Speaker 1 (00:00):

Hello everyone. I'm Jessica with our client service team and we are so excited to be here with you today. During today's conversation, we definitely want to hear from you. Please feel free to use the question box at the top of your screen in that control panel to ask any questions you may have today, and we'll answer those at the end of the session. You'll also have a chance to request additional information at the end of our conversation. If you are with us via a recording of today's webinar, you will also have an opportunity at the end of the video to request more information. So without further ado, I'd like to pass the mic over to my colleague Matt Osborne, to introduce himself in today's guest. Matt,

Speaker 2 (00:42):

Thank you so much, Jessica, and good afternoon or good morning, depending on where you're joining us from here in the States. It is my pleasure to be able to work with my friend and we are a friend now. We've been working together for almost a year, so this is good to be able to introduce Dr. Jeremy Taylor to you. In fact, I'm going to have him introduce himself, but before I do, I'm the senior Vice President here at Ardeo. Been with the company for 11 years, was the very first client, and used our LRAPs for six years, my final six years of 22 as a vice president on a campus, and we're just thrilled to have Dr. Taylor with us today. Why don't you go ahead, Jeremy and introduce yourself.

Speaker 3 (01:32):

Yeah, so I'm Jeremy Taylor. I have the pleasure serving as the Vice President for Enrollment Management at Defiance College, where I've been in various roles for about the past 13 years.

Speaker 2 (01:45):

Excellent, excellent. So you're going to get a chance to hear Jeremy's story, get a better understanding of what's taken place this last year, in fact, less than a year, and I was looking earlier and we actually started our work together in November last year. So you're going to get a chance to hear that that's probably why you signed up to attend this webinar. But first, we've got a few basics to cover a little bit more about who Ardeo is. So Simon Sinek says, you should always share your why. So our why we're about access, we are looking for means for more students to say yes to college and in particular, obviously the colleges that partner with us such as defiance, I mean we are looking to grow enrollment in that way. Jessica, let's go to the next slide.

Speaker 2 (02:36):

So as you see, we do that by addressing the fear of debt. We do that as an enrollment tool, which grows the number of students it grows, net tuition, revenue, all those. Obviously, I'm assuming that if you're on this webinar listening to this webinar, you are an enrollment person. You might be a CFO, and quite frankly, CFOs do understand where the bread is buttered, and Jeremy's smiling, he understands that as well. So we are thrilled to have you taking a look at this today. Our loan repayment assistance program LRAP for short because man, that's a long title. Otherwise, our really been instrumental in impacting student decisions since I started as a first client in 2008, and we've got this experience now with over hundreds of colleges, thousands of students, tens of thousands of students and graduates now that are part of that, what we call the LRAP family, that were able to have three freedoms, the freedom to attend the college that they really wanted to attend, the freedom to study what they're really passionate about, and then the freedom after they graduate to go out and work in that field.

Speaker 2 (03:50):

So that's what we're about. That slide, please. So what exactly is an LRAP and how does it work? We're going to cover that now in these next few slides. We are, as I mentioned earlier, an enrollment tool. So loan repayment assistance program. Some people think, oh, you're another loan. Well, no, we're not a loan. We're an enrollment tool that works by addressing the fear of loans. And the way which we address that fear is through this promise that you see here. If a student's income after graduation is modest, their LRAP will help them repay their loans. Now, I'm just going to quickly say you're maybe wondering what modest is, and it varies from school to school and from region to region, but let's just say it's typically somewhere between 45, 50. We've got an all tech school now that's at 60,000. They're on the East coast, so modest varies on those variables. What doesn't vary are the loans that we cover. So we're basically covering the loans that are certified in your financial aid office. So the federal student loans, parent plus loans, and private alternative loans. Basically, we want you to be able to make the promise to a student who's looking at your institution, regardless of what loans you may have to access that we certify to make it possible for you to attend. And LRAP is going to be the safety net for those loans. You're going to have this promise after you graduate as a safety net.

Speaker 2 (05:16):

So in our work with colleges and our work with Defiance College, Jeremy can support this. We are typically working with both the admissions and financial aid offices. Those are the offices that are typically talking to prospective students and more importantly their parents about finances and parents by and large, our primary audience because they're more likely to be concerned about loans than the students are. Most students want to attend Defiance College. I mean, Jeremy's staff put a financial aid promissory note in front of them for a loan and they'd sign it. It's moms and dads that are reluctant, so we have to address those folks. You see that we can be utilized across three categories of students. So first year students coming in, that's pretty much a given at all of our partner institutions, but then also using us with transfer students or those that are being readmitted and retention students, current students.

Speaker 2 (06:12):

The key element there, and the reason we have to call them out is because they have to have two years remaining before they would graduate at your institution to be able to be offered an LRAP. We provide training, ongoing support, Jeremy, and we get together once a month for 15, 20 minutes just to catch up, figure out how things are rolling, come to campus. We provide just in time training when you have staff turnover. I know we all hate staff turnover, but when it happens, we're there to help get the staff trained, and then we really carry a majority of the marketing communications for what an LRAP is to the families. So once a school identifies who they want an LRAP offered to, they send out an initial notice to those students and their parents, and after that we're working emails, phone calls and mailings.

Speaker 2 (07:03):

I'm not going to talk more about that now. Jeremy's going to talk about it later. Next slide please. So how does this actually work for the students? So I just want to say this is a partnership we're creating between you as an institution, your students and us to see the students be able to attend and graduate. And so not surprising that we expect them to graduate, but they have to graduate from your institution, part of the partnership, you're going to be paying us a fee per student who enrolls in borrows. So we are going to suggest they have to actually graduate from Defiance to get a benefit. Having graduated, they must work at least 30 hours a week, does not have to be in a particular field to be multiple part-time jobs, but they have to work. And then you're going to see everything hinges on their income.

Speaker 2 (07:51):

So if they're earning less than that modest salary that we referred to earlier, now let's call it an income limit. If they're earning less than that income limit and making their loan payments so they actually have to make their loan payments, then we are going to help by reimbursing them a portion of their loan payments up to a hundred percent, and we're going to do that as an actual check to the student or their parents. So if the parents are making a plus loan payment and their son or daughter's making less than that income limit, we will also cut a check to the parents for that plus loan payment. The amount of that check is going to be based entirely on their income. So if they're making less than 25,000 in annualized income, then a hundred percent of their loan payments are going to be reimbursed every quarter.

Speaker 2 (08:41):

If they're making more than 25,000, but less than an income limit, as their income goes up, the percentage of the loan payments we reimburse goes down and it's a direct linear relationship and an inverse relationship, dollar for dollar, if you will. So it's no tax table type stuff going on here. We are just going to decrease our support for them as their income increases, as they're in a position to repay more and more of their own loans. So that last bullet on the page makes sense, right? We are going to continue to help them until their loans are either entirely repaid or until their income goes above that modest level, that income limit for 12 consecutive months. In other words, they earn their way out. That's the only other reason we're going to walk away and say, you are now in a position to pay your own loans. It's based on income, not based hear me now, not based on amount of time they've been out of college. We don't want somebody out of the freedom to take a job for one year, two year, three years as we support them, and then all of a sudden walk away because oh, three years has arrived. No, it's based entirely on their income so they can stay and work in their preferred field.

Speaker 2 (09:55):

Let's move on to the next slide. So this is where we're going to transition and let's go to the next slide. Fact. So Jeremy, let's start with you providing some context about Defiance College because not everybody may know much, so let's let them know.

Speaker 3 (10:13):

Yeah. So Defiance College, we're your typical small private liberal arts school. We're located in northwest Ohio. I like to make fun of my Michigan friends and act like I've got a hand or whatever, but we're up in the northwest corner of Ohio. We're about 45 minutes south of Toledo rural community. We've got a student population roughly around five 50. We've been struggling for years, like many other places with high enrollment, I mean low enrollment, you can't struggle with high enrollment, low enrollment, high tuition costs, and a runaway discount rate. So yeah, that's kind of where we were.

Speaker 2 (10:55):

So let's move on to the next slide, and one of the things you cover on this slide is you are entering this role that you currently have, and I think it's a fascinating story, so please do share.

Speaker 3 (11:08):

Yeah, so I took over as Vice President Enrollment Management in July of 2023. This is the one job that I swore I would never have. I always called it, I used to say that the vice president enrollment's the sucker job. I've been at Defiance College for 13 years. I started off as a history professor. I coached football here for a little while. I was a dean. I've done a bunch of different things, but somehow I found my way in enrollment management, particularly from my time when I was coaching football. I learned how to make some phone calls and recruit a little bit. And so yeah, our president, we had some leadership change in enrollment. We've gone through a couple of different vice presidents for enrollment, and in July of 2023, the president gave me the call and asked me to take the lead.

Speaker 2 (12:06):

So you've got a list here of the things you were facing. You sort of touched that on the previous slide, but talk about this last bullet on this page.

Speaker 3 (12:16):

Yeah, so one of the things that we did is when I took over last year, I mean our tuition was high. We were at $39,000 in tuition, and then when you add room and board on top of that, it put us over the $50,000 mark. And as you all know, there's a big psychological shock or psychological difference for students. When you see $50,000, $50,000 worth, $49,000 is tough. You add on top of that, that we weren't just doing the basic blocking and tackling, and it led to us last fall, having the smallest class since 1980. We only brought in 152 students last fall, which as anybody knows is not sustainable. And so that set the stage for us to really look for new ways and to try new and different things in order to grow our enrollment. You add on top of that, even though we did have a high tuition and sticker price, we were discounting at a tremendous rate. And so the discount rate had kind of gotten out of control. Net tuition revenue was down. So again, we were looking for different ways. I think too, not being an admissions person, I always tell people I'm not an enrollment guy, I'm not an admissions person. So I came in with a fresh set of eyes, and fortunately we've got good leadership at the president's level that she was open to a bunch of different new ideas to help us turn this thing around.

Speaker 2 (13:57):

So that's a great segue for the next slide. Jessica, let's go to that one. So you obviously could not stick with the status quo, correct. You just couldn't do it, right. So break down this first bullet because you set it up by saying above 50,000 total was just unsustainable. So talk to us a little bit about not just the fact that you did a reset, but how you came to the decision for the amount of that reset.

Speaker 3 (14:25):

So what we did is we looked at our peer schools and our schools that we were competing against, and we realized that we just have to get past that initial conversation because again, the typical student doesn't understand discount rate, they don't understand what net price is. They only look at that sticker price. So we did a lot of statistical analysis and looked at data and competitors and found the right price point that we needed to be at that we saw, well, one, this will allow us to maximize the number of students that will actually go beyond just looking at us and actually go to the application stage and then move through the funnel. And so what we ended up doing is last fall we ended up doing a tuition reset of 25%. We didn't want to be the lowest price, we didn't want to be the highest price. We wanted to be right there in the middle so that we could compete. And that allowed us to, I think that allowed us to get into the more doors.

Speaker 2 (15:30):

Awesome. Now, this next bullet where you reviewed all department vendor contracts. Now I'll say that as we have a partnership, but we're also a vendor. So I'm on that side sometimes where somebody new comes in and they're doing a review. But talk to us about how that review progressed and how you sorted things out.

Speaker 3 (15:53):

So one of the things I looked at, and again, I think again, coming in with fresh eyes, I just really asked a lot of questions and asked every vendor that we had signed on with, what are you doing for us? How are you helping us? What was your role in us having low enrollment? And so I looked at a lot of those things, kind of saw what some of our vendors were doing. We used to outsource our financial aid leveraging with another company, and I looked at it and I have a great financial aid director. One of the things that most people don't realize is I'm surprised my financial aid director is still with me this year besides the FAFSA debacle. Many people don't realize this, but I used to have a full afro and then after the FAFSA this year, that's why I'm bald now. But we decided that what we could do is my financial aid director and I looked at it and we decided to bring our financial aid leveraging and to create our own financial aid matrix that helped us provide some budget relief. But also too, it allowed us to be able to design a financial aid matrix that would allow us to maximize net tuition revenue and at the same time get control of our discount rate and really model things for the type of students that we're going to have or that we're trying to get.

Speaker 2 (17:17):

And we're going to circle back to that make sure that we do in the future slide, but you've got two other initiatives down here and cover what your thinking was and taking those moves because those aren't small moves.

Speaker 3 (17:31):

No, no. I mean, like I said, most people, the stuff that we did last year is crazy. We did a tuition reset, we changed our financial aid matrix. We also decided that last year we had a new CFO and a new athletic director come in. And again, we were all to figure different things out that we could do. What we realized is that possibly looking at moving to the NAI would be a great choice for us. Previously we're division three, and I can remember from my coaching days I'd have a recruit on the phone, and the second I said that we're division three, they would hang up. So what moving to the NAI allowed us to do is we did a fast track application, allowed us to begin to recruit and offer athletic scholarships for students. Again, that's allowing us to broaden our horizon. And again, athletic scholarships are still just institutional aid.

Speaker 3 (18:25):

So it's all plays into the financial aid matrix. And then our last thing that we did is we also, the president charged me with growing the class without sacrificing academic quality, but actually increasing academic quality. So one of the things that we did is we helped create some grant funding to create a program called DC Academy, which would allow students that were academically under prepared to serve as a bridge program and come to Defiance College in a grant funded way. So that one, it would help us to grow our enrollment, but two, it would give these students the opportunity to have an academic fresh start.

Speaker 2 (19:10):

And remind me, I believe I'm correct in saying it wasn't that this bridge program, all the students that went through the Bridge program ended up and part of your freshman class. It was those,

Speaker 3 (19:24):

Yeah. So we've had about 80 some odd students through this. We ended up matriculating about 40 of them into our freshman class. But what the idea behind it was that students would've the opportunity to, we either wanted them to matriculate a defiance, go to a different college, or realize that college may not be for them and enter the workforce. So basically we provide a lot of support services for students so that they can make the right choice for them to be successful. One of the issues in Ohio was I think one out of every six high school graduates is sitting around doing nothing. So this was one of the ways that we tried to help alleviate that.

Speaker 2 (20:07):

Excellent, excellent. Well, all that's wonderful. Let's shift gears to the next slide where we're going to talk about your actual LRAP, how you came to work with us and your decision on strategy.

Speaker 3 (20:20):

So one of the things that we did is last year right after I took this position, I showed up at the RNL conference and I came across your booth, started talking, and they're telling me about this program. And we know that students are loan averse. We know that students are concerned about debt. There's a narrative out there. There's already a narrative about the value of a college education. So what we wanted to do is, when I heard about this program and I heard about everything that Ardeo does, for example, the call center and being able to call everyone in our funnel, I said, this is a no brainer because for Ardeo, one thing that I don't think Matt's mentioned is we don't pay for them unless they actually get a student in the seat, and unless those students retain, I'm not paying for it.

Speaker 3 (21:09):

So I thought of this as basically I was going to use Ardeo as a new, basically a fifth arm of our admissions office. Their call center would serve as our call center. I figured the other thing that we could do is as we were building our financial aid matrix, we actually built the cost of the LRAP into our financial aid matrix so that again, it's just part of our discount rate. So it was a no-brainer for us, especially the fact that our day has been flexible and allowed us to be able to label it as the DC advantage as a private label program. Again, it's been a godsend for us.

Speaker 2 (21:54):

Absolutely. So with that as the setup, the next slide is sort of the reveal, right? So we're going to talk about what your actual outcomes were.

Speaker 3 (22:03):

Okay, yeah. Oh yeah. So one of the great things that I think that happened is with all of our successes, again, I think what you all did is you all really helped to keep the finance college in the forefront. As you can see, you've made over 2000 calls to families. Basically my admissions counselors, and for anybody that's an enrollment director out there, one of the biggest complaints that admissions counselors have is having to stay late. My admissions counselor stayed late four times this year because we let our day do all the phone calls. They would then provide us great feedback and great notes for us to reach back out to students. And so it's been great. We were able to grow our enrollment this fall. We went from 152 students last year to 273 in our 273 headcount this fall. So that's what, that's 78% growth in enrollment for the fall class.

Speaker 3 (23:09):

We also, and of those students, 136 of them end up signing the LRAP agreement. And so I don't know Matt if this on another slide, but we also decreased our discount rate. So I don't know if that's on the next slide or not. It's not. So we also decreased our discount rate by 13 points. So what that did, and I think that was in conjunction with our net tuition and change, our financial aid matrix. So again, we were able to get some really good outcomes from this. And again, our day has been an instrumental partner in helping us achieve these goals.

Speaker 2 (23:46):

Thank you, Jeremy. Let's move on to the next slide, Jessica. So obviously building on that is the next question. So as you look at this next year, what are your thoughts on what's going to happen?

Speaker 3 (24:01):

So again, as Matt mentioned, we didn't start our partnership with Ardeo until November of last year. So I think hopefully in the next week or two we'll start making some phone calls. That way we can get our funnel to you all and get you all to start working at a little earlier. That way we can also have, since we offer it to every single student, one of the big perks of that is that our day will come to our visit days and talk about the L rep at our visit days. So we'll have them there as another programming and they do a good job. It's not death by PowerPoint. So Matt has come to ours. It's been very personable. And so the other thing that we're going to do is we know that after the FAFSA debacle this year really hurt our non-athlete population.

Speaker 3 (24:53):

And so we're going to focus heavily on recruiting non-athletes this year and really growing our local population commuter students is going to be a huge segment for us simply because commuter students really we're just paying for the lights. That's a good way to increase our revenue. We also are going to focus heavily on getting students this spring to come in simply because we believe that due to fafsa, lots of students just stopped out and decided not to go. And then finally, really to get those commuter students for local students, we're starting the 1850 promise, which basically is going to allow students in the seven local counties if they have demonstrated financial need to be able to earn a debt-free degree. So we've got a bunch of different stuff in the pipelines again, yeah, we're excited about growth. Now the one thing I did tell the president is, don't expect 78% growth next year. Right? Again, that's a sucker job. This is a sucker job, and I'm not going to, I don't want to want to tamper expectations

Speaker 2 (25:56):

Because unlike football, when you win out in the season, you can only win out in the next season, right? I mean, it's not like, Hey, we're going to add six more games to season. Still expect you to win out.

Speaker 4 (26:07):

Absolutely.

Speaker 2 ([26:08]):

Yeah. Enrollment is different in that regard. Let's move to the next slide. So I think I'm supposed to address this slide, Jeremy. Our goal at Ardeo is to help our partners achieve their goals. So Jeremy had a goal. It was obviously not status quo, it was obviously maximize the growth opportunity. But I do need you to say here, because we've run into people in the past to think, well, the only way I can use you is to offer it to the entire class for Jeremy and for defiance, that was the right move. That's what they needed. For other schools, like all education majors, all social work or all non-athletes, wherever your goals are at, wherever your pain points are at, there's probably a strategy that aligns an LRAP strategy that aligns. So that's my first point. We want to help you achieve your institutional goals.

Speaker 2 ([26:59]):

And at some point, Jeremy, you may very well, your goals may change, but for this next year, it's still, Hey, all engines full burner. Let's go our day calling team thing. Jeremy's already said, all needs to be said about it. I will just tell you, we do ask, we give information on where you rank in the students decision set so we can help focus your efforts. Sometimes they tell us we're not interested. Well, that's a focusing of your efforts too. It's like, Hey, we no longer have to pour money down that rat hole. We're not being considered by that student anymore. And then we do want to assure you that it's not just recruiting the student. We are here to help you see that student stay and graduate. So we're touching that student and their parents every semester reminding them that this LRAP is only going to help them if they stay and graduate. So there's obviously retention play there. And then when they hit their senior year, we're saying, here's how you're going to go about actually receiving assistance. So the goal is to help those who need it, not just promise them that we're going to help them if they need it. That's not a minor thing. Got to make that point. Alright, let's move on to the next slide. So we're at the end, Jessica, I think you're going to come back on and let us know if there's some questions for us to address.

Speaker 1 ([28:17]):

Yes. Thank you Matt. So at this time we'd like to encourage folks if you have any questions, please use the question box feature at the top of your control panel. It's the little box with the question and at the top of your screen. We also have a few handouts for you if you'd like to download them there. The paper looking icon with the paperclip and those handouts also include our supplemental LRAP research with Ruffalo Noel Levits. That's recent research that we just had a webinar about last month and have put out that supplemental research booklet there for you. Would love for you to download that. And Matt, it does look like we have a question. Dr. Taylor, I believe this one's for you. How did you get and how do you maintain buy-in for LRAPs on your campus?

Speaker 3 ([29:04]):

Well, I, we had meetings with, first of all, it started at the cabinet level, and so we got cabinet to buy into it, but then I don't know if it helped that I'm a faculty member, but we also went to our faculty and explained it. We have a monthly meeting called Campus Connections where our president also explained it and we built it in as part of our entire rebrand for the college that we called Define Your Future, which was the LRAP, the tuition reset, moving to NAI, all of those things. And so yeah, we just explained it as part of a big rebrand.

Speaker 1 (29:43):

Great. Thank you Dr. Taylor. And Matt, I think this one's for you, how long does it typically take to get an LRAP up and going on a campus?

Speaker 2 (29:55):

Jeremy, do you remember? I mean, I was on your campus in October

Speaker 4 (30:00):

And

Speaker 2 (30:00):

We were up and running by early November. So I'm just going to say when we have a willing, active, engaged potential partner, it can be really quick. It can be very quick. Sometimes it takes longer. And I realized every campus, I mean I worked on campuses for 30 years, folks, I realize every campus has its own process for making decisions. Some of those processes are longer, some are shorter. But that said, once we actually get assigned agreement and as little as seven days, we can do the training and have the first list come in and start our marketing. So the part that we can control is like seven days. The part that we work together on can take longer.

Speaker 1 (30:48):

Thank you. Matt. I think that's all the time we have for today. And that's all the questions we have. Matt, I will take it back over to you.

Speaker 2 (30:58):

So folks, we do appreciate you signing on today. And obviously Jessica has already mentioned some of the resources that are available. Listen, I know this about Jeremy, if you reach out to him using that contact information, he will respond. He will, he may say he's not an enrollment guy, but now he is. He wants to be part of this profession and actively participate. So you can reach out to him for questions about what he did. I will say this, if you're looking for other strategies because you're saying, yeah, I'm interested in this concept, but I'm not sure going all in is where we're at. That's fine. You can reach out to me, we can talk about strategy, we can talk about your goals and your pain points and your opportunities. And either myself or one of my colleagues will be the ones that would connect with you, walk through that with you and see where there's alignment. I mean, that's what we'll do. So you've got the content information there. Please feel free to utilize it. We would love to talk to you.

Speaker 3 (32:01):

Can I say,

Speaker 2 (32:02):

And we Yeah, please, Jeremy.

Speaker 3 (32:04):

Well, and yeah, like Matt said, please feel free to reach out. I promise you, I get no discount or nothing for talking about our day. So if you want to really know, absolutely honest truth, feel free, reach out, shoot me an email. I'll be glad to talk to anybody.

Speaker 2 (32:22):

And I thank you for that. And now we really, because I'm long-winded are over. So I just want to thank everyone for joining us today. And for those of you that are watching this in as a recording, Jeremy, Jeremy's still going to be willing to take your call. Even if you're watching this three weeks from now or five weeks from now. It's all good. But we look forward to hearing from you. Thanks so much for your time today.