Speaker 1 (00:00:05):

Good morning or good afternoon, depending on where you are. And joining us today, my name's Matt Osborne. I'm thrilled to have you joining us today for this webinar that we're providing. You've signed up because you believe there's value from this. And I got to tell you, you are going to get value from the data and information we're going to share with you today, and primarily you're going to receive value because of my two cohosts. And so I would love to give them an opportunity to introduce themselves and then we'll get rolling. I will say it's always a question. Yes. We will send you a copy of this deck, so if you're the type of person that loves to take notes, go ahead and take notes, but we're going to send this to you, so you're going to have that. But please, Raquel, will you kick us off with your introduction? Then we'll move on to Jonathan and I'll wrap up on that area. Thank you.

Speaker 2 (00:00:57):

Thank you, Matt. My name is Raquel Bermejo, the Associate Vice President for market research for RNL on the undergraduate side. So anything that has to do with high school students and their families, it's part of what I do. And one of the favorite things I do in my job is work with partners and sponsors like Ardeo for this project. So thank you very much for having me here. I think Jonathan, you go next.

Speaker 3 (00:01:36):

Yeah, I'll go. So hello everyone. Jonathan Shores, executive Vice President for enrollment and Chief Enrollment Officer at University of the Cumberlands. I'll talk a little bit about Cumberland’s a little bit later, but we are an institution located in the state of Kentucky about an hour north of Knoxville, Tennessee. So we're kind of right across the border here in Kentucky, and excited to share some of this research that Raquel has compiled for us and then share Cumberland's story and what we've done to catapult our growth and maintain that over the last few years. Thanks, Matt.

Speaker 1 (00:02:14):

Thank you, Jonathan. My name's Matt Osborne. I'm the senior vice president here at our Ardeo Education Solutions. We co-sponsored the research that Raquel's going to be sharing with you today, and it's an ongoing project. I forget how many years we've been doing this, Raquel, but we really gain value from this every year. Our partners gain value from it and we're so glad that you're able to take part in this information today. I will also suggest that there is a question feature, and so we will be taking questions at the end, but if you'll just use that box in the upper right hand corner of your screen with the question mark in it to submit those, that'd be really helpful. And we will now move into the main body of the presentation. And Raquel, I believe you're kicking us off today.

Speaker 2 (00:03:02):

Yeah, I am. We're going to be first understanding what finance and fears are and how they affect families. We'll move on to talking actually about the research part of the webinar and we're going to finalize by having Jonathan talk to us about their success and how they have managed to communicate the right message about financing fears to families at the University of the Cumberlands. I'm going to start by telling you a little bit about where most of the data in this presentation comes from. As Matt mentioned, we've been doing this research now for three years together is a collaboration between three organizations, RNL campus, ESP, and Ardeo. And through 83 different institutions, we contacted a lot of families. We got 1,309 completed responses, and you can see the demographics of the families that responded to this study, to this survey in the blue boxes there, you can see that ethnicity wise, 64%

of the families were white and 19 Hispanic, 13 black, 10 Asian, you can see the other Middle Eastern multiracial and American Indian.

Speaker 2 (00:04:50):

I have a little last risk, meaning I'm not confident that I can report any information for those populations because their percentages were not representative. The region of residence, that's where the families said they lived and you have that at the bottom left corner on the right you have the family income. We ask the adults responding to this survey, and I say the adults because in a lot of cases these are not parents, they're grandparents and other adults supporting prospective college students, high school kids, you can see their incomes there. Sort of like going from the middle, you see that 22% of these families had between a hundred and $149,000. And then moving to the sites you see going all the way to less than $30,000 and $250,000 or more of income. The high school year, that means the high school year of their student. Most of the times we do have most of the responses coming from parents or families of 12th graders.

Speaker 2 (00:06:04):

Those seem to be, for the most part, the contact information that colleges seem are more likely to have. So it's not surprising that we see 81% of these families having 12th graders keep that in mind as we go through the data. The data is heavily weighted towards 12th grade unless we split it by grade. And in that case you would see specifically the data for each grade and you can see that only 3% of the respondents had students in ninth grade because it's pretty early, right? Not a lot of institutions are capturing family information at that point. And as far as first generation status, you have that in the bottom. 34% of these families had no college education themselves and that could include also a two year institution. The question was asked, do you have any college experience? Two year or four year on the right? I have highlighted for you in green the demographics for the participating institutions.

Speaker 2 (00:07:20):

You see half of the responses, half of those 11,000 responses came from families that were contacted by public institutions, 35 privates and two year represented 15%. But understand that these are not enrolled students, these are prospective students. So it's important to understand that the same family in 12th grade or an 11th grade could actually be in a couple of different institutions. However, they didn't respond to the survey more than once. But also take that with consideration when you're looking at this data. And finally, the institution undergraduate sites that under the right you can have an idea of what type of institutions were part of this study. If you would like to participate in this study, if your institution wants to participate is free, you don't have to be a client of RNL or Ardeo or campus ESP. And if you get 125 responses, I send you a report with your responses. So it's free information that you're going to get at the end of the day. And Jonathan can speak to these because he's participated. The Cumberland has participated for as long as the study has been running. And the information you get Jonathan, right is pretty valuable.

Speaker 3 (00:08:44):

Invaluable. We use it quite a bit and even use it in how we specifically target prospective students and their families.

Speaker 2 (00:08:54):

So thank you very much. So there is a QR code there. You can scan it or you can email me and I can send you the information. There is very little you have to do. Literally I'm going to do all the work. So I encourage everyone to participate and we're going to start by understanding finance in fears and Matt is going to take us to this section.

Speaker 4 (00:09:17):

Thank you. So folks here at our Ardeo, we have a focus on addressing the fear of loans. So it's not surprising that we would curate stories and information about loans. And basically this is new stories over the course of the year. And one of the issues that we have to deal with is fear of loans in our work in enrollment. I was an enrollment vice president for 22 years. I was the first client here because I thought loans were having a negative impact. Well, part of it's the perception and the top news stories over the course of the year when they pick out an anecdotal story to tell the average loan debt of that student that they share that graduate is $93,000. What the 93,000 Yet the average student loan debt at graduation according to college boards told me 8,000. So we've already got a disconnect there that we're dealing with that's going to come into play in this data.

Speaker 4 (00:10:16):

You add to that the pew research that's asking the question, is college worth it? And when you have 47% of adults say that college is worth that. Only if I don't have to take out loans. Well, I don't know about you, but majority of my class always did have to take out loans. So this is an issue. 22% of adults saying the cost of college is worth it. Even if someone has to take out loans, well, 22%, that's, let's see you make your class with 22% of the market, probably not. You probably need to have more people that are in a position to work with you in that regard. And then only one in four adults say it's extremely or very important to have a four year college degree. So all these things are working against our efforts and one of the reasons why this focus on financing is so important for us.

Speaker 4 (00:11:12):

So to my point of the fear of loans and the impact on our ability to enroll students, this is research pre pandemic research inside higher. Ed hasn't asked a question since then, but it was going up every year. 81% of folks probably represented on this call that are working to enroll students said loans were having a negative impact and then add to the concept of students that weren't enrolling in a private institution. So I do want to make that caveat, not enroll at a private institution or ask, would you have enrolled if you had received more aid? And if they said yes, how much more aid? Well, 98% of them said, I need $4,000 more annually to be able to have said yes to that institution. And the reality is that is not sustainable situation. Even if we wanted to do that, the CFOs at our institution are going to say, whoa, whoa, whoa. We just can't go there. So that's not an option. So I think I'm pitching this back to you at this point, you or Jonathan?

Speaker 2 (00:12:25):

Yes. This is data from the last three years that we've been working together and it looks at the question, do families think college is a worthwhile investment in their students' future? And you can see that the percentage of families that have answered yes in the last three years has actually decreased from 83% in 2022 to 76% in 2024. So sort of a compounded problem when you add these to some of the other fears that Matt was mentioning.

Speaker 3 (00:13:12):

So the cost of college is going up and people are scared about the cost of it. Wow, that's shocking, huh?

Speaker 2 (00:13:21):

Yeah. Looking at the data just for this year, so remember the total for this year, were 76 looking at the data for this year by grade. Remember that our study, we were very honest about it, it was like 82% of the families had a students in 12th grade. So I wanted to split that by grade. And here you have the numbers, the percentages of families that answered that college was worthwhile investment actually increased from 48% to 79%. So interesting that that perception actually seems to be increasing and more families are actually as they're student that's closer to graduation are thinking definitely college is a worthwhile investment end.

Speaker 3 (00:14:30):

But then you overlay that with the borrowing fears and you're asking families the question of do they have the fear of borrowing? And almost seven out of 10 are indicating that in some way they're concerned, especially just like you mentioned on the other graph, Raquel, as they get even closer to the reality of college there at 12th grade, seven out of 10 again and just in 12th grade are saying that they're concerned. And as we move down there towards the bottom and looking at it comparative to family income, even the affluent families are also concerned about the cost. I mean almost 50%. And it kind of begs the question, at least in my eyes, is this part of a bigger issue that we have as a college community as a whole of this perceived cost versus the actual cost and what that looks like. So on the next slide there, as you look at, we know they have the fears, 71 or 70% are saying that the families agree that they have the fears.

Speaker 3 (00:15:34):

Now how does it affect their college planning and are they looking at different colleges? Are they self-selecting out of certain colleges because they don't believe they can afford it? And we know that there's a lot of factors that affect that fear of borrowing. And I've quite often asked myself, whether you're first gen or not, is it reality? And yeah, I think it is. I don't think it really matters what demographic you break down. And in looking at these numbers, no matter which one you look at, at least half of them are concerned whether they're first gen, whether they're continuing ed and families have that concern. It is interesting that the families who have been to college before, less of them have a fear. And perhaps that's because families have learned how to navigate the cost, but you would think it would be a lot different than just 5%.

Speaker 3 (00:16:35):

That deviation there is not that great for folks who've already navigated that experience. But you can even see at the bottom there that if you're looking at families that don't self-identify as white, it still has a pretty big impact on fears for these families. And that's something that I mentioned earlier that we have utilized this research and crafting different talking points with families based upon what we know fears are likely to be. It doesn't necessarily mean it's always their fear, but what that fear may likely be. And then as we look at family's preferences and their perceptions of how they want to be communicated with, I'll be quite honest, this is some of the most robust data for me and Matt, Raquel and I have had the opportunity to present this. They've heard me share this on a number of occasions. But as you look at the outlay here of what families want to know, so you're looking at roughly 12 things, over half of those, over half of those have to do in some way with money, whether it's cost, whether it's financial aid, whether it's what type of job will I get, how much money will I make after I graduate.

Speaker 3 (00:17:51):

But as you look at these kind of rank order here, cost intuition are number one, and then we're kind of going down based on academic calendar, financial aid, scholarships, account services. So three of the top four, three of the top four, let that sink in. People three of the top four are financial related. And then as we switch to the next slide that looks at what information families can't actually find, well guess what's up there, some financial stuff. So families are concerned about it, they want to know about it and yet they can't find this information. So we use this data and as Raquel mentioned, we had enough people respond at University of Cumberlands on the survey where we were actually able to get specific data for us. So we were able to see pinpoint what families said they couldn't find and perhaps we're too close to the website because we know exactly where it's at.

Speaker 3 (00:18:46):

But we ended up utilizing some focus groups and bringing in families who were navigating this for the first time and really tried to see how they navigated the website. And it really uncovered a lot of truth for us that we were not doing as good of a job. We thought we were, but of course we did because we put it together. So we thought we were doing a great job. So it's something that I would encourage you all to look at whether or not you think you're doing a great job or not utilize the survey or even worst case, just utilize some focus groups on campus, get some families and provide them a free meal or who knows, whatever you can provide them to be able to navigate this and truly understand what's going on for these families and what they can and cannot find in their research of your institution.

Speaker 2 (00:19:37):

Thank you very much Jonathan. And what's interesting about the information you were presenting was the differences. So going back to this slide, these were the top topics that families wanted to know about and these were out of 20 topics. And when I look at the demographic differences for this information, I can't find them on these slide. So it doesn't matter what the family income is, they all want to know the information about cost and tuition at the same rate. It doesn't matter where the first generation of the families is, they still want to know at the same rate. The academics programs major minor certificates, it doesn't matter the ethnicity, all of the families want to know financial aid and scholarships information at the same rate and the same with account services and payment plans. It seems to me that the need for information for their students, for their children, equalizes families, they all want to know the same things.

Speaker 2 (00:20:55):

It doesn't matter their income or their education. But the differences come are on this slide. And I'm going to show you just a couple of examples. These are just four topics and what I'm showing you here is the information families can't find by family income. So the higher the number, that means the more families cannot find that topic. So let's look at cost and tuition. So these are the percentages for families that cannot find information about cost and tuition by income. So going all the way from the highest income, which would be the blue. And actually you can see that I missed the percentage there going to the lowest income which was less than $30,000. You see how the numbers increase. So the lower the income, the more likely the family is not going to be able to find and or understand the information of our cost tuition.

Speaker 2 (00:22:07):

Second example is financial aid and scholarships. It's for the most part the same. The lower the income, the more likely the family is not going to find knowing where to find and knowing how to understand this information. The same for account services and payment plans, the same for the financial aid scholarship calculators. So we can agree that these topics which were on the list of the information that all the families wanted to know, it just happens that lower income families are more likely not to be able to know where to find them. Matt, Jonathan, and I know you all have this information on your website, but is it, where is it and how is it explained and displayed that these families are having trouble finding it? I'm going to give you one more example and that is the same four information topics by first generation status. And I'm just going to pause for a second and give you time to understand it because this slide is pretty telling. So remember, higher number means more families cannot find that information. So it's easy to understand. First generation families are more likely to not be able to find information about cost and tuition, financial aid and scholarships, account services, and the financial aid scholarship calculator.

Speaker 2 (00:23:53):

It's interesting because if we were going to look at these topics by first generation, we would find very little difference or no difference at all.

Speaker 2 (00:24:06):

We are going to switch now and talk a little bit about channels to receive communication from institution. We ask families to tell us what do preferred channels where and what channels where institutions using and remember the beauty of this is that these families have been receiving information from many colleges for the last two or three years or four years. So they have a lot of experience in receiving information from a lot of schools. And then we're asking them what are their preferred channels and they were able to choose their top two and you can see the differences there. So everyone is receiving email and about 85% of them said that was their top channel. Look at text message. It's actually the opposite. A higher percentage of families told us that they wanted to receive a text message than the ones that were actually currently receiving them For the parent portal. For the family portal, it was higher on the current side than on the preferred side. And to be honest, having done this study now for three, four years, I think as far as the portal goes, we're not seeing a higher or equal to current preference number there just because of lack of access or even lack of understanding what a portal is. So just keep that in mind. Telephone, it looks a little higher on the current than preferred look at direct mail.

Speaker 2 (00:26:08):

That was very, very interesting. So almost twice almost

Speaker 2 (00:26:16):

Overwhelming difference. And then apps to specific institutions, we always see various small percentages on both of them. I do want to show you one thing here and is the difference in the channel preference by first generation status. Look at how interesting this is and I apologize because the channel's now organized in different ways, so I'm going to take you the way we have them here. So there is not a lot of difference in the preference for direct mail based on first gen status. There is a little bit of a difference, 10% to be exact between first generation and continued generation for email. So first gen families seem to be a little less likely than continuing generation families to prefer email. It is still almost eight out of 10. So it is still I would say one of the top two channels for these families. For the parent portal.

Speaker 2 (00:27:14):

There is quite a difference on preference, and this is where I want you to remember that first generation families may be, and I say maybe, but I'm pretty sure that that's the reason likely to choose the parent portal as their preferred channel because they may not have access or knowledge of what it can do for them. The telephone is actually flip flopped. First generation families are more likely to choose the telephone and look at the text message. This was one of the sort of big relations for me this year that first generation families actually were much more likely than continued generation families to choose text messages message. So Jonathan, I think you're going to take us through what you can do with this information.

Speaker 3 (00:28:05):

And I think it's worth kind of foot stomping what Raquel just presented there too. I think about it when I came back to working on a campus, I felt, oh well print is dead, right? Who's doing print? It's so costly, why are you doing it? And yet it's regardless of where you're at, one of the top three ways that families want to be communicated with. So as a father of a student who is a senior right now and going through the college search process, I will tell you that at least I have an N of one here soon to be an N of two. You can capture her attention from the time she pulls it out of the mailbox to the time she walks to the trash can. But I have seen her in that direct mail, go back in, throw it in the trash and then get on her phone and start searching the college.

Speaker 3 (00:29:01):

So I don't know how much of an impact that direct mail has, but I think it's very interesting that families are still listing that between email, text message, as Raquel said, and then the direct mail. I've often thought, shoot, we're probably over emailing and I don't know that we are necessarily over emailing based on the data that we're getting back. So what we have done and kind of flowing into this next slide here is we have broken out based on, I'm sorry, Raquel, the one you were on down those 12 to 20 things that Raquel mentioned that families are looking for. And we made very conscientious decisions to break down each one of those emails based on what they're actually looking for. So one on cost and then a couple variants of cost because there's so many of them. What can families do? Some specific printed pieces for those families and things to put on the parent portal for what outcomes can be worked into whatever their student is, what they're wanting to study.

Speaker 3 (00:30:19):

And we know that families can't find that data it indicated in our survey results, but so if we try to make the website as user-friendly as we can, but now we can make our communications to these families, we can pinpoint these things that maybe they're having a problem understanding or realizing. And I think you're hopefully more critical on yourself than you are on anything else and anybody else. But hopefully it boils down to at least it did for us that our communication was okay, but we had a long way to go. We thought we were tapping them too much. Really they want to hear from us weekly is what our survey results indicated. And as Raquel mentioned, they want email demographics be darned. They don't care, they just want an email because if it's an overwhelming week for them, they just delete the email and they move on to the next one and that's fine, but we're still emailing them very, very frequently to make sure we're staying in contact with them.

Speaker 3 (00:31:20):

So as we look at families and their perceptions of financing college, we know that families are facing a lot of difficulties, particularly as it relates to financing. So as you look at this, this is just what percent of families are going to face some form of financial difficulty. 87% I'm from the south, if you couldn't tell, so I'm using the y'all. 87% of families think that it's going to be difficult to pay for college, 87%. First of all, I want to find the 13% that say it's not, I want to get all them here. That would be easy, but that's pretty hard to find. So if you're looking at what do you do from your communications, what do you do in training your admissions counselors to be able to talk about things that are going to resonate with families? Well guess what? 87% of them, the overwhelming majority are concerned about cost, they're concerned about debt and they have fear of it so much so that they don't even know how they're going to afford it.

Speaker 3 (00:32:26):

So you've got to figure out ways to, whether it's partnering with folks or whatever you can do to make sure that you're overcoming those fears. Then next is you look this kind of what percent are ruling out institutions based on sticker price alone. And this is something that in my 27 years of working in higher ed, it's kind of the nut, if we could crack this, this would be amazing, right? How many students do we have that don't even consider us, that we don't ever even know about? They never enter our inquiry queue because they go to our website, they look at costs and they're like, yep, mom, dad says can't afford that, and they move on. Well that number 67% and you can see from last year it's held pretty consistent. So what are we doing with those families? How are we having conversations?

Speaker 3 (00:33:21):

And I'll talk a little bit later about what we did at Cumberland’s to really address this, but 83% of families are thinking and believe that financial aid and scholarships are the top factor, not only to attend the institution but to stay at the institution. So we can look at IPEDS data and we can look at those who may get that student for the first year or two because you've got a really healthy scholarship program for year one, but what happens year two, year three? So really 83% are saying if it's not the top factor, it's one of their top five factors that they are actually considering when looking at an institution.

Speaker 4 (00:34:09):

So with that stage set and as a co-sponsor this research, we have some questions about loan repayment assistance program, which is what we do here at Ardeo. We want to share the results of those questions with you at this point. So the concept of offering an LRAP, so all of our partners get to decide who they want to make an offer of LRAP too, but this question is just a generic opportunity for a family to consider. I get to hear what a loan repayment assistance program is. It's a promise that the student comes, they graduate, they make less than 50, $55,000, they're going to help repaying student loans from the federal government private alternative loans or parent plus loans. And that was revealed to these families. This is the way they responded. This could impact where my students were enrolled. So Jonathan was just talking about we've got to find tools to address these financing fears and being able to afford to attend.

Speaker 4 (00:35:11):

Well, 55% of the families that responded said that an LRAP could make a difference for where their son or daughter would enroll. You see there is differences here between first gen status and continuing generation status that probably is somewhat reflected. I would look to Raquel to support this, but when you look at the socioeconomic status data and how that falls, we know from research that getting a college degree has a tendency to influence your income. And so it's probably not surprising that continuing generation families may not be quite as concerned about financing and they also have to make more money. So those two separating out as they are there, not all that surprised me. Then you look at it by whether they were in the pool for a public institution or a private institution or a two year institution. And again, not all that much difference between whether they were in a prospective student pool for publics or privates. There is quite an uptick at working with community colleges and a community college pool. But think about it, I went to a community college for my first year, why did I go there? Well, I went there because of certain factors, certain factors that might be more financing related. And so again, probably not surprising that being offered an LAF some way to address loan fears would have a higher impact on somebody in the pool for a two year institution. Let's move on to the next slide.

Speaker 4 (00:36:51):

So the actual perceptions of the program, then I would, this family is now saying they get a chance to opt to indicate an interest in I would be interested in receiving such a program as part of my student's financial aid package. So first of all, pairing this question to receiving the financial aid package makes some sense, right? I mean we're talking about at the same time that they're learning about their scholarships, their grants, they're also finding out about loans and what level that's going to have in terms of the total package and is there a gap in that financial aid award and how am I going to cover that? So again, 66% of the families respondents said yes, that would be something I would like to have. I'd like to have that on the table at the time that I'm receiving this financial aid award to make a determination about this.

Speaker 4 (00:37:45):

Now, interesting enough, first generation families, 12% higher than continuing generation. So a higher response rate and responsiveness to all that for first generation families on this particular issue here again, we start to see a little more separation from private public, still not that great two year quite a bit higher again. So those sort of follow suit at the last slide. And again, when we get down to socioeconomic status, I think Jonathan, you had a slide similar distribution earlier. One of the things that stands out to me is families with $250,000 or more of income, almost 50% of those as well are saying I would like that. And you think about it, I don't know about your yield and how it differentiates across socioeconomic statuses, but families from incomes where the government says you should be able to pay it all and where they've got a quality student but maybe not getting your top academic merit scholarship or athletic scholarship. They're faced with the fact we are going to have to borrow, you're going to have to file a private alternative or plus loans to make this happen. And since an LOFA loan payment assistance program from RJO covers that, it's not surprising to me that there is some fall off as we go up in income, but it is rationale. And the reason for why it doesn't fall off more dramatically is those families are oftentimes put in a position where they're going to have to borrow, make it possible for 10.

Speaker 4 (00:39:23):

So all our things being equal, we do favor. I call this the tipping point question, right? So think about who your top competitor is. Jonathan, maybe I should ask you who your top competitor is. But anyway, all of us had, we get the national clearinghouse data and we'd see who our top competitors were and families in their perception, they're comparing you to these other institutions that are making the decision at some point on various different criteria, this tipping point impact that LRPAP can have, that 63% of them said all of things being equal. If one of those schools is offering the LRAP and the other isn't, that can be the thing that we tip be in favor of having their son or daughter attend. There again, a little bit more dramatic this time. First generation, even higher than continuing education now we're up to 11%. So we double digit difference on private still relatively close to public. So we are working with public institutions now because they are recognizing the fact that loans are a problem for their students to decide to attend. And then the two year institutions will hire again and here look at this families down in the Pell level, 82%.

Speaker 4 ([00:40:44](#)):

So if you are looking to increase access as an institution and loans are a concern and they are an LRAP can absolutely be a tool for helping you expand the breadth and the profile of the students and families that are able to attend the institution. So I've talked about it. Wrap, what exactly is it? So let's talk about that low repayment assistance program. We're not creative, it's an acronym, right? So it's not a large, let's go to the next slide.

Speaker 4 ([00:41:20](#)):

So we really are an enrollment tool. I know the word loans in there and so some people think, oh, you are a loan provider or something else. No, we include loan because our primary function is to address year of loans. You see this promise there. This student's income after graduation is modest. We use the word modest here because based on where you are in the country could be as low as 45,000, could be as high as 55,000 depending on your programs of study, those types of things. And then again, in writing, because you're going to ask for a copy of this deck, right? Come on, you're going to ask for a copy of this deck. You wanted to include the types of loans that we covered here.

Speaker 4 ([00:42:05](#)):

So the way in which we work with colleges, we're typically working with the admissions and financial aid offices. You're the offices that are working directly with families, trying to provide them a realistic pathway, financial pathway to be able to say yes to your institution. That's what we're about. So those are the two offices we typically work with. We are utilized broadly by institutions working to see more first year students come in. We can also work with you on transfers and students and or retention of current students. You can see there, there is a caveat statement. They have to have basically two years remaining before they graduate. We are an active partner. Our business model is such that you don't pay us anything to work with us. You only pay us if a student enrolls and borrows and you can decide how many offers you're going to make.

Speaker 4 ([00:42:59](#)):

So it's a unique business model. It's one of the reasons I was willing to be the first client back in 2008. But our business model is predicated on successfully assisting you in deploying an LRAP and seeing the results. So we come to campus, we provide training, ongoing support, and then we also carry a bulk of the marketing responsibility. So we have a call team here in Illinois where I am today. I'm at headquarters even though I worked out my home in Michigan. We also do mailings. We have emails that go out and email cadence because LRAPs are still not a household concept. So we have to educate families in suite that look, this is, I said families because quite frankly parents are a primary audience. So this research today is feedback from parents and that's really who we are seeking and address their peers.

Speaker 4 (00:43:56):

So how does this actually work for the student? First of all, you need to know that all of our educational information that goes to the student parents is to get them to go to a landing page where they can really educate themselves at graduation. We're going to tell them what they need to do to actually receive the assistance from us. The students graduate and they must graduate from your institution. So there's a soft retention benefit to working with us. Having graduated, the student must work at least 30 hours a week. Does not have to be in the career field that they thought they were going to pursue. I mean, how many of us thought after I graduate I'm going to go work in enrollment. My undergraduate degree is secondary at science, right? So although my student teacher, I've never taught a science class in their life, so we don't want put handcuffs on them.

Speaker 4 (00:44:47):

We want them to have the freedom to pursue a career can be multiple part-time positions, but they must work. Guess what? Parents are okay with that. They'd love to see them graduate, they'd love to see 'em work. And if they're making less than that upper income threshold of 45, 50, 50 $5,000 and are making their loan payments, we will then come in and help them in making those loan payments. And the way we do that is we actually cut checks directly to the graduate and or their parents. So we cover plus loans. So the parents making a plus loan payment, we're going to help them. That decision and helping the parent and making a plus loan payment is not based on the parent's income at all. You're only going to look at your son or daughter who's graduating. We're only going to limit their income. None of that reimbursement is rated.

Speaker 4 (00:45:35):

So if they're making $25,000 or less, then a hundred percent of their loan payments are going to be reimbursed. And then as their income goes up, the percentage of the loan payments we're going to reimburse goes down. It's an inverse relationship. So the idea of this proportion is they are getting further along in their career and making more money or in essence weaning them off our assistance so that on the day where they hit that 45,000 and then go on, they're not in a position where all of a sudden it's dropping off the cliff in terms of our support and we are going to continue to provide them until either their loans are entirely repaid or until they earn more than that income limit for 12 consecutive months. So think of it this way, your ability to repay your loans is not based on how long you've been out of college.

Speaker 4 (00:46:28):

It's based on your income. So if you're doing something you love, we want you to be able to continue to do that. We won't want to say, Hey, listen, within three years of graduating, you must be above 45,000 and push them in a position where they've got to take a different job. You want them to be able to stay there, develop their career and their desired career. So that's the concept, the freedom that an LRAP provides to attend, to pursue the career study that you want and then after graduating to actually get out there and work in a job you love.

Speaker 4 (00:47:03):

Next slide. So what do you do with this information that we've shared in this section? First of all, it's pretty clear from the financing college, and we see this as a difficulty and to the point where whether it's sticker price or the financing, they are ruling you out. I mean, this year especially, we saw families just opt out entirely, right? Because they weren't able to answer the question. So our response, your response, our encouragement for you to respond is to really think about overeducated. Jonathan already shared a little bit, but really throughout the funnel and across all ages, you need to be thinking about the different messaging medium because even the families that said, we want email in the 80%, there's still 20% that didn't say that. Do you want to lose out on 20%? No. So we've got to layer our messaging and we have to work to shift this perception, the wrong perception of how much loans are a problem, the wrong perception, that there isn't a feasible financial way for this to work.

Speaker 4 (00:48:08):

And we want to use both logic, rational information. We want to use stories, we want to tug at people's hearts as well. Second, finding is not surprising that scholarships in e based aid are critical for additional enrollment and retention. So our suggestion, our response would be timing is just important for returning students. I know many, many schools this last year that because of the work in the financial aid office, returning students got delayed information. And some people are in a situation where that happens often, and I think some are retention issues because we've left information outlets, the people, the families are in a vacuum and they need the vacuum filled. So whatever we can do along the way to provide information is important. Then obviously, I'm just going to say this last L reps can impact this. L reps are impacting this for our partners, and we would love to have the opportunity to be the tipping point for you as your families are making considerations for this coming fall. And I will also say we have this new opportunity called student loan insurance. So whether it's an l, a loan repayment assistance program or student loan insurance, I would encourage you to follow up with me after this webinar to see how we can come alongside you in this current recruitment cycle and make fall 25 a different ending for you, a better ending.

Speaker 4 (00:49:32):

So Jonathan, I think you're going to take us away.

Speaker 3 (00:49:37):

I will, yeah. Thanks Matt. I know we've got about 10 minutes left and we want to leave just a couple minutes for questions as well, but I wanted to share kind of what we have done with this data and at the University of the Cumberland’s. And so in the interest of time, I'll kind of breeze through this, but if any of you want to reach out and ask any clarifying questions, happy to do that as well. But we knew that the actual cost of college for us wasn't out of control after scholarships, after the discounting game, we knew that it was manageable for most students. What we did know though is because of our mission to serve folks in rural Appalachia, that that sticker price was scaring a lot of folks away. So we did a deep dive, a really deep analysis of looking at both our mission and the community in which we serve, and we decided we don't want to do a reset model.

Speaker 3 (00:50:31):

We want to focus on not a reset to go back in a couple years, but really a long-term vision of making the true cost of college transparent. And we knew that we were going to catch some flack from other institutions calling it a reset. We still do by the way, and that people would say, oh, it's all smoke and mirrors. But really what we tried to do is remove the smoke and mirrors, and we kind of went through multiple phases of this, and phase one for us was really kind of what we call the Cumberland’s commitment. Raquel, if you'll move to that next slide, that Cumberland's commitment was we were going to reduce, we don't call it a reset, it's a true reduction of 57%. This was phase one about five years ago. So our goal was to reduce tuition by 57%, make it so that it was less than 10 grand a year, $9,875.

Speaker 3 ([00:51:27]()):

And so what did that do? Biggest class in college history expected, right? We should have gotten that right, and we did. So then the key was how do we make that go, which is phase two. So we said, all right, now it's not just going to be tuition, it's going to be all costs, tuition, room board, books, fees, everything is $9,875 a year. So it's kind of an all-encompassing, so really making it transparent because there is no additional fees here. Literally everything is included. Then it was, okay, let's expand this to our online program. So our online undergraduate programs are two 20 a credit hour, and that's all fees included. So what did that do? Another record class, right? All of these also helps spur on our graduate programs, which our graduate programs are by far our biggest programs. I'm knocking on wood once we hit drop add point, we should be at around 22,000 students this year.

Speaker 3 ([00:52:29]()):

If you go back to where we were at just five years ago, we were at around 10,000 students. So we've had this cataclysmic growth, not just on our main campus, but in really all of our programs. So then we roll into phase three. We started getting some exposure, we started getting some word of mouth. Things were going really well. We decided to do a capital campaign. We quietly raised $25 million during that capital campaign. And now our promise to students is that they will not pay more than $2,000 per semester out of pocket. And that's tuition, room board, books, fees, everything. So four grand a year that, by the way, and Matt will tell you and Raquel, because they've heard me vent about this is quiet, it's not on our website. It is just when a student applies and they go through the process of thinking it's going to be $9,800 a year, they then are told, oh no, it's only going to be 2000 semesters.

Speaker 3 ([00:53:26]()):

So we've done that because we are capped out on space. Our dorms are full. We have no intent of building anything. And so life is really good. And as I mentioned before, it is interesting, as I was running these numbers just a few months ago, we reduced tuition by 57% and we've had 57% growth since we reduced tuition by 57%. I don't know if that's serendipitous or what, but it's amazing. So I'll take it. And then as I mentioned this year, once dropout hits, we should hit, we should hit 22,000. The one thing I do want to point out though is that in spite of this growth, in spite of even this year reducing these costs, guess what? Families are still concerned about how the heck they're going to pay for it. Even though somebody could legitimately get a part-time, job and pay to come to school here for the year, and that includes their meals and room and board, we still have families that are concerned about cost and fear.

Speaker 3 ([00:54:26]()):

And so to me, it's one of the beauties of utilizing LRAP is that you can change how you are using it. You can change your strategy. You're not locked in every year from using it one way to the next. And as Matt mentioned, it really is an enrollment tool. Even our folks, once the word loans and everything are in there, a lot of times I've even seen where other institutions will push it off financial aid and they do a fine job, but it is an enrollment tool because you're talking to these families upfront, your admissions team is, and so to me that beauty of being able to ebb and flow of if we need it for one student this year or other years, we've used it for 70 to a hundred students and we can change and adapt as to really whatever our needs are.

Speaker 3 ([00:55:14]()):

And it does become, as Matt mentioned, kind of an extension of your team, their team there, team mentioned, does all that calling and outreach for you. So really it's just we provide them the names within the guidelines of ferpa. And then kind of like Raquel said with the survey, she does it all L wraps kind of the same way. So that's why these are two of my favorite people in the world because I just give them something and they do it. So it's a great relationship. So I think kind of final takeaways here, Matt, and feel free to pounce on here if you want to add anything. Pricing and the financial aid policies are really what can set you up for success, but it's really about how you communicate with those start early, start often utilize multiple channels, not just one. And again, as a student of a senior, communicate with the parents too. They're helping out in this process. I think mom and dad are still number one and two in terms of most influential people for their son or daughter to choose a school. So do it in person, do it on demand. However you can get in touch with these families. Do it.

Speaker 4 (00:56:28):

Thanks, Jonathan.

Speaker 4 (00:56:32):

So here's where we get to wrap up and see if there are any questions. We also are featuring the QR code again because folks, this is just a great service. If I was still on a campus, I would do this survey every year, not just because it would give you a chance to interface with Raquel, but because it would provide you with some great information. And as she said, you get a certain number of responses, you're going to get your own customized institutional level report. But if there are some questions, please submit those here in the last few minutes. I also want to make a shameless plug. We have a webinar coming up with Defiance College in September, and I would encourage you to attend that. Finance college went from 145 total new students last year to projecting over 220 this year. So getting a chance to hear their story could be a useful opportunity for you. But let's see if there are any questions that have come in. So Raquel, any data support providing financial information, other languages either in direct mail, email that either you've got research on or maybe some anecdotal.

Speaker 2 (00:57:45):

So that's a very good question. I forgot to say that this survey is offered in both English and Spanish and that the percentage of families that complete the survey in Spanish always humbles me because it's not a small, it's more than 18% this year. So yes, actually when we have asked families what else they wanted to share in an open field was having information in their language would have helped them tremendously.

Speaker 4 (00:58:28):

And just to tie in for purposes of time, we didn't include this, but one of the things that's come out in the past is that especially with first generation families, there's another language, it's called higher ed language. And if you're not reviewing your communications to find out where you are communicating things, that makes total sense to everybody in the office. But no sense to a first generation family, you could be working really, really hard. You could be sending out emails and phone calls and people are just like, I have no idea what that means.

Speaker 2 (00:59:04):

Yeah, they're overwhelmed.

Speaker 4 (00:59:07):

So yes, that's an important catch that we appreciate that question. Let's see here. So in terms of working with Ardeo, I would just say we're at that time of year where many people are making decisions about their financial aid matrix and those types of things. We already saw that research on including us with the financial aid package. Then that's delivered December 1st is still a long ways away, and I don't know if you are taking odds on your campuses to whether the FAFSA special going to be released on December 1st, but that said, there's still plenty of time to make an impact in your fall class. In fact, we were even going to make an impact for people for their spring class. If you're looking to pick up a couple dozen students for spring, that's still possible. But we appreciate that question. I see that we are at time. I want to thank both of my co-hosts as either Jonathan or Raquel alluded. Thank both of you. This is our first rodeo doing this. I really, really appreciate them, appreciate their time, appreciate the experience, and obviously the data that's brought to the table, you will get a copy of this. If you do have questions, please feel free to reach out, but we want to thank you so much for your time. Thank you, Raquel. Thank you Jonathan. And thank you for those that are listening in today. Have a great day.

Speaker 5 (01:00:35):

Thank you, you all. Bye.