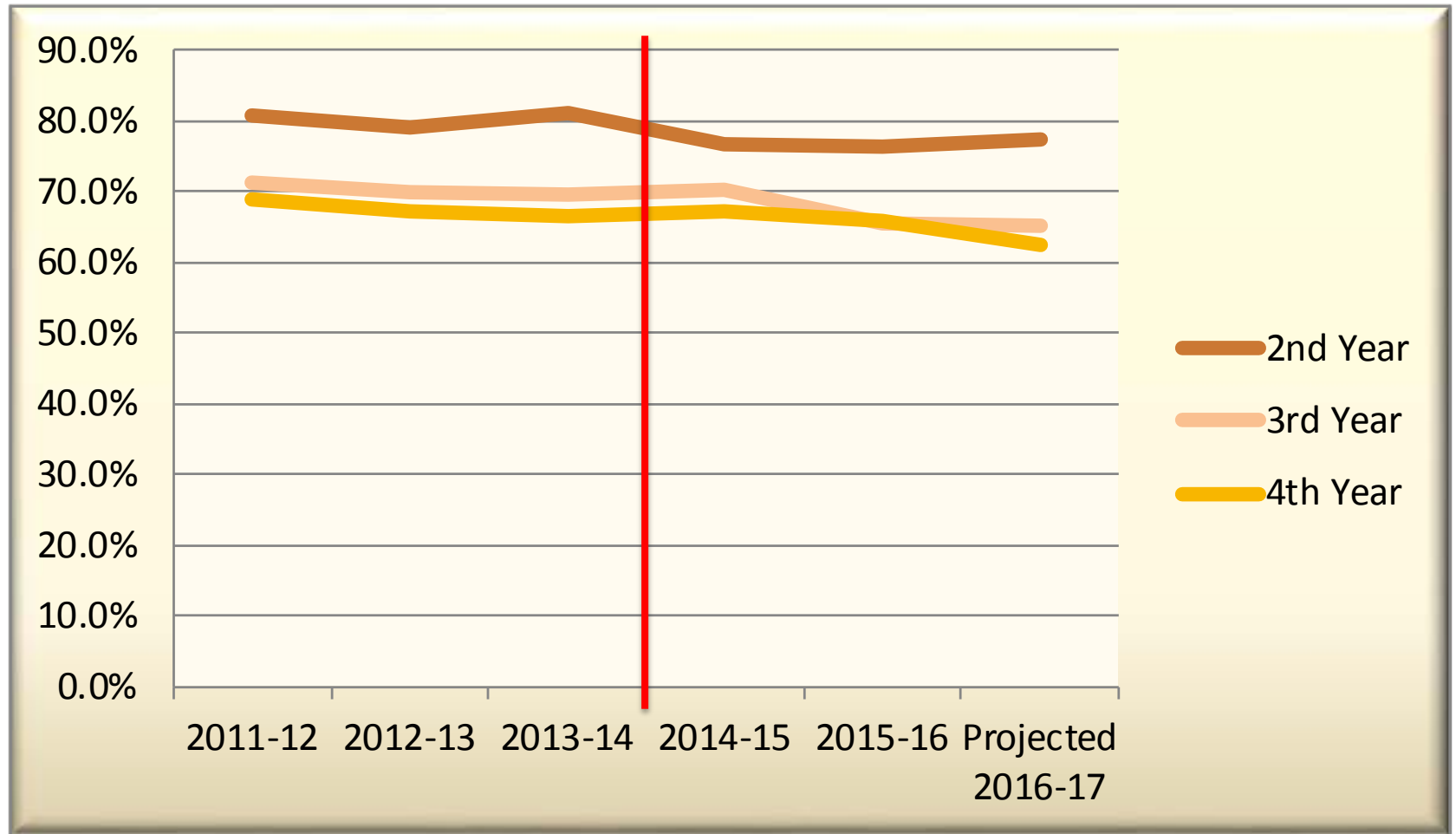


The number of students on waitlist decreased 57.38% from Fall 2011 to Fall 2016.

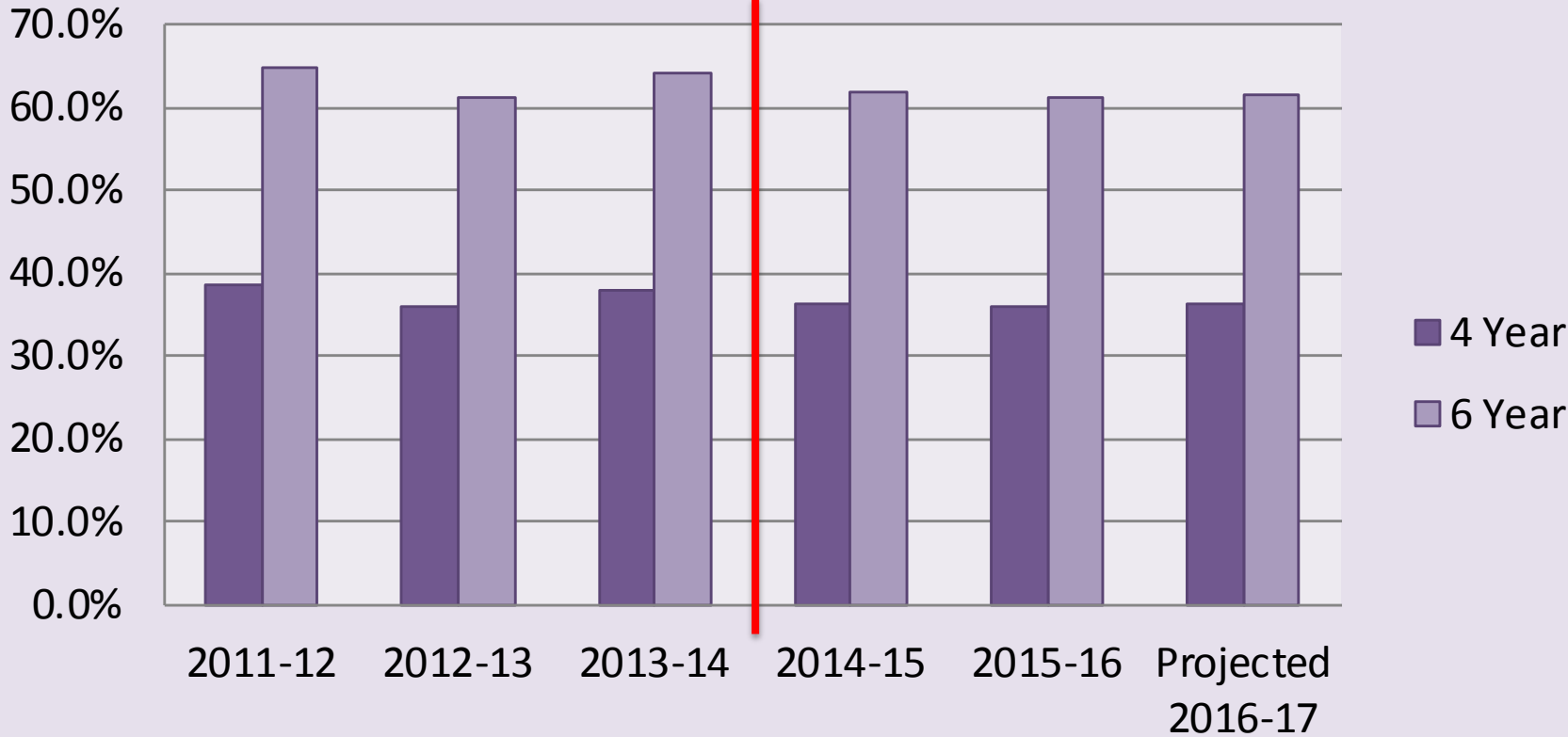


What has been
the impact on
persistence and
graduation
rates?

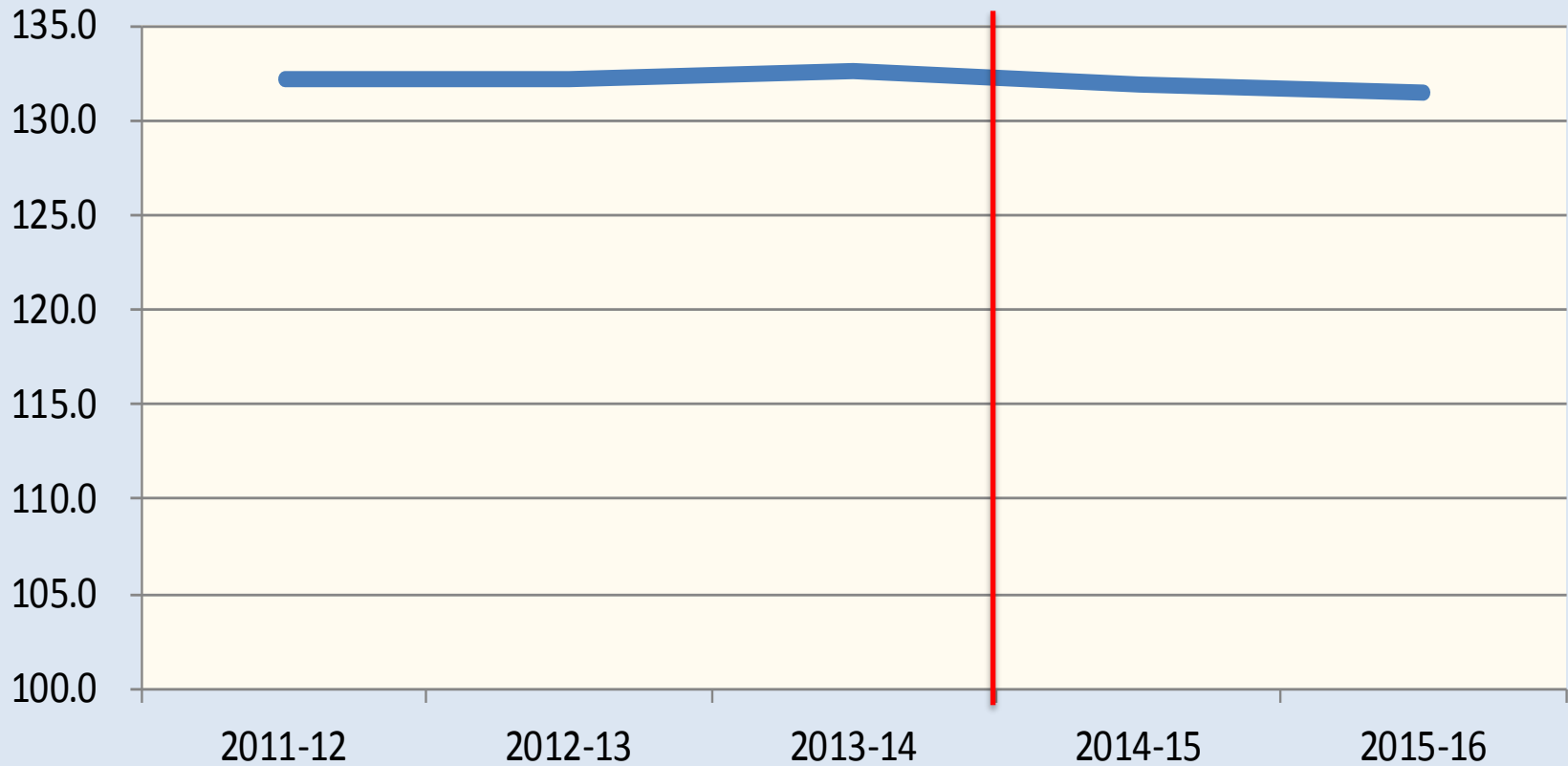
Persistence Rates



Graduation Rates



Credits at Graduation



Credits include institutional credits earned and all transfer credits.



What has been the impact on financial aid?

Institutional Aid

Financial Aid Statistics						
	<i>FY 2011-12</i>	<i>FY 2012-13</i>	<i>FY 2013-14</i>	<i>FY 2014-15</i>	<i>FY 2015-16</i>	<i>FY 2016-17</i>
Average number of students offered aid	73	76	465	1,539	1,296	707 *
Amount of aid offered annually	\$ 76,503	\$ 90,680	\$ 850,467	\$ 1,387,273	\$ 1,467,188	\$ 1,602,761 *
Average number of students paid aid	21	35	147	1,042	700	380 *
Amount of aid paid annually	\$ 39,513	\$ 52,593	\$ 257,599	\$ 812,761	\$ 808,172	\$ 802,687 *
Average aid paid per student annually	\$ 1,882	\$ 1,503	\$ 1,758	\$ 780	\$ 1,155	\$ 2,112 *

* 2016-17 not final

2011-12 & 2012-13 reflect much lower numbers. This type of aid awarded started in fiscal year 2013-14.

As part of the per-credit tuition pilot program, an additional \$1.1 million of institutional aid was earmarked to assist economically challenged students. Since inception of the program, the institution has not utilized the full amount. This allocation will continue to be reviewed annually for need.

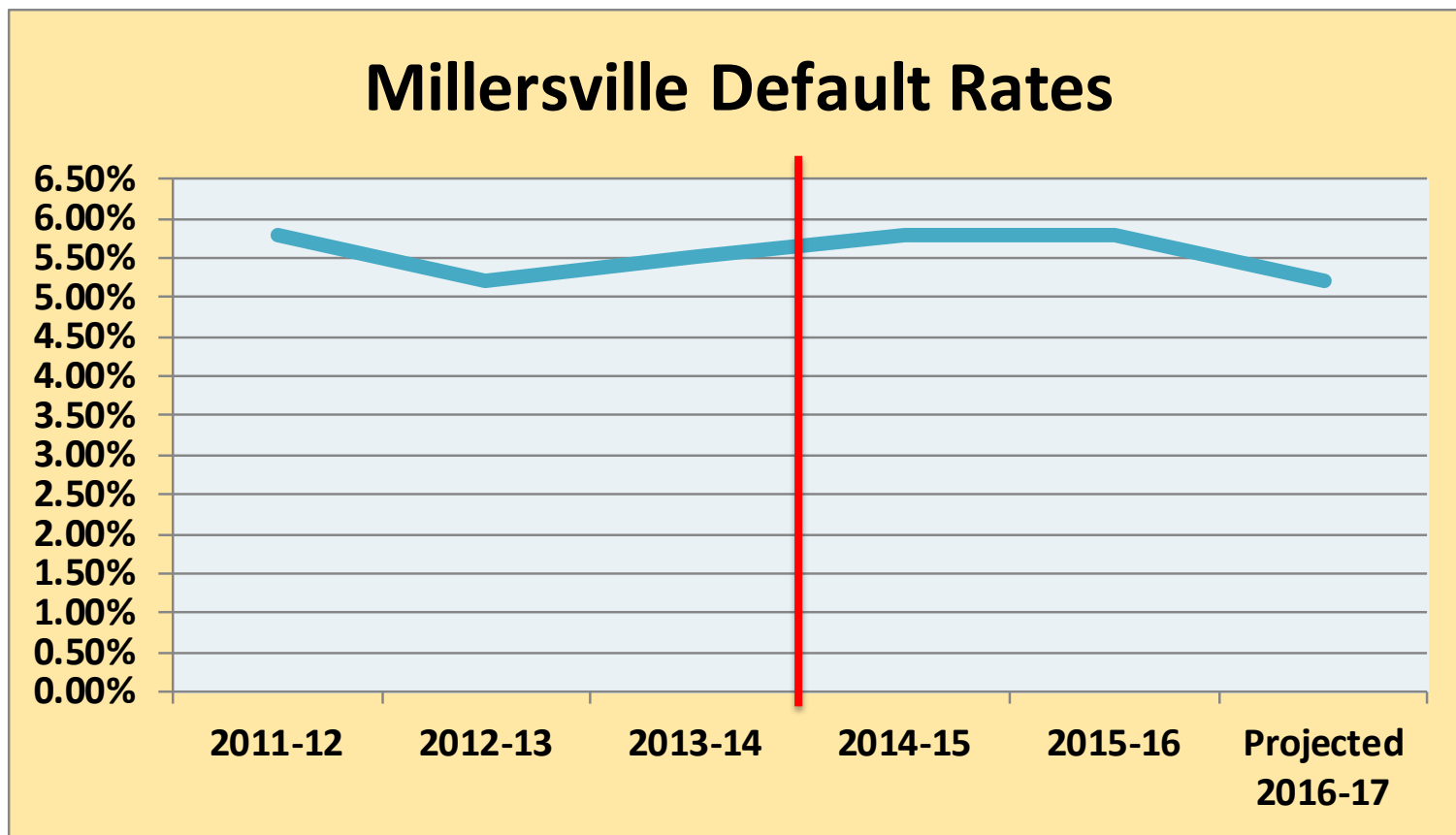
Student Loan Comparison - Millersville to National

Year	Graduates	Borrowers	Percentage Non-borrowers	Millersville Loan Average	National Loan Average	Variance	% Change
2011-12	1,541	1,185	23%	\$ 30,004	\$ 29,400	\$ 604	2.05%
2012-13	1,537	1,230	20%	\$ 29,699	\$ 33,000	\$ (3,301)	-10.00%
2013-14	1,522	1,200	21%	\$ 28,290	\$ 35,051	\$ (6,761)	-19.29%
2014-15	1,422	1,156	19%	\$ 31,061	\$ 37,172	\$ (6,111)	-16.44%
2015-16	1,448	1,142	21%	\$ 29,816			
2016-17	1,488	1,177	21%	\$ 31,407			

Average Percentage of Non-borrowers	20.8%
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Data: Student Loan Hero - US Student Loan Debt

Student Loan Default Rates



The national federal and public 4 year loan default rates for FY12 & FY13 were 11.8% and 11.3% and 7.6% and 7.3%, respectively. FY13 is the most recent year for which data is available. Millersville has historically been significantly below both rates and is expected to continue this trend.



What has been the impact on the university budget?

Budget Balancing Measures

Budget Reductions/Revenue Generating Options

2012-13 through 2015-16


	12-13	13-14	14-15	15-16
University Marketing Initiatives/Gift usage		250,000	500,000	
Operating Budget Reductions		184,727	561,559	339,135
Salary and Benefit Savings			281,883	292,307
Reduction in Equipment/Furniture/Repair & Renovation Budget		836,136		
Reduction of TPTF Positions				500,000
Selective Freeze/Elimination of Administrative Positions	1,638,609	5,237,185	2,127,206	1,584,590
Use of Contingency Reserve and fund balance to fund operating and personnel expenses	300,000	2,002,783	1,390,516	-
Additional Revenue Generated by Pilot Programs (Net of additional financial aid offered)			3,969,348	5,153,279
TOTAL REDUCTIONS/REVENUE GENERATING OPTIONS	1,938,609	8,510,831	8,830,512	7,869,311
TOTAL COST REDUCTIONS & REVENUE GENERATING OPTIONS: \$27,149,263				



What happens if
the tuition
model is
eliminated?

Impact of Elimination of Per-Credit Tuition Model

2016-17 loss of revenue if charging full-time rates for undergraduate in-state students	6,014,913
Reduction of Scholarship associated with per-credit pilot program	<u>(1,100,000)</u>
Adjusted reduction to revenue	4,914,913

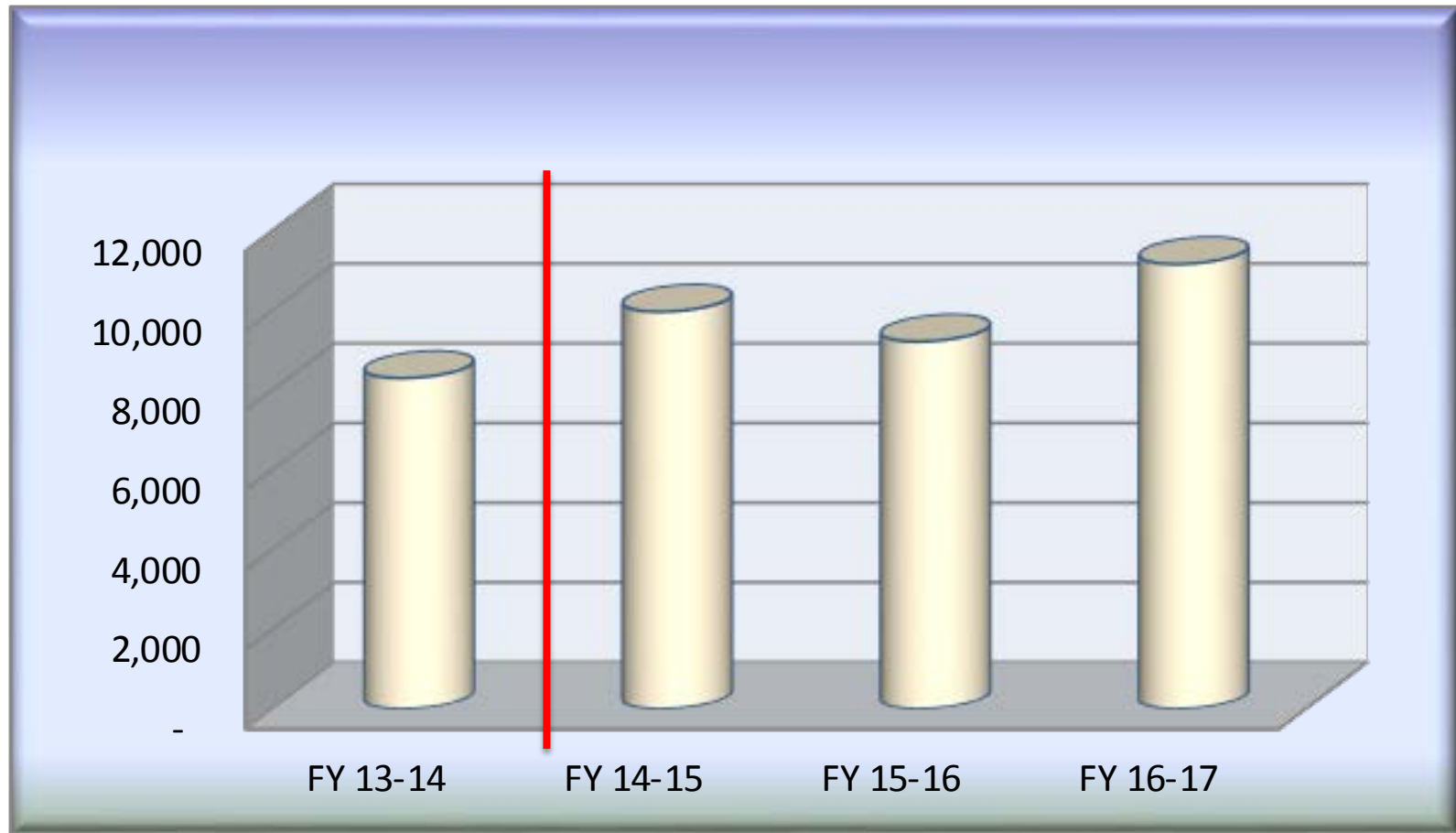


Estimated FTE to be eliminated to cover the adjusted reduction to revenue	
APSCUF	19.2
AFSCME	19.2
Management	5.8
SCUPA	2.7
Police	1.0
Nurses	0.4
Coaches	2.2
Total	50.5



Finally...

Student Activity Participation



Participation is reported as duplicated headcount in clubs, student organizations, intramurals, athletics, Greek life, band, etc.



Overall Observations

In the original proposal approved by the BOG, Millersville University stated three main objectives:

1. “Millersville University is embarking on its new strategic plan. Part of the plan is to be more aggressive in the part-time adult education market”

ANSWER:

Part-time credits are up 29.9% since implementation.



Overall Observations (continued)

2. “Per-credit pricing allows more flexibility for students managing their financial obligations, minimizing the number of students forced to leave the university for each year due to financial pressures.”

ANSWER:

2014-15 MU student debt was \$6,111 below the National average.



Overall Observations (continued)

3. “Millersville is proposing setting aside... net tuition revenue...in financial aid.”

ANSWER:

2013-14 MU offered \$850,467 of financial aid to 465 students

2016-17 MU offered \$1,602,761 of financial aid to 707 students

– 88.5% increase in aid

– 52.1% increase in students



The Per-Credit Tuition Model is a success.

We request continuance at 1% below the System's per credit rate.



QUESTIONS?