

**Domestic Enrollment Management –
First-Time Full-Time Freshmen & Transfer
Students
Lawrence/Edwards**

Overview – Phase I findings

Huron identified opportunities at the Lawrence and Edwards campuses related to enrollment management in the range of \$8,580K - \$15,530K.

Phase I Challenges and Opportunities – Enrollment Management

- Freshmen enrollment has dropped from a high of almost 4,500 (2008) to just under 3,700
- Persistence rates are low (currently 79%), compared to a peer average of 84%; KU ranks 9th among 10 peer benchmarks (10 being the lowest persistence)
- Of its peers, KU charges the least for room and board, but has the smallest percentage of first-year students living on campus
- Students perceive that KU's financial support is lower than schools of similar size; the majority of KU's scholarships are awarded by individual schools in a decentralized manner, often after the school year has started or later in the student's academic career
- New scholarship and enrollment policies are being deployed; however, buy-in and support is needed from the colleges/schools which awarded less than \$250K in *new* freshman scholarships last year
- KU maintains only 4 minor articulation agreements (affecting 60 students annually)
- Students report that to be successful at KU first-year students must be proactive—information exists, but it is difficult to find
- Requests for necessary process changes in enrollment functions are on hold due to IT constraints and resource needs

Goals – Enrollment Management

- Increase domestic student enrollment and persistence
- Increase international enrollment
- Increase the percentage of students who utilize student housing

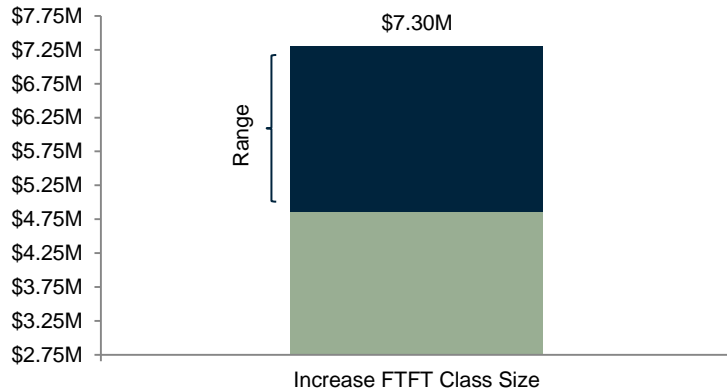
Annual Financial Opportunity – Phase I Domestic Enrollment

Cost Savings	Resource Reallocation	New Revenue (Domestic)
N/A	N/A	\$6,640K - \$12,740K

Phase II FTFT enrollment analysis – opportunity

Opportunities exist for KU to increase and stabilize enrollment levels via targeted marketing and recruitment initiatives.

Phase II – Average Annual Impact



¹Average of four years, years 2 – 5 (excludes current FY)

Phase II – Business Case Financial Summary

- The University has an opportunity to realize approximately \$24.3M in net new revenue over six years if enrollment enhancing initiatives are commenced
- Revenue projections are based on permanent increases to the FTFT call size by 150 in year 2 and an additional 150 in year 3
- Tuition calculations are net revenue
- Strategies suggested, but not forecast, may be employed to realize additional increases to class size

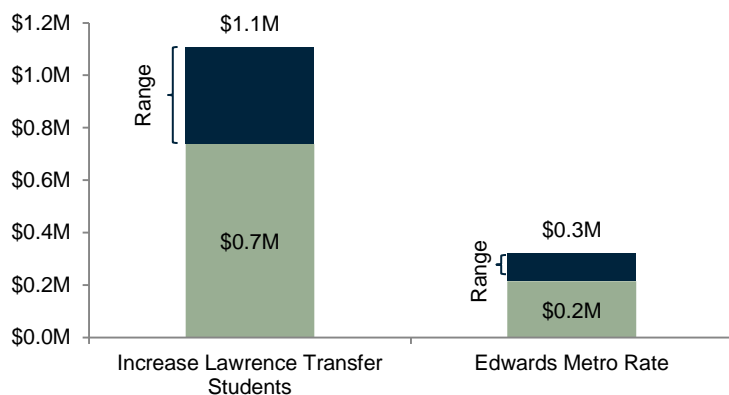
Five Year Cumulative Impact ¹ (Expected Case)	\$000s (parentheses denote costs)
Revenue	\$24,326K
Investment Requirement (total)	(\$2,856K)
Net Benefit	\$21,470

¹Year 1 is FY12, which is a partial year

Phase II transfer enrollment analysis – opportunity

Opportunities exist for KU to increase and stabilize enrollment levels via targeted transfer enrollment and organizational enhancements.

Phase II – Average Annual Impact¹



¹Average of four years, years 2 – 5 (excludes current FY)

Phase II – Business Case Financial Summary

- Opportunities to specifically increase transfer student capture were assessed in Phase II
- The University is poised to realize approximately \$5M in net new revenue over five years if transfer enrollment initiatives are commenced
- Projections are based on increasing the annual transfer student cohort to the Lawrence Campus by 104 as well as increase of 800 credit hours per year on the Edwards Campus
- Tuition calculations are net revenue
- Transfer students have high margins for KU; they cost less than FTFT to recruit, and require little financial aid

Five Year Cumulative Impact ² (Expected Case)	\$000s (parentheses denote costs)
Lawrence Campus	\$3,693
Edwards Campus	\$1,069
Investment Requirement (total)	(\$615)
Net Benefit	\$4,146

²Year 1 is FY12, which is a partial year

Update – phase II findings

This business case focuses on increasing KU's domestic FTFT and transfer students.

Phase II Findings

- Freshmen enrollment continues to drop from a high of almost 4,500 (2008); however, domestic FTFT enrollment was flat for the current year with declines seen in international FTFT enrollment
- Persistence rates are low (currently 79%), compared to a peer average of 84%; KU ranks 9th among 10 peer benchmarks (10 being the lowest persistence)
- Yield has dropped 5 percentage points from 2006 to 2011
- KU is one year into a three to six year implementation process to improve enrollment: process changes implemented (streamlined application, scholarship deadline, retooled publications, CRM application pushes, etc.) are beginning to show results with applications for next year up over 100% over the prior two years
- The lack of centralized KU branding and communication plan is a significant impediment to prospecting and recruitment
- Incentives for schools and faculty to “own” enrollment, persistence and graduation goals are critical to the success of these efforts

Phase II Goals

- Increase persistence, retention and graduation rates
- Increase domestic student enrollment for both FTFT and transfer students through enlarged applicant pool and yield management
- Increase applicant pool through more coordinated University approach to branding and outreach
- Create a sense of ownership of enrollment goals by faculty and staff throughout the University through creation “enrollment management council” and through the alignment of budget incentives
- Move to a net tuition model to increase class size

Financial model – notes and assumptions

A series of assumptions were required to estimate the financial impact of increasing the size of the incoming FTFT class.

Notes	Assumptions
<ul style="list-style-type: none"> • Current-state persistence is 79.9% for domestic FTFT • Current- and future-state sophomore to junior persistence is 71.4% • Current- and future-state junior to senior persistence is 64.7% • International student enrollment is evaluated in the International Enrollment Management business case. 	<ul style="list-style-type: none"> • There are a total of 3,580 incoming FTFT freshman as the base case • Incoming FTFT will increase by 150 in year 2 (100 in-state and 50 out-of-state) • Incoming FTFT will increase by an additional 150 in year 3 (100 in-state and 50 out-of-state) • Incoming FTFT will remain level after year 3 at 3,880 domestic FTFT • In-state net tuition for domestic FTFT freshman is \$7,634 USD per year • Out-of-state net tuition for domestic FTFT freshman is \$19,170 USD per year • Tuition rates will be locked by each incoming freshman • The model only accounts for the first four years of revenue generated by FTFT freshman • Tuition will increase at a rate of 4% for subsequent cohorts (e.g. Cohort 2 tuition rates will be 4% greater than the tuition rates for Cohort 1)

Financial model

The financial model examines the benefits achieved from increasing FTFT enrollment levels.

Expected Case (\$000's)

(increase FTFT incoming class by 300 students)

Benefits	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Increase FTFT class size	0	1,763	5,073	7,743	9,747
Total	\$0	\$1,763	\$5,073	\$7,743	\$9,747
Costs					
Salary & Fringe	60	103	106	109	113
Current requests	377	388	400	412	424
Other	95	69	33	98	72
Total	\$532	\$560	\$539	\$619	\$609
Net	(\$532)	\$1,203	\$4,534	\$7,124	\$9,138

Low Benefits Case
(assumed 20% less tuition revenue realized)
Net Present Value **\$15.95M**

High Benefits Case
(assumed 20% more tuition revenue realized)
Net Present Value **\$25.32M**

Net Present Value (Expected Case): \$20,637,057

Financial model – notes and assumptions

A series of assumptions were required to estimate the financial impact of the Transfer Student Capture business case.

Notes	Assumptions
<ul style="list-style-type: none"> • There are a total of 1,396 transfer students in year one • The annual transfer student goal is 1,500 • Student persistence rates are presumed to continue at the current level of 85.7% • The expansion of the metro rate would apply only to the Edwards campus • Transfer students are not able to lock into a tuition rate and see an annual increase • Course and school fees are not included in this cases as these are earmarked for specific designations • A ramp-up to full enrollment increases is projected as a conservative estimate. However, implementation time will determine the timeline for positive impact of technology initiatives. Given that most KU transfer students enroll with late sophomore/early junior standing, full enrollment increases may not be realized until two years after implementation. • Proposed transcript data technology will increase automation of the entire process of data entry, transcript review, and admissions decision-making. The increased functionality that would allow for greater efficiency for transfers will have efficiency benefits beyond this business case. 	<ul style="list-style-type: none"> • New transfer students at the Lawrence campus are split between in-state and out-of-state at the same levels as current students • In-state net tuition for domestic transfer students is \$6,412 USD in year one • Out-of-state net tuition for transfer students is \$18,300 USD per year in year one • Year-over-year persistence remains constant at 85.7% • Tuition will increase at a rate of 4% per year • Transfer students at Lawrence and Edwards will spend two years at KU • The number of students enrolling through the metro rate program will remain constant

Financial model

The financial model examines the benefits achieved from increasing transfer student enrollment.

Expected Case (\$000's)

(increase Lawrence transfers to 1,500 and expand Edwards Metro rate)

Benefits	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Lawrence transfer students	0	165	600	1,264	1,875
Edwards Metro rate	0	152	294	305	318
Total	\$0	\$317	\$894	\$1,569	\$2,193
Costs					
Salary & Fringe	65	67	69	71	73
Other	121	35	36	38	39
Total	\$186	\$103	\$106	\$109	\$112
Net	(\$186)	\$214	\$788	\$1,461	\$2,080

Low Benefits Case
(assumed 20% less tuition revenue realized)
Net Present Value
\$3.06M

High Benefits Case
(assumed 20% more tuition revenue realized)
Net Present Value
\$4.90M

Net Present Value (Expected Case): \$3,980,367

Risk assessment summary

The most significant challenge to the strategies outlined to increase domestic students at KU is the need for faculty support and institutional coordination.

- The most significant risks are related to school and faculty participation in enrollment management:
 - KU's recruitment efforts are decentralized across the schools; increased coordination and cooperation will be critical to increasing enrollment
 - The full support and involvement of the deans and faculty is critical; budget incentives to align schools around enrollment goals are needed
 - A policy to increase freshmen scholarships has been implemented at the University level; however, the majority of the scholarship dollars are decentralized within the schools; increased participation in this effort is needed to attract students
- KU's decentralized marketing currently fails to leverage the marketing power of KU and presents a diluted brand image to potential students
- If KU does not invest in the technology needed to quickly answer the questions that transfer students are asking, KU will continue to lose market share for this population; students increasingly concerned about time to degree and are using this information to make transfer decisions

The Enrollment Management team is implementing strategies to increase enrollment; however, broad institutional ownership of enrollment targets is needed to succeed.

Approach – increase domestic FTFT

The table below depicts the high level tasks necessary to increase freshmen domestic enrollment.

Mobilize	Design	Deploy	Optimize
Nov. 2011	Nov. 2011 – July 2012	Jan. 2012 – Mar. 2012	Jan. 2012 – Nov. 2012
<p>Tasks</p> <ul style="list-style-type: none"> Finalize membership of Workgroup Implementation Committees 	<p>Tasks</p> <ul style="list-style-type: none"> Meet with Scannell and Kurz Engage committee to develop plan for coordinated KU branding strategy 	<p>Tasks</p> <ul style="list-style-type: none"> Reorganize the Enrollment Management office to add the capacity needed Implement technology solutions and train staff 	<p>Tasks</p> <ul style="list-style-type: none"> Re-evaluate strategies Measure KPIs
<p>Deliverables</p> <ul style="list-style-type: none"> Complete committee 	<p>Deliverables</p> <ul style="list-style-type: none"> Decision to pursue net tuition policy Additional tools and technology Scholarship commitments from schools 	<p>Deliverables</p> <ul style="list-style-type: none"> Staff on-board 	<p>Deliverables</p> <ul style="list-style-type: none"> Increased enrollment Revised strategies for following year Report to Executive Committee on progress against KPIs

The detailed implementation plan is provided as an MS Project Plan, detailing the individuals responsible for each of the tasks involved in the next steps implementation plan.

Approach – increase transfer enrollment

The table below depicts the high level tasks necessary to increase domestic transfer enrollment.

Mobilize: Necessary Infrastructure	Design: Markets and Strategies	Deploy: Implement Strategies	Optimize
Nov. 2011	Jan. – Apr. 2012	Nov. 2011 – Aug. 2012	Jun. – Nov. 2012
<p>Tasks</p> <ul style="list-style-type: none"> Finalize membership of Workgroup Implementation Committees 	<p>Tasks</p> <ul style="list-style-type: none"> Analyze opportunity for Lawrence transfer metro rate 	<p>Tasks</p> <ul style="list-style-type: none"> Reorganize the Transfer Student office to add the capacity needed Pursue articulation agreements Implement technology solutions and train staff 	<p>Tasks</p> <ul style="list-style-type: none"> Re-evaluate strategies Measure KPIs
<p>Deliverables</p> <ul style="list-style-type: none"> Complete committee 	<p>Deliverables</p> <ul style="list-style-type: none"> Whitepaper outlining risks and benefits of Lawrence metro rate Redesigned processes 	<p>Deliverables</p> <ul style="list-style-type: none"> Staff on-board Articulation agreements 	<p>Deliverables</p> <ul style="list-style-type: none"> Increased enrollment Revised strategies for following year Report to Executive Committee on progress against KPIs

The detailed implementation plan is provided as an MS Project Plan, detailing the individuals responsible for each of the tasks involved in the next steps implementation plan.

**Domestic Enrollment Management –
Persistence
Lawrence/Edwards**

Overview – Phase I findings

Huron identified opportunities at the Lawrence and Edwards campuses related to enrollment management in the range of \$8,580K - \$15,530K.

Phase I Challenges and Opportunities – Enrollment Management

- Freshmen enrollment has dropped from a high of almost 4,500 (2008) to just under 3,700
- Persistence rates are low (currently 79%), compared to a peer average of 84%; KU ranks 9th among 10 peer benchmarks (10 being the lowest persistence)
- Of its peers, KU charges the least for room and board, but has the smallest percentage of first-year students living on campus
- Students perceive that KU's financial support is lower than schools of similar size; the majority of KU's scholarships are awarded by individual schools in a decentralized manner, often after the school year has started or later in the student's academic career
- New scholarship and enrollment policies are being deployed; however, buy-in and support is needed from the colleges/schools which awarded less than \$250K in *new* freshman scholarships last year
- KU maintains only 4 minor articulation agreements (affecting 60 students annually)
- Students report that to be successful at KU first-year students must be proactive—information exists, but it is difficult to find
- Requests for necessary process changes in enrollment functions are on hold due to IT constraints and resource needs

Goals – Enrollment Management

- Increase domestic student enrollment and persistence
- Increase international enrollment
- Increase the percentage of students who utilize student housing

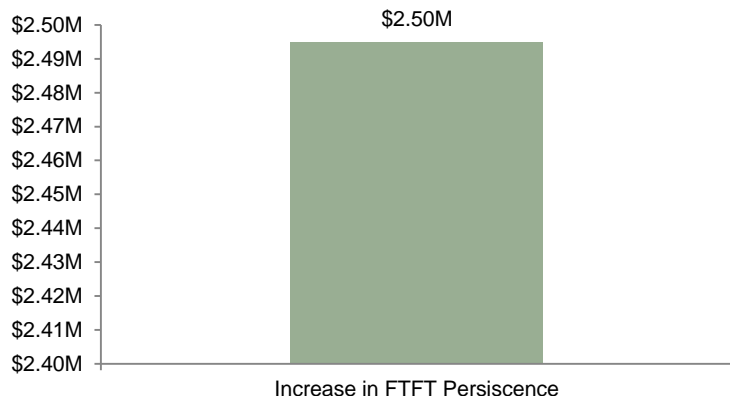
Phase I Annual Financial Opportunity – All Enrollment Management

Cost Savings	Resource Reallocation	New Revenue
N/A	N/A	\$8,580K - \$15,530K

Phase II – persistence analysis – opportunity

Opportunities exist for KU to increase and stabilize enrollment levels via targeted student programs and organizational enhancements.

Phase II – Average Annual Impact



¹Average of four years, years 3 – 6 (excludes current FY and following year – persistence revenues have a 1 year lag)

Phase II – Business Case Financial Summary

- The University is poised to realized approximately \$9.98M in net new revenue over six years if persistence enhancing initiatives are successful (because rate is phased in, savings increase in out years)
- The initiatives outlined in this business case are largely underway, and some funding requests have already been submitted – all costs are reflected in this business case to provide a complete picture
- Resources required are attributed to each component to allow for decision making
- The workgroup has set ambitious but attainable persistence goals which will put KU in the middle of its peer group for persistence – over the next four years, persistence will increase incrementally to 85%
- Increased persistence will both increase revenue and improve KU's ranking

Five Year Cumulative Impact ¹ (Expected Case)	000s (parentheses denote costs)
Revenue	\$5,487
Investment Requirement (total)	(\$2,577)
Net Benefit	\$2,910

¹Year 1 is FY12, which is a partial year

Update – phase II findings

This business case focuses on increasing KU's persistence rate to 85% over time.

Phase II Findings

- Persistence rates are low (currently 79%), but have increased over the past year
- Compared to a peer average of 84%; KU ranks 9th among 10 peer benchmarks (10 being the lowest persistence); this assessment considers peers with similar student profiles to KU
- Programs are under development within several KU departments to increase persistence; these are at varying levels of implementation and funding status for next year
- Past efforts to increase persistence, such as residential learning communities, have lacked faculty buy-in and lagged in student participation; plans for current efforts are addressing these challenges
- KU lacks a central owner of persistence; programs are managed by disparate departments in an uncoordinated manner; the current reorganization of the Student Success department attempts to overcome this; this business case also focuses on bringing efforts together around two critical programs:
 - Early Warning System (EWS)
 - Learning Communities
- Enrollment management has the ability to identify incoming students who are at-risk for failure to graduate; these students can be required to participate in programs designed to increase retention

Phase II Goals

- Increase persistence and retention
- Implement an Early Warning System to identify students while intervention is still possible
- Implement learning communities, including the components of: Residential/Non-residential communities, Supplemental Instruction, Block Enrollment, First-Year Seminars, and a Common Book Program

Financial model – notes and assumptions

A series of assumptions were required to estimate the financial impact of the persistence business case.

Notes	Assumptions
<ul style="list-style-type: none">• Current-state persistence is 79.9% for domestic FTFT• Current-state sophomore to junior persistence is 71.4%, and junior to senior persistence is 64.7%• Student persistence rates are presumed to increase to 85% by the end of the third implementation year.• Incremental persistence rates are 81%, 83%, and 85% through the third implementation year• The persistence drivers case assumes enrollment levels remain constant across cohorts• International student enrollment is evaluated in the International Enrollment Management business case	<ul style="list-style-type: none">• There are currently a total of 3,580 FTFT domestic freshman• In-state net tuition for domestic FTFT freshman is \$7,634 USD per year• Out-of-state net tuition for domestic FTFT freshman is \$19,170 USD per year• Sophomore to junior and junior to senior year-over-year persistence remains constant at current levels• Tuition rates can and will be locked by each incoming freshman• The model only accounts for a maximum of four years of revenue for students• Tuition will increase at a rate of 4% for subsequent cohorts (e.g. Cohort 2 tuition rates will be 4% greater than the tuition rates for Cohort 1)

Financial model

The financial model examines the benefits achieved from increasing FTFT persistence rates.

Expected Case (\$000's)

Benefits	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Cohorts 1 – 4	\$0	\$0	\$472	\$1,647	\$3,368
Total	\$0	\$0	\$472	\$1,647	\$3,368
Costs					
Salary & Fringe	\$59	\$295	\$303	\$312	\$322
Stipends	125	72	144	192	256
Other	150	83	86	88	91
Total	\$334	\$450	\$533	\$593	\$669
Net	(\$334)	(\$450)	(\$61)	\$1,054	\$2,699

Net Present Value (Expected Case): \$2,759,438

Risk assessment summary

Implementing the strategies outlined to increase persistence present little risk.

- Freshmen to sophomore persistence is a critical component of KU's ranking compared to peers; improving this metric will boost the University's reputation
- The most significant risks are related to faculty and student buy-in
 - Strategies previously implemented at KU did not have the full support and involvement of the faculty; the workgroup has suggested stipends to align faculty interest with the persistence goals; in addition, faculty and academic departments will be more involved from the early stages of implementation than they were in the past
 - Student participation in past program was not as robust as hoped; planned strategies to overcome this include mandating programs for at-risk students, developing programs better aligned with student interests, and increasing the outreach to students
- While some strategies are financially costly, programs are outlined in components enabling KU to redirect funds in the future if student adoption is low or results are not realized

All of the initiatives outlined in this case are in various stages of planning; coordinating efforts and communication among teams will enhance the success of these efforts.

Approach

The table below depicts the high level tasks necessary to increase enrollment and improve persistence.

Mobilize: Necessary Infrastructure	Design: Markets and Strategies	Deploy: Implement Strategies	Optimize
Nov. 2011	Nov. – Jul. 2012	Dec. 2011 – Dec. 2012	Mar. – Nov. 2012
<p>Tasks</p> <ul style="list-style-type: none"> Finalize membership of Workgroup Implementation Committees Determine Early Warning System (EWS) Funding models and planning for FYS 	<p>Tasks</p> <ul style="list-style-type: none"> Determine aspects of Learning Communities to be Implemented Contact faculty and plan for SI Plan for Block Enrollment Develop pilot for FYS and redesign orientation seminar Determine common book 	<p>Tasks</p> <ul style="list-style-type: none"> Pilot EWS and train staff Implement SI Offer block enrollment to freshmen FYS offered Finalize courses for Residential LC Develop common book website 	<p>Tasks</p> <ul style="list-style-type: none"> Full rollout of EWS Re-evaluate strategies Measure KPIs
<p>Deliverables</p> <ul style="list-style-type: none"> Complete committee 	<p>Deliverables</p> <ul style="list-style-type: none"> Block enrollment strategy for fall Decision, location and courses for Residential LC Courses identified for SI 	<p>Deliverables</p> <ul style="list-style-type: none"> EWS staff on-board SI in place 12 FYS Orientation seminar for at-risk students Marketing for residential LC deployed 	<p>Deliverables</p> <ul style="list-style-type: none"> Revised strategies for following year Report to Executive Committee on progress against KPIs

The detailed implementation plan is provided as an MS Project Plan, detailing the individuals responsible for each of the tasks involved in the next steps implementation plan.

**Domestic Enrollment Management –
Student Housing
Lawrence/Edwards**

Overview – Phase I findings

Huron identified opportunities at the Lawrence and Edwards campuses related to enrollment management in the range of \$8,580K - \$15,530K.

Phase I Challenges and Opportunities – Enrollment Management

- Freshmen enrollment has dropped from a high of almost 4,500 (2008) to just under 3,700
- Persistence rates are low (76%), compared to a peer average of 84%; KU ranks 9th among 10 peer benchmarks (10 being the lowest persistence)
- Of its peers, KU charges the least for room and board, but has the smallest percentage of first-year students living on campus
- Students perceive that KU's financial support is lower than schools of similar size; the majority of KU's scholarships are awarded by individual schools in a decentralized manner, often after the school year has started or later in the student's academic career
- New scholarship and enrollment policies are being deployed; however, buy-in and support is needed from the colleges/schools which awarded less than \$250K in *new* freshman scholarships last year
- KU maintains only 4 minor articulation agreements (affecting 60 students annually)
- Students report that to be successful at KU first-year students must be proactive—information exists, but it is difficult to find
- Requests for necessary process changes in enrollment functions are on hold due to IT constraints and resource needs

Goals – Enrollment Management

- Increase domestic student enrollment and persistence
- Increase international enrollment
- Increase the percentage of students who utilize student housing

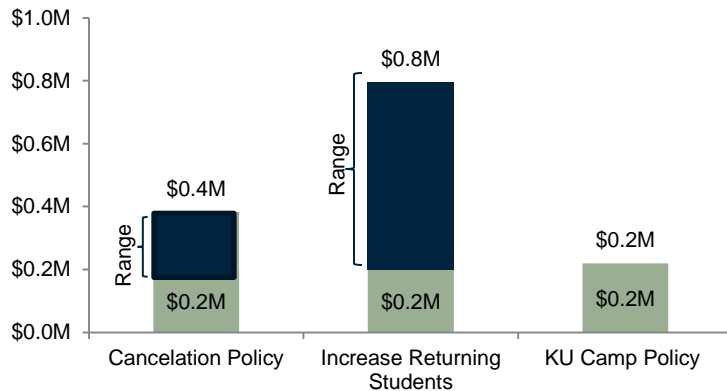
Annual Financial Opportunity – Phase I Student Housing Only

Cost Savings	Resource Reallocation	New Revenue
N/A	N/A	\$600K - \$1,000K

Phase II student housing analysis – opportunity

Additional revenue opportunities were identified for the Department of Student Housing.

Phase II – Expected Annual Impact
Phase II – Business Case Financial Summary



- An additional opportunity to capture camp and conference revenue was identified
- Housing will focus on filling beds in the short term through two strategies:
 - Revised cancellation policy
 - Increased focus on renewing contracts
- DSH is ready to partner with Undergraduate Education to develop learning communities to increase persistence; however, past history at KU indicates dorm choice is stronger driver of student housing selection

Notes:

- Cancellation Policy and Increasing Returning Students are projected at 4-year average (year 1 is the current year)
- KU Camp Policy revenue is projection of Year 2 revenues—year 1 is a partial year ending mid-way through the summer camp and conference season

Five Year Cumulative Impact ¹ (Expected Case)	000s (parentheses denote costs)
Revenue	\$4,270
Other	\$0
Overhead to University (total)	(\$128)
Net Benefit	\$4,142

¹Year 1 is FY12, which is a partial year

Update – Phase II findings

Student housing has available capacity which can generate revenue without adding cost for KU.

Phase II Identified Opportunities

- Private competition is currently undercutting KU's ability to capture camp and conference customers
- Cancellation fees have not been sufficient to prevent cancellation of contracts
- KU Housing is working to increase the number of returning residents year to year



Goals

- Fewer cancellations, resulting in additional students on campus
- Additional students returning to student housing from year to year
- Additional annual revenues from camps and conferences



Anticipated Results

- Increased sense of KU community
- **Approximately \$.62M to \$1.40M in annual increased revenue¹ for the Department of Student Housing**

Financial model – notes and assumptions

The financial model examines the benefits achieved from student housing strategies.

Notes	Assumptions
<p>Year 1 is the current fiscal year, ending mid-summer, resulting in split housing revenues over multiple years</p> <p>The housing contract figure used is \$3,804 in year one, which is the most common fee paid by students for two-semesters of residential living</p> <p>Students cannot lock in housing rates</p> <p>Per discussions with Dining, Dining is a break-even operations with no margin, therefore dining revenue is not included in this case</p> <p>DSH pays 3% overhead on all revenues to KU</p>	<p><u>Cancellation Fees</u> Cancellation fees remain flat in future years, either at a dollar amount, or as a percentage of contract</p> <p><u>Right of First Refusal</u> Participant levels remain the same each year</p> <p>There is a 3% annual increase in housing fees</p> <p><u>Renewals</u> There is a 3% annual housing increase each year</p>

Financial model – enrollment management

The financial model examines the benefits achieved from increasing cancellation fees, student housing and event revenue.

Expected Case (\$000's)

(125 additional returning students, moderate case for cancelation policy)

Benefits	FY2012	FY2013	FY2014	FY2015	FY2016
Cancelation Policy	\$0	\$291	\$301	\$311	\$322
Right of First Refusal	\$110	\$223	\$229	\$236	\$243
Return Rate	\$0	\$475	\$490	\$504	\$535
Total	\$110	\$989	\$1,020	\$1,051	\$1,100
Costs					
KU Overhead	\$3	\$30	\$31	\$32	\$33
Total	\$3	\$30	\$31	\$32	\$33
Net	\$107	\$959	\$989	\$1,019	\$1,067

Net Present Value (Expected Case): \$4,008,000

Low Benefits Case

(50 additional returning students, low case for cancelation policy)

Net Present Value **\$2.57M**

High Benefits Case

(200 additional returning students, high case for cancelation policy)

Net Present Value **\$5.58M**

Note: 0.95% discount rate (5 year municipal bond, 8/18/11)

Risk assessment summary

Implementing the short-term strategies outlined for DSH present little risk.

- Implementing a right-of-first refusal policy, revising housing cancellation fees and increasing the focus on returning students require minimal investment and build on DSH core capabilities

Short-term strategies are already being moved forward with limited risk.

Approach – student housing

The table below depicts the high level tasks necessary to implement the short-term strategies outlined in the business case.

Mobilize	Design	Deploy	Optimize
Sept. 2011 – Dec. 2011	Oct. 2011– May 2012	Nov. 2011 – July 2012	Aug. 2011 – Sept. 2012
<p>Tasks</p> <ul style="list-style-type: none"> • Confirm members of the workgroup implementation team 	<p>Tasks</p> <ul style="list-style-type: none"> • Develop incentives and prepare marketing efforts to potential returning resident 	<p>Tasks</p> <ul style="list-style-type: none"> • Deploy marketing efforts to potential returning residents • Communicate changes in camp policy 	<p>Tasks</p> <ul style="list-style-type: none"> • Assess results of contract changes • Assess success of returning student effort • Assess results of camp policy; determine if additional resources are needed for future
<p>Deliverables</p> <ul style="list-style-type: none"> • Executive committee decision on business case 	<p>Deliverables</p> <ul style="list-style-type: none"> • Incentive plan and marketing materials/plans to capture returning students • Decision on right of first refusal policy 	<p>Deliverables</p> <ul style="list-style-type: none"> • Marketing campaign to increase returning students • KU right of first refusal policy 	<p>Deliverables</p> <ul style="list-style-type: none"> • Further revision to cancellation policy and outreach to potential returning students • Customer satisfaction assessment

A more detailed implementation plan is provided as an MS Project Plan, detailing the individuals responsible for each of the tasks involved in the next steps implementation plan.