

## Enrollment and Financial Aid Briefing

### BACKGROUND

Enrollment management (EM) is the intersection of functions and strategies that together ensure that OSU's enrollment is balanced along several occasionally conflicting objectives. This includes enrolling the right number of students, of the proper academic preparation, with the appropriate capacity to generate tuition revenue necessary to balance the budget annually, as well as executing research, processes, and services that keep them enrolled to graduation. Ensuring the right mix of students is as much art as science. Enrollment managers traditionally serve at the nexus of historical trends, current realities, and aspirational goals looking forward. All three perspectives are necessary components of a disciplined approach to ensuring OSU is well positioned to achieve its mission and the goals in Strategic Plan 4.0 (SP4.0).

### ENROLLMENT MANAGEMENT AT OSU

The Division of Enrollment Management at Oregon State is ultimately driven by the vision articulated in SP4.0: Leadership among land grant universities in the integrated creation, sharing, and application of knowledge for the betterment of humankind.

Strategic enrollment management at Oregon State is led by the Division of Enrollment Management (DEM) but is not contained wholly within that unit. While DEM manages and coordinates many of the processes that help understand, identify, recruit, admit, enroll, and retain undergraduate students in OSU programs, success requires the collaborative effort of multiple units across the university. DEM units include:

- *Office of Admissions* identifies, recruits, and admits qualified undergraduate applicants to OSU in alignment with enrollment goals and in collaboration with university partners;
- *Office of Financial Aid* administers funds from Federal, state, institutional, and private sources to ensure higher educational opportunities are available to all eligible students;
- *Office of the Registrar* provides enrollment and instructional tools and services for students, faculty, and staff; maintains academic history records; and works with university partners to ensure policies and processes are geared toward student success;
- *Office of Scholarships* administers institutional level scholarships, provides scholarship information to students and families, and supports academic colleges and other campus partners in management and awarding of their scholarship funds;
- *Office of Precollege Programs* supports and oversees programs designed to provide youth from diverse backgrounds pathways to an OSU education;
- *Degree Partnership Program* allows students to be jointly admitted and enrolled at OSU and any of our community college partner schools;
- *Enrollment Management Information Technology* supports systems, third party data integration, digital marketing, business and data analysis, routine reporting, and hardware management;

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- *The Office of International Admissions*: The Director of International Admissions is the liaison between INTO OSU and the Division of Enrollment Management, and reports directly to the Vice Provost of Enrollment Management;
- *Gear Up* is a federally funded program housed in DEM that prepares middle- and high school students to be ready to enroll in college via tutoring and college engagement programs, including FAFSA completion, financial literacy, and parent support.

Additionally, DEM partners closely with the following units:

- *University Relations and Marketing (URM)*: DEM units, specifically the offices of Admissions and Scholarships, partner with URM to ensure branding and messaging alignment in its various student recruitment marketing and communications strategies. URM provides creative and design support for print publications as well as web and digital advertising aimed at student recruitment.
- *INTO OSU*: Directly recruits, admits, and supports the enrollment of international students through pathway and direct entry degree programs.
- *Office of Undergraduate Education*: Supports the development of new undergraduate academic programs by colleges, schools, and departments; aids in creation and delivery of experiential learning experiences (including Education Abroad); and is a valuable partner on issues of retention and graduation rates.
- *Division of Student Affairs*: Supports students' academic progress and success through the Office of Academic Achievement, University Housing and Dining Services, health and wellness services, and multiple co-curricular programs.
- *Division of University Information and Technology*: Provides enrollment management technology and data solutions to meet the complex needs of internal and external users.
- *Division of Extension and Engagement*: Provides education and programming for Oregon youth related to preparing for and attending college, including, but not limited to Oregon State. Programs include 4-H, Outdoor School, and Juntos, Extension and Engagement's successful pilot Gateway project, which supports transfer students, has been rolled into DEM.
- *Academic colleges*: Play a significant role in attracting, retaining, and graduating their students. While current practices allow colleges to focus recruitment efforts to include lead generation and yield of admitted students, future initiatives will divert more attention to the latter while reducing decentralized efforts on the former. The colleges are also charged with raising scholarship funding to improve both recruitment and retention, and in providing advising services to keep students on track to graduate.

DEM also convenes formal and ad hoc groups to coordinate efforts between and among university units.

**ENROLLMENT TRENDS: OVERVIEW**

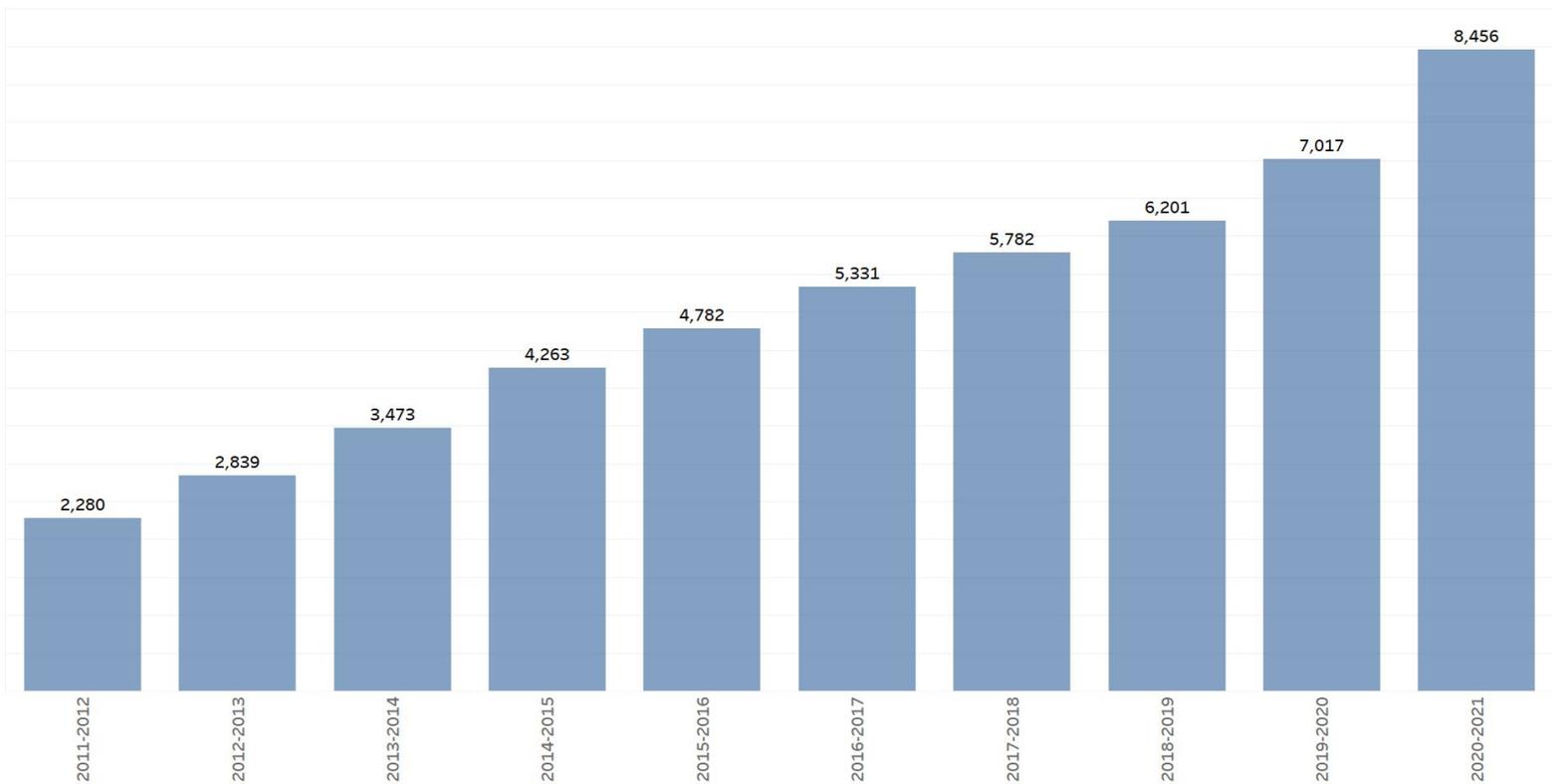
**Overall Enrollment**

In a year dominated by the unprecedented uncertainty brought by COVID-19, enrollment was largely and perhaps surprisingly stable at OSU. Overall headcount and credit hours for summer 2020 were up over the previous year, and both measures were largely stable for the fall 2020 and winter 2021 terms when compared to last year’s numbers.

However, it would be short-sighted to look at enrollment as just a headcount or credit hour figure. The portfolio of enrollment sources and types at a large public university is multi-faceted. Student types, as defined by residency (resident, non-resident, and International), level (graduate or undergraduate), campus, and course-load (full- or part-time) all produce distinct revenue streams that ultimately support the university’s operations and academic success.

Each of these enrollment types was affected differently in the year of COVID-19. For example, Ecampus enrollment continues to grow dramatically each year, continuing the trend visible even prior to the pandemic. Figure 1 shows the number of credit hours taken by students whose home is Ecampus; if we looked at students from all campuses who took Ecampus courses in the past year, the growth would be even more dramatic. As is almost always the case, successful university enrollment outcomes are a product of many efforts across multiple university units. In this case, the swift Ecampus response to COVID-19 and the rapid ramp-up of courses by the university almost certainly helped ensure more OSU students continued studying over the past few terms.

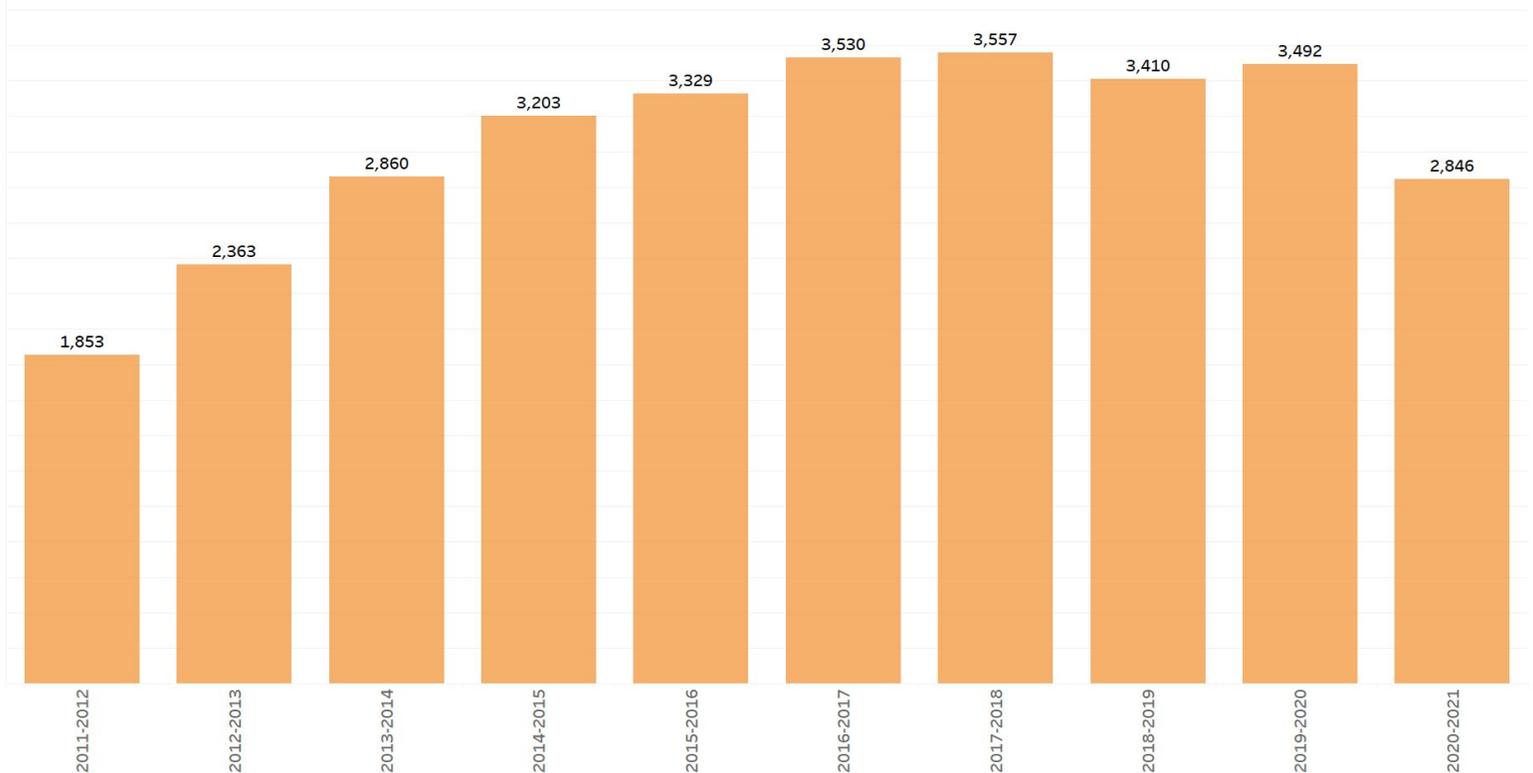
**Figure 1: Ecampus Enrollment, Fall Term**



Conversely, we see the opposite pattern when we look at enrollment of international students (Figure 2). We do not know of a single institution of higher education in the US that did not suffer a significant drop-off of international student enrollment in 2020-2021 compared to the previous year; the pandemic hit literally every US university to a greater or lesser degree.

Of course, factors beyond university control such as travel restrictions and overseas perceptions about the US climate toward international students compounded the effects of COVID-19. Fortunately, the drop off at OSU was less dramatic than we originally expected, with much of the credit going to our partners at INTO OSU who brought truly global perspectives, knowledge, and experience to the task of salvaging a reasonable outcome.

**Figure 2: International Student Enrollment, Fall Term**



Neither of the above trends is surprising, of course. The university’s foresight in investing in Ecampus has paid dividends both in terms of headcount enrollment and in preparedness for the unanticipated pandemic. Both our students and faculty had considerable experience learning and teaching via distance, and that likely made OSU’s transition to all-online classes easier than it was for many of our peer institutions.

From a budgetary standpoint, these trends are important things to consider, and it becomes even more complicated when viewed in more detail. Ecampus students who are residents pay more than Corvallis resident students but less than non-resident Corvallis students; international students generally pay more than any of those groups.

Thus, the complexity and fluidity of the enrollment mix makes attempting to answer simple questions like, “What is our enrollment?” difficult, if not impossible, without some context. To give some perspective to the portfolio and to add nuance to the discussion, it is important to

understand not just the high-level trends over time, but also the ways each stream generates the revenue necessary to operate the university.

The [briefing report](#) filed last year for the April 3, 2020 Board of Trustees meeting contains much greater in-depth, long-term analysis of these trends in detail. In addition to pre-pandemic discussions of Ecampus and international patterns, the report contains analysis of resident enrollment in Corvallis, the enrollment of first-generation and low-income students (especially Pell-grant eligible students), and patterns of admission and enrollment of first-time students at Corvallis and Cascades.

While there are some differences in the patterns this year compared to last, most noticeably as shown in the charts above, it would be difficult if not impossible to isolate the effects of COVID-19 in those results. We are similarly unable to sort out the effects of any change in our operations. For instance, it is likely that much of our enrollment was kept afloat by dramatic and large-scale federal aid infusions that were used to keep low-income students enrolled, and by donor funds used for other students who had hardships brought about by COVID-19. It is not prudent to speculate just how much those aid infusions helped, but it is certain that the enrollment outcomes would have been different without them.

We find it equally difficult to measure the effects of COVID-19 on students' price response to our revised methods of allocating institutional aid. It had been our plan to experiment last year with net-pricing approaches for incoming students with the hope of both over-enrolling and over-spending on financial aid while producing positive net revenue for the university. This would have given us some more complete understanding of price response in order to model different optimizing approaches, and it would have offered us the ability to more effectively manage trade-offs as we move forward with net-pricing models intended to optimize enrollments to the desired outcome(s). We had indications these efforts were paying off prior to the complete disruption of COVID-19, and very early returns this year are showing better and more predictable response patterns, although it is still too early to predict what the end result will look like.

It is worth noting, however, that new student enrollment across all segments (freshman, transfer, and graduate) was generally positive in fall 2020 compared to the prior year despite the many challenges brought about by the pandemic.

## THE COMING YEAR

We are cautiously optimistic that fall 2021 will be much closer to typical in terms of student experience, but we are still aware that the pandemic is likely to be with us to some extent for at least the duration of the fall term, if not the entire academic year. We will watch summer enrollment as a harbinger of next fall. If we see increased enrollments, we will consider it a positive signal for fall. This is because:

- Patterns of student credit loads among traditional undergraduates this year have trended slightly lower than in previous years, probably due to some combination of financial issues and a preference for face-to-face instruction.
- If not corrected, this could translate into lower graduation rates, or alternatively, more students taking more time to graduate, which would be sub-optimal for them.
- A strong summer could indicate that students are eager to return to normal and get back on a path to graduating on time.

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Summer registration will open on April 11.

While the fall 2021 term is likely to be the least predictable in modern history, and while national trends are wildly divergent across regions and institutional types, emerging undergraduate application patterns provide some reasons for optimism, while others only increase uncertainty:

- At this writing, freshman applications are up over 35%, shattering OSU's previous performance benchmarks.
- Transfer applications are also strong, but a change in the application deadline makes it difficult to gauge the relative change. We had been trending well ahead of our three-year average up until the previous deadline of February 1, and as we now watch applications build toward a March 15 deadline, trends are positive.
- We joined the Western Undergraduate Exchange (WUE), a program designed to allow residents of sixteen western states and territories to attend OSU at the rate of 1.5 times resident tuition. Response has been overwhelmingly positive, but we are not sure how this will translate into enrollment, and we have received considerable feedback from parents and students disappointed by the competitive nature of the awards.
- Nationwide, larger and well-known land grant and flagship universities appear to be seeing strong demand, while lesser-known regional public campuses are struggling.
- There is likely to be considerable jockeying for position among institutions with respect to announcements about fall that may affect final student decisions and outcomes. In some sense we will be bound by state policy and regulations that may limit early pronouncements that would be in our favor. It is clearly easier and preferable psychologically to accelerate a return to typical, than it would be to revise stated plans about the fall, but it is likely that students will make final decisions that favor more confident institutions.
- The complex and confounding factors of a year of disruption make any certainty about the fall impossible at this point. We currently have almost none of the traditional affinity factors we would use in predicting enrollment. Grades for students over the past two semesters are less meaningful and thus less helpful in assessing preparation for the rigors of college; and it's likely our final plans about a resumption of traditional operations—which is likely a few months off—will have considerable effect on enrollment patterns and outcomes next fall.

## THREATS

Several threats present in our markets existed before COVID-19 and were covered in-depth in last year's report. These continue to evolve and change as the long-term effects of the pandemic reveal themselves:

- The frequently referenced "demographic cliff" will be seen in Oregon in about 2025, but the effects are not as dramatic as the rhetoric would leave one to believe. Between 2025 and 2037, for instance, the number of high school graduates in the state will slowly fall back to levels roughly on par with 2014.
- What is more pressing is demographic change and the mix of students as the State of Oregon becomes more diverse. Populations that are growing tend to be more heavily skewed toward families with lower incomes that are headed by couples without college degrees, both factors that are negatively correlated with a child's propensity to attend college. These families are proportionally more likely to be Black or Hispanic, which will make our diversity efforts in the short-term even more critical to our long-term success.

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- Our tendency to think of undergraduates as recent high school graduates who attend one college and then graduate four years later can cause us to be blind to realities of the marketplace. In fact, only about 20% of all college graduates followed that traditional path, and while it is an important part of the market, it should not be the sole focus for us. Failing to understand, invest in, and develop mechanisms at OSU to accommodate the wide range of paths to a degree can leave us unprepared for changes in the future.
- Increasing price competition among other universities, and especially among institutions that wish to enroll Oregon residents, can drain our market share. This in turn, can cause OSU to shore up enrollment from non-resident students in response; however, recruiting and enrolling from more distant markets increases both acquisition and maintenance costs of student enrollments.
- COVID-19 disruptions have demonstrated to universities and to students that learning can and does take place via remote instruction, even if there were challenges in remote instruction. Faced with the realization that platform-based education is viable for larger numbers of students than previously thought, new competitors may enter the market, or existing competitors may invest more heavily and intentionally to take share from our Ecampus.
- Continuing uncertainty about federal financial aid, and a lack of clarity about the state's financial commitment to public universities, means the net price to students is likely to rise in the future, even as concerns about the economy in general combine with the COVID-19 disruption to make education less affordable.
- Fund-raising challenges may make raising money for scholarships—an essential element of paying for college for many students—more difficult.
- There is a growing concern that the value of a college education is falling.
- Mistrust of universities and even the admissions process in light of *Varsity Blues* and recent books on the admissions process and the price of college makes student and parent response harder to predict.

## OPPORTUNITIES

Opportunities from last year's report (California and adjacent states) remain, and we still have a considerable way to go with respect to our ability to use data and predictive analytics as a more regular part of our operations.

Other opportunities:

- Greater integration of enrollment management into several areas that are vital to the overall health and vitality of the university:
  - A larger view of enrollment in the university strategy going forward is critical to ensuring alignment of functions, staffing, and resources. Given the importance of enrollment to the university's E&G budget, it is critical for colleges and leadership to be aligned with respect to the tradeoffs implicit and explicit in enrollment planning, as every decision to do more or do less has ripple effects through the system. Big, politically important decisions, such as educating more low-income students, or enrolling a more diverse class of students, carry with them hard and soft costs, as well as hard and soft benefits to OSU. It is vital that these tradeoffs be understood and managed as we go forward.
  - The creation and implementation of a more robust enrollment and budget planning tool to help OSU understand effects of current state on future trends, and to help project the viability of future investments in future initiatives. We have

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had early and very preliminary discussions about creating such a tool that would be designed for large-scale use while being adaptable to smaller tasks (for instance, college enrollment and staffing planning, or the most efficient use of classroom and laboratory space). While progress is likely to be slow and the work time-consuming, it is critical to have a function to help us respond to future enrollment trends and challenges.

- Better meshing of overarching university marketing with more specific and focused enrollment marketing, so that the two efforts are as compelling and complementary as possible.
- Greater presence for pre-college programs, as both a service to the state, and a pipeline to enroll students who otherwise might not consider Oregon State, or college at all. This has already raised this as a potential project of significant importance with the Board of Trustees; in addition, the university is considering a new initiative called Pathways to OSU (P2OSU) that would create a backbone to manage and align the dozens of OSU and OSU Extension programs currently focused on this critical area.
- The perennial and nationwide concern about the transfer admissions process is justified, as the process can be cumbersome, inefficient, slow, and often, imprecise. In addition to the fundamental problem of fairness and service to students, current processes at OSU and almost every major university fail to serve our enrollment objectives as well as they could.

We believe there are solutions to this to be purchased or built, and we have established a lofty goal in our attempts to drive the national discussion about the transfer student experience: We want to make the student who is used to shopping on Amazon happy with the experience of transferring to OSU. In other words, the process should be simple, fast, complete, and accurate. Given the likely importance President Biden will place on transfer student issues, we believe it is prudent and smart business to articulate and lead this initiative. Our preliminary discussions with enrollment management colleagues in Texas, Kansas, and Louisiana suggest there is a considerable national appetite for this.

- Along similar lines, we believe there is great potential for a university that establishes tuition and fees structures that are transparent and predictable. OSU's current approach can be confusing, and when coupled with our scholarship process, can cause students to go to great measures to contort their academic program to get the best net price. The combination of traditional resident and non-resident, Degree Partnership Program (DPP), and Ecampus tuition rates, coupled with the complexity of "campus classification" that drives those rates, and the policies about awarding unfunded institutional scholarships should be reviewed with an understandable and easily-communicated policy and approach as the desired outcome.
- Although Ecampus has always enrolled students who live outside the US, our ability to actively and visibly recruit such students has been limited by government regulations and strict oversight in many countries. The International Overseas project was quickly moved into production in response to COVID, and the Phase Two pilot will be launched globally on April 5th this year to begin recruitment to a limited number of academic programs for fall 2021 (undergraduate Business and Computer Science; PostBacc

Computer Science; and MS in Business). We are eager to see response to the program, and to explore expanding it in the near future if demand warrants.

## **UPDATE FROM LAST YEAR'S PROJECTS**

### **Establishing Trust in the EM Division**

While this has been a difficult year to establish working relationships and trust, the levels of cooperation, trust, and joint ventures between DEM, other units, and the colleges appear to be headed in the right direction.

### **Eliminating Standardized Testing as a Requirement for Freshman Admission**

The practice of test-optional admissions became uniform across Oregon on March 25, 2020; no Oregon public university requires a standardized admissions test to be admitted to undergraduate degree-seeking status.

### **Updating Academic Regulations and Processes Updates**

As of fall 2020, OSU offers standalone undergraduate certificates so that students can complete a credential without investing in a full degree program. We expect these credentials to serve as gateways or milestones along the way to a degree for those students who get a taste of college and find they can be successful. But even if they do not, we will be able to point to such programs as one of many ways OSU serves the residents of the state.

### **Departmental Class Scheduling Tool**

This tool—which helps units schedule their classes online (formerly the university used a paper-based system)—was successfully rolled out in February for fall term schedule planning. The implementation is complete and multi-year planning and cross-departmental collaboration is now much easier, which should improve continuity in class scheduling and help students graduate on time.

### **Student Registration**

Significant improvements in the student registration experience occurred with the second phase of PATH registration which tied student registrations with degree plans, to remind students to take classes necessary to keep them on track, while keeping them from taking classes they have already taken. The next phase is in progress, requiring all juniors and seniors to have a degree plan in the system so that they only register for courses on their advisor-approved plan.

### **Institutional Awarding of Degrees**

The Office of the Registrar began a pilot program to automatically award degrees earned to students who had completed all requirements but who had not applied for the degree to be awarded. Some progress has been made, but the project is not yet complete.

## **Analytics and Reporting Capabilities**

The Office of Institutional Analytics and Reporting (IAR) has developed several data sources for DEM to use in monitoring student registration, as an important early view into each term's likely enrollment. We now also have daily interactive undergraduate admissions reports that have replaced the weekly reports emailed to staff members on campus.

## **Fine Tuning Financial Aid and Scholarship Philosophy and Strategy**

Work with our new financial aid analysis partner is proceeding, and early results from last year's revised strategy seemed to be working well prior to the pandemic, when freshman and transfer deposits were up as much as 35% over the prior year. Again, it is impossible to tell whether those trends would have continued all the way through the fall without COVID-19.

We are now operating with a net-revenue and average-net-revenue mindset which can create considerable growth opportunities for OSU, as opposed to the relatively fixed financial aid budget model DEM was operating under in previous years.

We continue to work to optimize funds from OSU Foundation funded scholarships, and we hope to align budget allocations and expenses in order to make better use of the funds while better serving students.

Our new scholarship database has been installed and is functional, and student usage statistics are very encouraging. In addition to increases in the number of scholarship applications students have submitted, the new system has allowed them to apply to over 32,000 external scholarships.

## **International Direct Admit**

Last year the university implemented the International Direct admissions model for international students, which eliminates a distinction in information, marketing and support between students who come to OSU through a "pathways program" within INTO OSU and those who enter "directly" as first year students. The 2019/20 academic year was significantly impacted by the COVID-19 situation and has affected our ability to assess the true enrollment impact of International Direct. One common trend we saw in 2019/20 and now for fall 2021 is a significant decline in applications, offers and enrollments from China. However, we are seeing significant growth in International Direct applications and offers for fall 2021 in all other recruitment regions, except for China, which demonstrates that the introduction of International Direct likely will be a pivotal factor in any international enrollment recovery for fall 2021.

## **SUMMARY**

As Oregon's land grant university, and with a mission including "promot(ing) economic, social, cultural, and environmental progress for the people of Oregon, the nation, and the world" and "contribut(ing) to society's intellectual, cultural, spiritual, and economic progress and well-being," we at Oregon State must ask ourselves how we best effect these outcomes.

The university is complex, and educating students is an important part of its service and mission to the state. Defining where and how we educate is as important as deciding whom we educate

as a part of that mission. Various constraints make it impossible for us to do everything we would like to do, so we are compelled to ask, “What should we do, and what can we do?”

Sound enrollment management is a critical part of achieving the goals and objectives Oregon State University sets for itself. The Division of Enrollment Management and its many partners across the university are working closely together to ensure OSU’s enrollment management effort is effective, and we look forward to resuming progress that has been disrupted by the effects of the pandemic.