Breaking the High-Tuition/High-Aid Cycle

What We Know About Tuition Resets

A study of 87 private nonprofit colleges and universities, 2011–2025

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TUITION PRICING • ENROLLMENT • NET TUITION REVENUE

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Executive Summary

Over the past decade, a growing number of private nonprofit colleges and universities have implemented tuition resets: large reductions in published tuition prices, typically 15–50%, in an effort to address declining enrollment, rising tuition discount rates, and increasing price sensitivity among prospective students and their families. The traditional high-tuition/high-aid model has become increasingly difficult to sustain for many institutions, particularly those with declining applicant pools, low yield rates, and excess capacity. Between 2011 and 2025, the average institutional tuition discount rate for first-time full-time undergraduates at private nonprofit institutions rose from 42% to 57%, [*NACUBO Tuition Discounting Study 2025*] and at many institutions exceeds 70% today. At the same time, surveys consistently show that price is a major factor shaping college choice; according to the most recent Sallie Mae "How America Pays for College" survey, 79% of families eliminate at least one institution from consideration because of its price. Strada's research and survey results reported in their new paper: "The Price Transparency Imperative: Rebuilding Confidence in Higher Education" reenforce previous studies which show that college costs and financial aid are confusing and college costs are barriers for students and families (p.1).

A tuition reset seeks to address these challenges by lowering the published price while recalibrating institutional financial aid. In most cases, the net price paid by students changes relatively little, but the lower sticker price is intended to increase transparency, expand the applicant pool, improve enrollment, and stabilize or increase net tuition revenue (NTR).

This study examines 87 private nonprofit colleges and universities that reset tuition between 2011 and 2023 with reductions of at least 15%, using data primarily from the Integrated Postsecondary Education Data System (IPEDS) to analyze changes in five key outcomes:

- the size of the undergraduate applicant pool
- first-time, full-time undergraduate enrollment
- new undergraduate transfer enrollment
- total net tuition revenue
- net tuition revenue from first-time, full-time students

Outcomes for institutions that implemented a tuition reset are compared both before and after the reset and with a group of similar peer institutions that did not reset tuition. To complement the quantitative analysis, the study also includes commentary about the impact of tuition resets as well as brief case studies of four institutions that achieved particularly strong outcomes following a reset, drawing on interviews with institutional leaders.

The results show that tuition resets are most effective in increasing the applicant pool and the numbers of transfer students enrolled; tuition reset institutions with the largest resets had the most positive results. In

terms of increasing first-time, full-time enrollment and in generating net tuition revenue, the results are mixed and about comparable with peer institutions. The latest NACUBO Tuition Discounting Study "shows that between 2023-24 and 2024-25, net tuition and fee dollars per first-time, full-time undergraduate increased by 1.3 percent, on average, in current dollars. However, after adjusting for inflation, this represents a decline of 2.2 percent." (page 1)

The evidence suggests that the success of a tuition reset depends heavily on institutional context and execution**.** Resets are most likely to succeed when they are implemented as part of a broader institutional strategy that includes clear communication and institutional branding, strong enrollment management, program differentiation, and continued investment in student success. Institutions that treat a tuition reset as a stand-alone tactic without addressing underlying market position or operational challenges are less likely to see meaningful improvements.

In short, tuition resets can be a useful strategic tool for institutions seeking to improve price transparency and stimulate enrollment demand, but they are not a panacea for the structural financial and demographic challenges facing higher education. Institutional leadership, market positioning, and execution remain critical determinants of success.

Table 1: Summary of Key Price Reset Outcomes

	Percentage of Reset Institutions with Positive Change.	Percentage of Reset Institutions with Change Exceeding Peers
Applicants	52%	48%
FTFT Enrollment	49%	53%
New Transfer Enrollment	61%	66%
Total NTR	33%	35%
NTR per FTFT	30%	31%

Introduction

Institutions are motivated to reset their tuition price for a variety of reasons, but primarily as a strategy to increase enrollment and to provide greater pricing transparency. Institutions are concerned that the published tuition (aka the "sticker price") discourages students from looking at their college so that the institution never has the opportunity to explain that there is significant financial aid available and that few, if any, students pay the sticker price.

Another major motivation is to break the cycle of rising tuition discounting that affects many institutions. Between 2011 and 2023, the institutional discount rate, which is the percentage of a college or university's gross tuition and fee revenue awarded back to students in the form of institutional financial aid, increased from 42% to 57% for first-time full-time students (FTFT) at private non-profit institutions, according to the National Association of College and University Business Officers (NACUBO) annual surveys [*op. cit.]*. There are a significant number of institutions with discount rates in excess of 70%, and many institutions where more than 90% of students receive institutional aid [*author's personal experiences*]. Institutions that have excess capacity and have experienced negative enrollment and tuition revenue growth net of financial aid expenditures are those most likely to consider a price reset, although there are institutions which reset their tuition from a position of strength in order to continue the institution's positive momentum (*author's personal experience*).

The tuition reset strategy is designed to impact the number of applicants, as numerous studies by Sallie Mae and others have indicated that price is a significant deterrent to students and their families in considering which college or university to attend [https://www.salliemae.com/about/leading-research/how-america-pays-for-college/]. According to the latest Sallie Mae How America Pays for College survey, 79% of families exclude at least one school from consideration because of its price. Price concerns often play a bigger role in college decision-making than programs or location.

A tuition reset also directly addresses tuition discounting since institutions typically adjust their financial aid expenditures to reflect the lower tuition price. In a typical tuition reset, the net price paid by students after financial aid remains relatively constant and institutions hope and expect that, because of increased enrollment and reduced financial aid expenditures, net tuition revenue will rise despite the sticker price reduction.

The goal of this project is to study colleges and universities that reset tuition between 2011and 2023 to understand how successful the resets were in terms of several key outcomes:

- size of the undergraduate applicant pool,
- enrollment of first-time, full-time undergraduates (FTFT)
- enrollment of new undergraduate transfer students
- total net tuition revenue (NTR)
- net tuition revenue for first-time, full-time undergraduates

These outcomes for the tuition reset institutions are compared with their outcomes pre-reset and with a set of peer institutions selected to mirror the key characteristics of the reset institutions. This is the first study that

has compared the outcomes of reset institutions with those of peers. Data for this study come primarily from the U.S. Department of Education's Integrated Postsecondary Education Data System (IPEDS).

Our goals are to determine whether price resets are associated with improved outcomes and whether those outcomes exceed what similar institutions that have not implemented a reset experience. In addition, we want to understand how the decisions and actions of institutional leaders – which can't be captured in numbers – impact the success of this strategy. To answer these questions, this paper also includes case studies of four successful price reset institutions based on conversations with current and former leaders at those institutions.

Institutions Studied

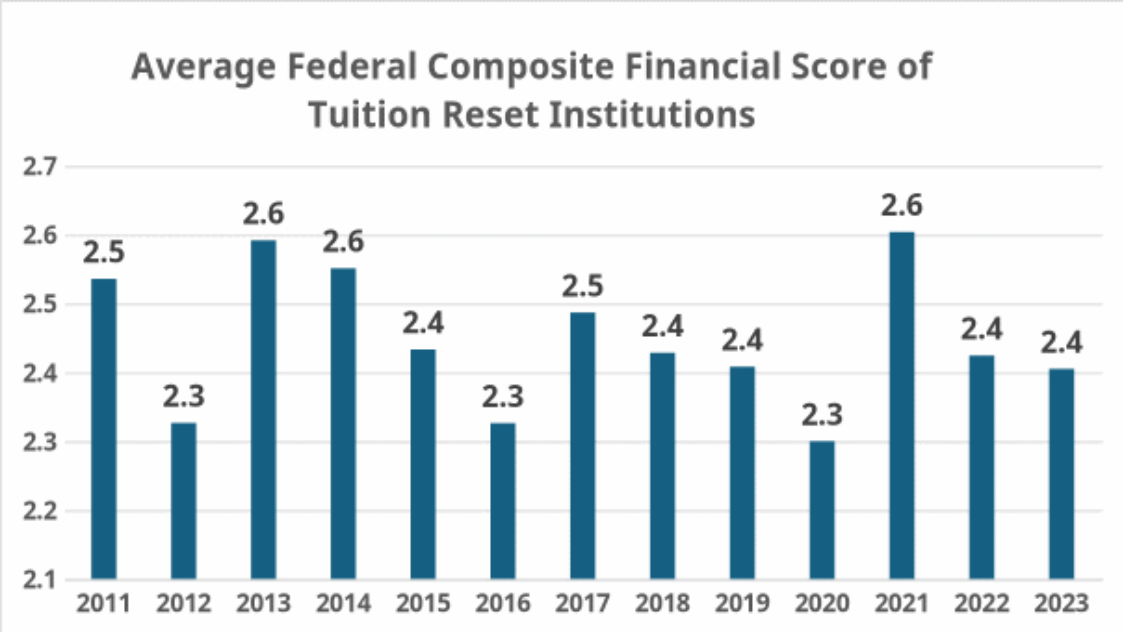
More than 100 institutions reset their tuition between 2011 and 2023; of these, 87 institutions are included in this paper (see Appendix A for a list of institutions by year of reset). These institutions are private, nonprofit four-year colleges and universities that had a published tuition reduction of at least 15% at any point between 2011 and 2023. From the original pool of more than 100 institutions, we excluded institutions which met the following criteria:

- classified as "Special Focus: theological seminaries, bible colleges and other faith related institutions" in the Carnegie 2021 Classification
- did not have at least 100 first-time, full-time students in at least one year during the specified timeframe
- had significant missing outcomes data, including all open admission institutions which are not required to complete the IPEDS admission survey

According to the 2021 Carnegie Classification, the tuition reset institutions include 39 Baccalaureate Colleges, 29 Master's Colleges & Universities, 12 Doctoral/Professional Universities, and 3 Special Focus Institutions. Four institutions are unclassified because they closed prior to 2021. Most of the institutions (53, or 61%) had a religious affiliation. Only 20 of the institutions (or 23%) were undergraduate only with no graduate offerings. Most of the institutions have relatively small undergraduate enrollment, with an average total fall enrollment of 2,200 in 2010. Only 13 (or 15%) had enrollment of 3,000 and the largest undergraduate enrollment was 6,500.

While the reset institutions are comparatively small, based on available data, they appear to be financially sound. The Federal Composite Financial Score is used by the U.S. Department of Education to measure whether private not-for-profit and for-profit institutions are financially responsible enough to participate in Federal Title IV financial aid programs. The scores range from -1 to 3 and are calculated from institutional audited financial statements. A score between 1.5 and 3 is considered financially responsible. The average scores for the reset institutions fall between 2.3 and 2.6 depending on the year, which indicates that they are financially responsible. There are very few years in which any reset institution had a score below 1.5.

Graph 1: Average Federal Composite Financial Scores



The peer set includes 581 colleges and universities that are private nonprofit, four-year institutions offering undergraduate degree programs with enrollment of at least 100 first-time, full-time undergraduates at some point between 2011 and 2023 and no more than 10,000 students in 2023. The peers were institutions classified under the 2005 Carnegie Classification as Baccalaureate or Master's and had an acceptance rate for first-time, full-time students of 40% or more. Including the acceptance rate allowed us to exclude the most selective institutions that are not comparable to the price reset institutions because of their strong demand curves. Furthermore, any institutions with substantial missing data in IPEDS were excluded. The use of peers allows us to compare the results on key variables for the tuition reset institutions with similar colleges and universities.

Table 2: Comparison of Price Reset Institutions and Peers in 2010

	Reset Institutions	Peers	Difference: Peers vs Resets
Avg. Published Tuition	$25,637	$25,901	$264
Avg. # of Applicants	2,224	2,501	277
Avg. Number of FTFT Undergraduates	340	417	77
Avg. Number of New Transfer Students	105	149	44
Avg. % FTFT with Inst. Aid	89%	90%	1%
Average Admit Rate	69%	67%	-2%

	Reset Institutions	Peers	Difference: Peers vs Resets
Average Yield per FTFT	33%	32%	-1%
Avg. NTR per FTFT	$13,538	$13,618	$80
Avg. NTR total for FTFT	$4,834,198	$6,087,095	$1,252,897
Avg. Inst. Aid per FTFT	$12,099	$11,116	-$983

A comparison of key variables between the reset institutions and peers prior to any resets taking place indicates that they are comparable on most indicators, but that the peers have more applicants, somewhat larger FTFT and new transfer enrollment, and much higher average total net tuition revenue. Notably, while the average net tuition revenue per student is similar, because the peers have more students, their total net tuition revenue is significantly higher.

Between 2011 and 2023, 30 or 5% of the peer colleges closed while only 3 or 3% of the reset Institutions closed. Many more Institutions in both groups have closed since 2023 and several have announced plans to close next year

By 2023-24, the tuition reset institutions were earning considerably less net tuition revenue from FTFT students than their peers despite significantly lower average tuition and institutional aid. A bright spot is that the reset institutions had substantially larger classes of new transfer students, which supplements the revenue from FTFT students. Data on institutional aid for transfers is not available so their NTR cannot be calculated. The average published price for the peers is now more than $12,000 higher than the reset institutions while the average institutional aid per FTFT for the peers is almost $10,000 more than that for the reset institutions; these numbers had been fairly comparable in 2010. The NTR per FTFT at the peers is $2,517 higher than that of the reset institutions as the reset institutions did not reduce their aid as much as they reduced their published tuition.

Table 3: Comparison of Price Reset Institutions and Peers in 2023-24

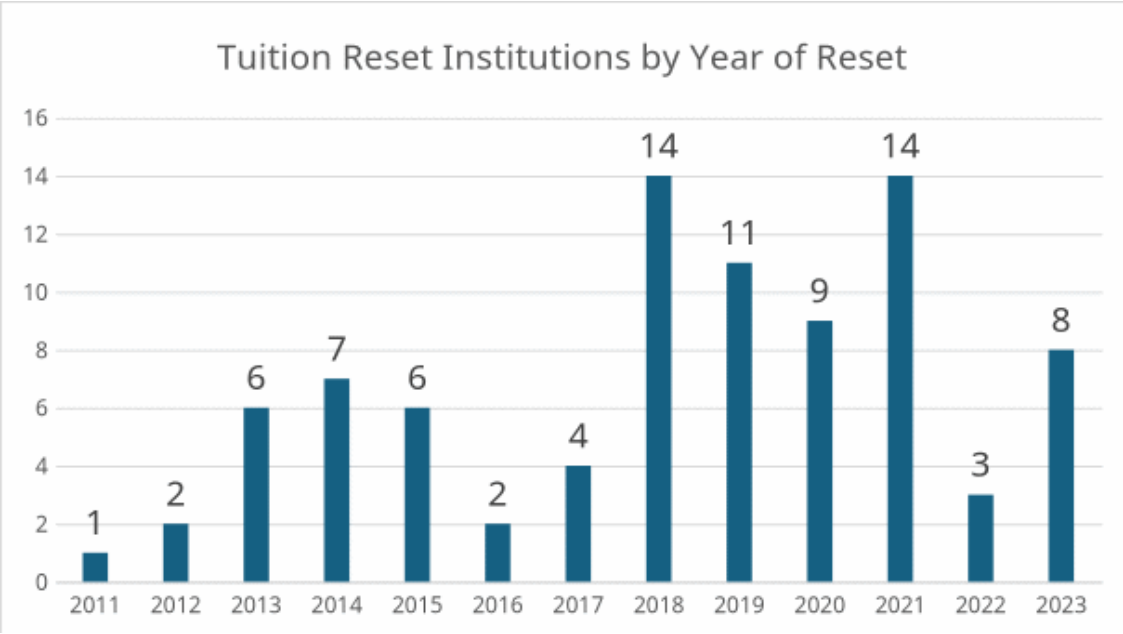
	Reset Institutions	Peers	Difference: Peers vs Resets
Avg. Published Tuition	$26,499	$38,824	$12,325
Avg. # of Applicants	3,477	3,951	474
Avg. Number of FTFT Undergraduates	344	423	79
Avg. Number of New Transfer Students	422	111	-311
% FTFT with Inst. Aid	88%	95%	7%

	Reset Institutions	Peers	Difference: Peers vs Resets
Average Admit Rate	77%	73%	-4%
Average Yield per FTFT	20%	20%	0%
Avg. NTR per FTFT	$12,771	$15,288	$2,517
Avg. NTR total for FTFT	$4,552,158	$7,305,640	$2,753,482
Avg. Inst. Aid per FTFT	$14,931	$24,520	$9,589

Analysis of Tuition Reset Institutions

Among the 87 tuition reset institutions, 32% reset their tuition between 2011 and 2017 while 68% of the tuition resets occurred between 2018 and 2023. The increase in the number of schools that have reset their tuition is probably attributable in large part to the growing gap between the published price and the net price the student actually pays. The low number of reset schools in 2022 was likely due to the Pandemic when schools were focused on other issues.

Graph 2: Number of Tuition Reset Institutions by Year of Reset



Among the 87 institutions that reset their tuition between 2011 and 2023, fewer than 25% reduced their tuition by less than 25% while 41% of the reset institutions reduced their tuition by 25-39% and 33% of the institutions reset their tuition by 40-69%. Among the institutions that reduced tuition less than 25%, the average reduction was 20% while for those who reduced tuition by 40% or more, the average tuition reduction was 50%.

Table 4: Reset Institutions by Size of Tuition Reduction

Tuition Reset	Percentage of Institutions	Average Tuition Reduction
<25%	25%	20%
25-39%	41%	33%
40-69%	33%	50%

Applicants

When institutions implement a tuition reset, they hope for an immediate impact. Consistent with this expectation, and with an understanding that the impact of a reset is likely to decline over time, we measured the impact on key outcomes from the year prior to the reset to two years after the reset occurred (Reset +2).

Comparing the number of applicants pre and post tuition reset, we see that 52% of the 71 reset institutions with sufficient admission data had a positive change in the number of applicants two years after their tuition reset.

Table 5: Reset Institutions Applicant Summary

Reset Year	Number of Institutions	Number with Data	Number with Increase in Applicants Reset Year +2
2011	1	1	0
2012	2	2	1
2013	6	3	1
2014	7	7	6
2015	6	5	4
2016	2	2	0
2017	4	4	4
2018	14	13	4
2019	11	11	3
2020	9	9	6
2021	14	14	8
Total	87	71	37 (52%)

When we compare the peer institutions with the reset institutions, we find that 48% of the reset institutions had an increase in undergraduate applicants in the two years after their reset that exceeded their peer institutions. We made this comparison by Carnegie classification so that reset institutions are compared with their most similar peers.

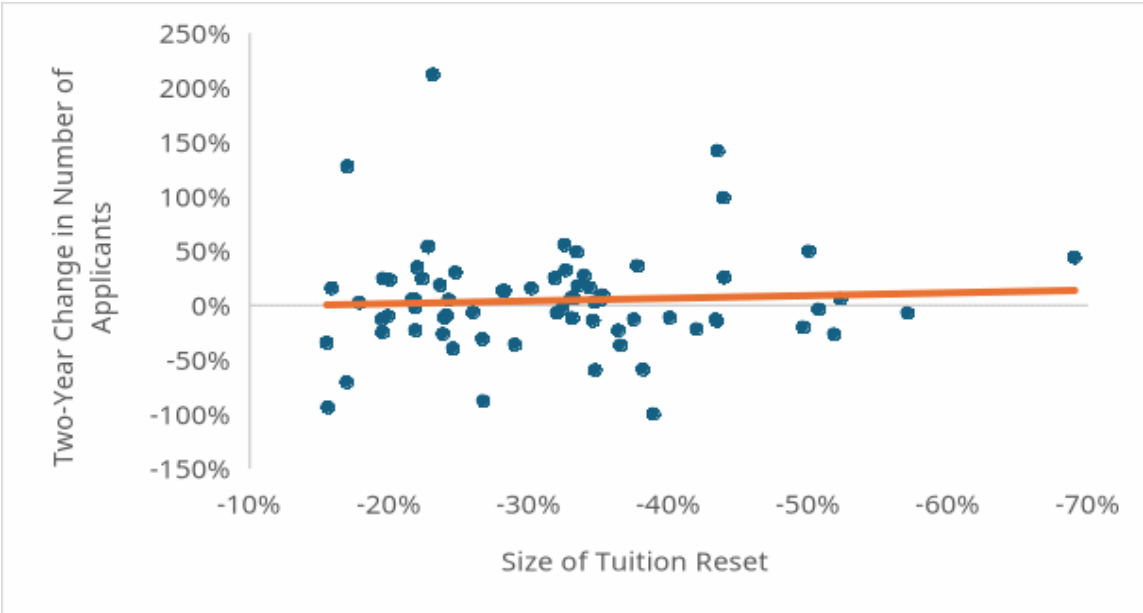
There is a strong positive correlation between the size of the tuition reset and the average change in the number of applicants two years after the tuition reset. The average number of applicants actually decreased at those institutions which had a tuition decrease of less than 25% while the average number increased 1.1% at the institutions with tuition resets of 25-39% and 13.9% at those that had resets of 40 - 69%.

Table 6: Average Two-Year Change in Number of Applicants Post-Reset by Size of Reset

Size of Tuition Rest	Average Two-year Change in Number of Applicants	Number of Subject Institutions
15-24%	-2%	26
25-39%	1%	30
40-69%	14%	15
Note: Institutions were excluded that had closed or that did not complete the IPEDS admission survey, and therefore had missing data, and that reset their tuition too recently to calculate a three-year change.		

When the same institutions are plotted based on the two-year change in the number of applicants and the size of their tuition reset, this positive relationship is demonstrated. Although a number institutions did not see the number of applicants grow in the years following the reset, as the size of the reset increases, institutions are more likely to see applicant growth.

Graph 3: Two-Year Change in Applicants by Size of Tuition Reset



Note: Institutions were excluded that had closed or that did not complete the IPEDS admission survey, and therefore had missing data, and that reset their tuition too recently to calculate a three-year change.

It should be noted that change in number of applicants can be significantly influenced by institutional decisions on how many lists of student names to buy for their marketing outreach. By just increasing list buys, schools will often increase their applicant pool. Also, the size of the applicant pool can be impacted by decisions on whether or not to participate in the common application which makes it much easier for students to apply, whether to charge an application fee, whether to require an essay and/or supplemental questions on the application and other such admissions policies and practices.

First-Time, Full Time (FTFT) and New Transfer Enrollment

There are 74 reset institutions with sufficient enrollment data to measure the reset +2 change in FTFT undergraduate enrollment. Among these institutions, 49% had a positive change in FTFT undergraduates. By comparison, 53% of the reset institutions had a reset +2 change in FTFT undergraduates exceeding that of their peer institutions.

There is a modest correlation between the size of the reset and the average change in FTFT enrollment. For those institutions with resets between 15-24%, the average change in enrollment was -1.1% compared with - 8.8% for those with resets of 25-39% and -3.0% for those with resets of 40-69%.

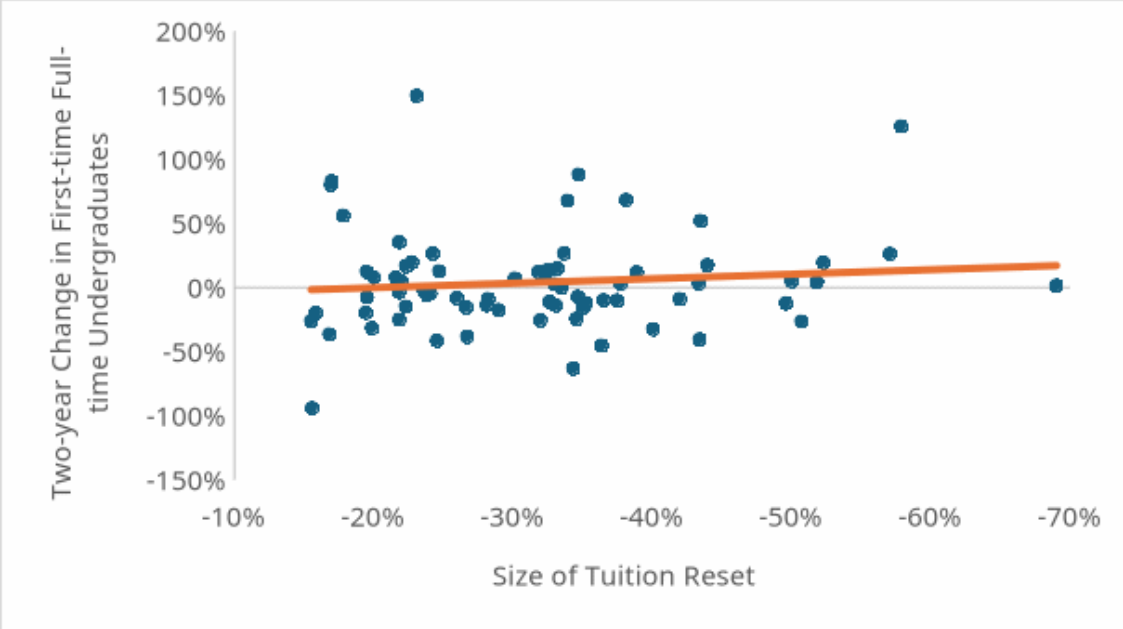
Table 7: Average Change in First-time/Full-time Undergraduate Enrollment by Size of Reset

Size of Tuition Reset	Average Change in FTFT Enrollment	Number of Subject Institutions
15-24%	-1%	28
25-39%	-9%	31
40-69%	-3%	15

Note: An outlier was excluded from this analysis. In addition, institutions were excluded that had closed, and therefore had missing data, and that reset their tuition too recently to calculate a three-year change.

As shown in the scatter plot below, there was a less consistent relationship between size of reset and FTFT enrollment, with some institutions that had relatively modest sized resets experiencing significant growth in undergraduate enrollment.

Graph 4: Two-Year Change in First-Time Full-time Undergraduate Enrollment by Size of Tuition Reset



Note: An outlier was excluded from this analysis. In addition, institutions were excluded that had closed, and therefore had missing data, and that reset their tuition too recently to calculate a three-year change.

Tuition resets had a much more significant impact on new transfer students as compared with FTFT students. Among the reset institutions, 61% had a positive change in transfer students and 66% had a change in transfer students exceeding that of their peer institutions.

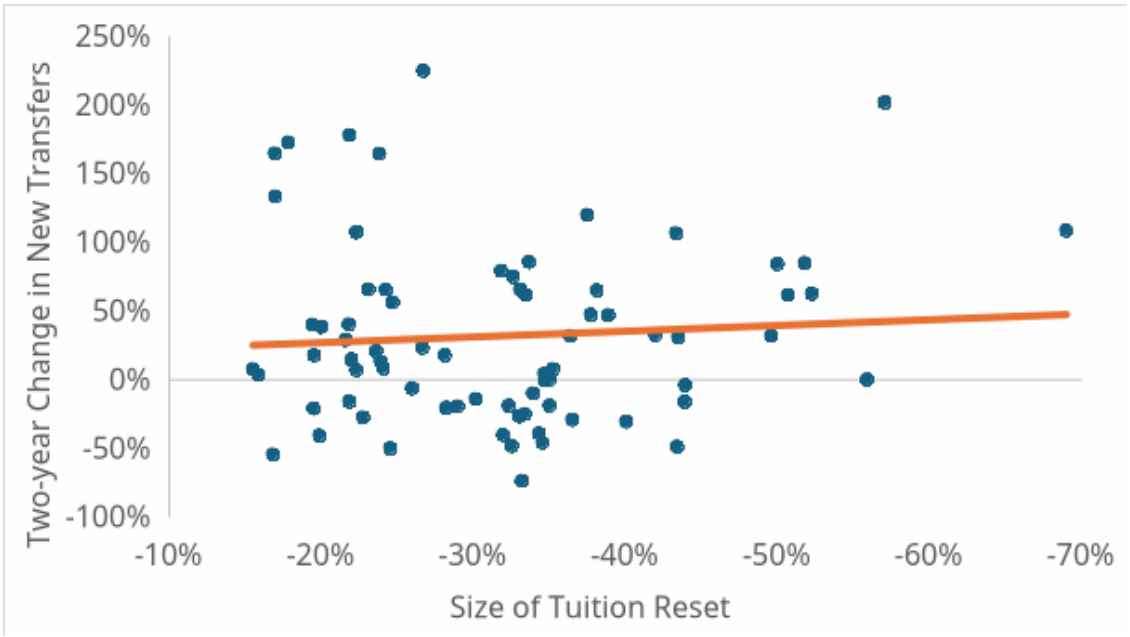
Average transfer enrollment increased at institutions with all sizes of reset, although it increased the most at those Institutions with the largest tuition resets. Transfer enrollment increased on average 52% at institutions with resets of 40-69%.

Table 8: Average Change in New Transfer Enrollment by Size of Reset

Size of Tuition Reset	Average Change in Transfer Enrollment	Number of Subject Institutions
15-24%	39%	28
25-39%	14%	31
40-69%	52%	15
Note: Institutions were excluded that had closed and therefore had missing data and that reset their tuition too recently to calculate a three-year change.		

When these institutions are plotted based on transfer enrollment and tuition reset size, the more positive relationship between tuition resets and transfer enrollment is demonstrated. More institutions experienced significant positive enrollment growth and there was a clearer relationship between the size of the reset and improved enrollment. There were several institutions that experienced growth of more than 100% in transfer enrollment.

Graph 5: Two-year Change in New Transfer Enrollment by Size of Reset



Note: Two outliers were excluded from this analysis. Institutions also were excluded that had closed and therefore had missing data and that reset their tuition too recently to calculate a three-year change.

Two years after the price reset, the majority of reset institutions had greater numbers of applicants and transfer students than in the year prior to the reset. In comparison with their peer institutions, the majority of reset institutions had more positive results for FTFT and new transfer student enrollment than their peers.

Table 9: Summary of Reset Year +2 Changes in Applicants and Enrollment

	Percentage of Reset Institutions with Positive Change.	Percentage of Reset Institutions with Change Exceeding Peers
Applicants	52%	48%
FTFT Enrollment	49%	53%
New Transfer Enrollment	61%	66%

Net Tuition Revenue

In terms of total net tuition revenue (NTR) and NTR per FTFT student, the changes were very similar, and neither result was particularly positive either for the peer institutions or the reset institutions. One-third of the reset institutions had a positive change in total NTR in reset year +2, and 35% had a change exceeding their peers. In terms of NTR per student, 30% of the reset institutions had a positive change in reset year +2, and 31% had a change exceeding their peer institutions. So, while many saw an increase in applicants, it did not result in a positive change in net tuition revenue from first-time/full-time students. (IPEDS does not collect the data necessary to measure net tuition revenue from transfer students.) This result is due to the fact that many of the reset institutions did not reduce their institutional aid as much as they reduced their tuition.

The discipline required to control the amount of institutional aid awarded frequently challenges institutions even without tuition resets and often accounts for the "surprise" that institutions experience when they make their enrollment goals but do not make their NTR goal because aid has been awarded in excess of budget. Institutional aid is the key tool that admissions offices have to make their class after their applicant pool has formed and it is always tempting to increase an award to get the student. With a tuition reset, the level of the awards has to be reduced significantly if schools are to maintain or increase their NTR per student and there is always the temptation to add a little to the award to persuade the student to come. As many families request reconsideration of their aid packages and often share the awards provided by other schools to try and persuade the institution to increase their aid, the differences in award amounts are usually very significant when one school has done a reset and the other school(s) have not. It requires great discipline to hold the line on the award amounts and to focus the family on the NTR rather than the award.

Table 10: Reset Year +2 Changes in Net Tuition Revenue

	Percentage of Reset Institutions with Positive Change.	Percentage of Reset Institutions with Change Exceeding Peers
Total NTR	33%	35%
NTR per FTFT	30%	31%

A closer look at the underlying data explains these results. As one would expect, few institutions (17%) experienced an increase in gross tuition revenue from FTFT students after their reset. More troubling is that, by two years after the reset, only one-third of reset institutions had decreased expenditures on institutional aid for FTFT students.

Table 11: Distribution of Tuition Reset Institutions by +2 Year Change in Tuition Revenue and Institutional Aid

	+2 Year Change in Tuition Revenue from FTFT Students	+2 Year Change in Institutional Aid Expense for FTFT Students
Decrease of 50% or more	10%	12%
Decrease of 25% to 49%	43%	10%
Decrease of Less than 25%	29%	12%
Increase	17%	66%

One explanation may be that institutions were not bold enough in their tuition and student aid reductions. As the size of the tuition reset increases, institutions saw larger average gains in net tuition revenue. However, it is important to note that even among the group of institutions experiencing the largest average gain in NTR, there was considerable variation from institution to institution, with some seeing dramatic gains and other experiencing little to no improvement. This finding illustrates the importance of execution and institutional strategy, as described in the case studies that follow.

Table 12: Average Change in Net Tuition Revenue by Size of Tuition Reset

Size of Tuition Rest	Average Change in Net Tuition Revenue	Number of Subject Institutions
15-24%	-16%	22
25-39%	12%	25
40-69%	29%	15
Note: Institutions were excluded that had closed, and therefore had missing data, and that reset their tuition too recently to calculate a three-year change.		

Case Studies

To understand why some institutions were able to achieve strong positive results after a tuition reset, this project includes four case studies. The subject institutions were chosen because their resets were very successful in terms of number of applicants, enrollment results for FTFT and transfer students, and revenue. Interviews with one or more people who were involved in the price resets at each of the institutions provided additional information about the motivation for the reset, the strategies and tactics they used to implement the reset, and other actions the institutions undertook along with the reset.

Concordia University – St. Paul – 34% tuition decrease

Reset Year: 2013
From: $29,700 - $19,700

Southern Virginial University – 23% tuition decrease

Reset Year: 2014
From: $18,900 - $14,600

Wilson College – 17% tuition decrease

Reset Year: 2014
From: $29,370-$24,480

Unity Environmental University – 58% tuition decrease

Reset Year: 2020
From: $30,000 – $12,640

Concordia University – St. Paul

On September 12, 2012, Concordia University in St. Paul, Minnesota announced that it was reducing its price by $10,000 or 34%, from $29,700 to $19,700, in fall 2013 for all new and returning students. Concordia was

motivated to do a tuition reset because there was a growing gap between what Concordia was charging and what their students and families were willing and able to pay. They were losing students to lower priced, primarily public institutions, and they were having difficulty controlling their financial aid expenditures. To address these problems, they decided to make the move from a high tuition/high discount model to a low tuition/low discount model.

The University had been studying this issue since 2006 when it did a price sensitivity study with Noel-Levitz. In 2011-12, Concordia conducted a second pricing study and entered into a contract with the Lawlor Group to perform secondary research and an environmental scan, as well as to develop a branding and messaging campaign. In addition, the Minnesota Private College Association does periodic branding studies, which indicated that the high tuition of the private colleges was a limiting factor.

There was a small team of key administrators who were involved in this process, and the board was kept appraised of this issue. As the date for the announcement of the tuition reset approached, the circle was widened although it was kept confidential. They did a lot of training of their admissions and financial aid staff on the new pricing model and they brought in others at the college who would be champions of this new model. They also worked with the admissions team to handle the growth in the applicant pool so that their yield would not plummet. The concern with yield had to do with the fact that they were anticipating an increase in the applicant pool and they had to make sure that they had strategies in place so that they could continue their successful yield activities with these larger numbers.

The University had significant growth in its applicant pool and an increase in first-time full-time students of 101 students in the year of the reset as well as an increase of 219 transfer students. Two years after the reset, the FTFT enrollment was up 27% over the year prior to the reset and transfer enrollment was up 74%, while enrollment at their peer institutions was up only 2% for FTFT students and was down 13% for transfer students. With the significantly increased number of applicants, Concordia reduced its admit rate by almost half. As applications continued to grow in the years following the reset, yield did decline, which is a problem that most of the reset schools face because they usually have not increased resources allocated to yield activities with the growth in enrollment pools. More staff needs to be allocated to yield activities to keep them from declining as applicant pools grow; this can be done by expanding current yield activities or reengineering yield activities to include more faculty and staff in this part of the admissions process. Today, many schools are finding that AI can help in this process especially with the strategic use of bots.

Table 13: Summary Information for Concordia University – St. Paul

	2012	2013	2014	2015	Change Reset +2	Peers (2012 to 2015)
Tuition	$29,700	$19,700	$20,250	$20,750	-30%	
Applicants	487*	1,359	1,435	1,483	205%	14%
Admitted Students	471*	712	764	822	75%	

	2012	2013	2014	2015	Change Reset +2	Peers (2012 to 2015)
FTFT Students	181	282	242	229	27%	2%
New Transfer Students	331	550	572	575	74%	-13%
Admit Rate	97%	52%	53%	55%	-43%	
Yield Rate	38%	40%	32%	28%	-28%	
**Figures imputed.*						

Concordia experienced growth in both total net tuition revenue from FTFT students as well as net tuition revenue per FTFT. The financial results in the year of the reset outpaced those of future years. In the year of the reset, total net tuition revenue increased by $1.7M, or more than 100%, and net tuition revenue per FTFT increased from $12,762 to $14,426.

These revenue figures are attributable to growth in FTFT enrollment and a significant decrease in institutional financial aid from $16,938 per FTFT student in 2012 to $5,274 in 2013. In the following two years, financial aid began to increase again, reducing both total net tuition revenue and net tuition revenue per student, although the revenue remained above the pre-reset level. Compared with its peers two years after the reset, Concordia's net total tuition revenue was up 30% compared with 7% at the peer institutions. Net tuition revenue per FTFT was up 3% at Concordia and at the peers. The lower price did not increase the number of Pell Grant-eligible students.

When Concordia did its price reset, continuing students had their net price held at the level that it was the previous year. Normally, continuing students pay more each year as their financial aid usually remains flat as tuition increases, so institutions get increased revenue from continuing students attributable to the amount of the tuition increase. Concordia also clearly marketed to continuing students the fact that they would pay less in future years than they would have paid had there not been a price reset, as the tuition increases will be on a smaller base. Concordia was able to afford to forego the additional revenue from continuing students in the reset year because they have diversified revenue streams with an adult completion program and graduate programs providing other revenue. In addition, Concordia hoped that there would be enrollment growth, which did materialize, to offset the revenue loss. Concordia was strong financially using the federal composite score as an indicator; the school had a score of 3.0 and maintained that score in the years following the reset.

Table 14: Concordia University Financial Indicators

	2012	2013	2014	2015	Change Reset +2	Peers (2012 to 2015)
Total NTR from FTFT Students	$2,310,009	$4,068,054	$3,400,665	$2,997,212	30%	7%
NTR per FTFT Student	$12,762	$14,426	$14,052	$13,088	3%	3%
Pell-Eligible FTFT Students	49	44	42	44	-10%	
Institutional Financial Aid per FTFT Student	$16,938	$5,274	$6,198	$7,662	-55%	
Composite Financial Score	3.0	3.0	3.0	3.0		

Concordia marketed the tuition reset as an affordability measure. It worked closely with the Lawlor group on its marketing. It used a layered approach in its marketing of the initiative, including adding public relations activities and spending its resources primarily on local media. It began laying out its branding campaign before the tuition reset was announced. Concordia marketed the reset using the tag line *Responsive, Relevant and Real,* and incorporated it into their institutional branding.

Concordia was an early adopter of price reset and benefited from a great deal of publicity, which certainly helped increase its name recognition and the change in its pricing. The college found that there was a slight positive effect on its fundraising as a result of the tuition reset as well.

Southern Virginia University

Southern Virginia University (SVU) is the only Church of Jesus Christ of Latter-Day Saints (LDS) institution outside of the Brigham Young University (BYU) system, and it had a much higher tuition than BYU. On October 2, 2013, the President of Southern Virginia University announced that the it was reducing its tuition from $18,900 to $14,600, a reduction of 23%. In making this announcement, the College noted that:

> *"Our research indicates that prospective students are often confused by our current tuition and scholarship program and experience 'sticker shock' when visiting our tuition page," said Brett Garcia, VP of Enrollment Management. "Many of these students leave our website without understanding that financial aid options dramatically reduce the cost for many of our students. We believe that with this change, our tuition will be not only more affordable, but also more accurate, as very few of our students actually pay the current sticker price."*

This tuition reduction made it among the most affordable institutions in Virginia, rivaling some of the public universities in terms of price.

There were many factors at play when SVU did its price reset. It had a new president who came from outside of higher education but had gone to BYU and wanted SVU's tuition to be much closer to BYU. SVU also experienced a significant drop in enrollment that year, in part due to the change in 2012 in the age that LDS students did their missions; the age was reduced from 19 to 18 for young men and from 21 to 20 for young

women, so the men now went on their mission before starting college. Ultimately, enrollment bounced back in 2015 and 2016 when these students returned from their missions.

SVU moved quickly on the tuition reset. It used a small task force of key leaders including the president as well as admission and financial aid staff to consider and design the strategy. The task force met for less than six months before the reset was announced. The Board was only peripherally involved.

The goal of the reset was to grow enrollment ultimately by 30%. Beside the reduction in tuition, the university also grew its athletic programs and moved from NAIA to NCAA Division III. SVU is the only LDS institution which is not in the NCAA Division I athletic conference.

The number of applicants more than doubled in the year of the reset and the following year and then dropped off somewhat but was still more than 50% greater than before the reset. This result compares with growth of only 10% in the number of applicants at peer institutions. SVU significantly reduced its admit rate from nearly 100% to less than 50%, thus admitting fewer students than prior to the reset while their yield increased from 29% to more than 50% two years after the rest. The number of FTFT students grew by 20% two years after the reset compared with enrollment growth of only 2% at the peer institutions. SVU's goal was to increase enrollment by 30%, and it came close in just two years.

Table 15: Summary Information for Southern Virginia University

	2013	2014	2015	2016	Change Reset +2	Peers (2013 to 2016)
Tuition	$18,900	$14,600	$14,900	$14,900	-21%	
Applicants	763	1674	1755	1174	54%	10%
Admitted Students	762	788	672	532	-30%	
First-time, Full-time (FTFT) Students	224	224	235	268	20%	2%
New Transfer Students	65	84	69	49	-25%	-0.2%
Admit rate	100%	47%	38%	45%	-55%	
Yield rate	29%	28%	35%	50%	71%	

SVU did not experience the same growth in transfer students that most reset schools found; their transfer population, after increasing the year of the reset, was 25% lower two years after the reset. Transfers at peer intuitions also declined but only slightly. This change in the transfer population at SVU may have been related, in part, to the change in the age for students going on their missions; with the new lower age, male students would now go on their missions before starting college.

SVU's plan was to increase revenue by increasing enrollment. Two years after the reset, its total net tuition revenue from FTFT students was 20% greater than the year before the reset; total net tuition at peer institutions increased by 13% during this same three-year period. SVU maintained net tuition revenue per

FTFT by reducing institutional aid per student by almost half. During this period, SVU had a composite financial score between 2.6 and 3.0.

Table 16: Southern Virginia University Financial Indicators

	2013	2014	2015	2016	Change Reset +2	Peers (2013 to 2016)
Total NTR from FTFT Students	$2,580,223	$2,522,150	$2,955,076	$3,104,263	20%	13%
NTR per FTFT Student	$11,519	$11,260	$12,575	$11,583	0.6%	6%
Pell-Eligible FTFT Students	62	71	88	111	79%	
Institutional Financial Aid per FTFT Student	$6,127	$2,703	$2,638	$3,317	-46%	
Composite Financial Score	2.8	3.0	2.8	2.6	-7%	

Although all the data indicate very positive results from the price reset, SVU was not satisfied and wanted even greater enrollment growth. In subsequent years, it has chosen to continue to grow its athletic footprint by increasing its number of teams from 19 at the time of the reset to 29 today. The reset did not have any measurable impact on fundraising.

Wilson College

When Barbara Mistick become president of Wilson College in 2012, it was clear that there needed to be serious changes to the college if it was to survive. It had about 700 students, a long-term structural deficit, faculty who had not received raises in several years, and a lot of deferred maintenance. She addressed the issues openly and honestly and put together a commission to comprehensively look at all aspects of the college. She went on a listening tour and met with alumnae across the country. She discussed the relationship between a college's price and its perceived prestige and explained how heavily the college discounted tuition and that no students were paying anything near the published price.

Ultimately, the College went fully co-ed, having previously been a women's college, added health science programs, reduced its tuition by 17%, instituted a loan buy-back program for students graduating with a certain GPA, and discouraged students from taking out loans. The goals of all of these changes were the following:

1. Increase enrollment
2. Increase net tuition revenue
3. Be in a magazine as a best value college
4. Increase the income distribution of the students
5. Decrease student debt levels

This whole process was done very transparently; the college allowed the Chronicle of Higher Education to observe it all. The college announced in February 2013 that it would reduce its tuition from $29,370 to $24,380 for fall 2014. This lower tuition would make its published price comparable to many of the Pennsylvania State University campuses which were its major competitors. Applications and enrollment of

FTFT students and new transfer students went up in the year of the reset and continued to increase so that two years after the reset, FTFT students were up 83% and transfers were up 140% compared to the year prior to the reset. Their peers experienced a 4% increase in FTFT students and a 4% decrease in transfer students over the same period. As the number of applicants increased, the admit rate fell at first but them increased above the level it was prior to the reset. Yield went up significantly in the year of the reset and then fell below the yield rate prior to the reset. In the year of the reset, despite the 66% increase in the applicant pool, the College accepted three fewer students than in the year prior to the reset whereas in the following year, along with another significant increase in the applicant pool, the College more than doubled the number of students that it accepted and the yield rate plummeted to below the 30% rate prior to the reset to 23%. This may be attributable to two main reasons: the inability to handle the increased number of applicants with available staff and processes as well as there may have been fewer students who were serious about Wilson. The increased applicant pool may have attracted students who were much less knowledgeable about Wilson than the smaller applicant pools of the past.

Table 17: Summary Information for Wilson College

	2013	2014	2015	2016	Change Reset +2	Peers (2013 to 2016)
Tuition	$29,370	$24,380	$24,392	$24,430	-21%	5%
Applicants	450	748	1112	1024	128%	5%
Admitted Students	237	234	503	591	149%	
First-time, Full-time (FTFT) Students	70	107	116	128	83%	4%
New Transfer Students	20	26	37	48	140%	-4%
Admit rate	53%	31%	45%	58%	10%	
Yield rate	30%	46%	23%	22%	-27%	

In the year of the reset, all continuing students paid the same net tuition revenue that they had paid in the prior year. Net tuition revenue per FTFT student was 5% lower two years after the reset but the total net tuition revenue from FTFT students was up 74%. By comparison, peer institutions experienced a 6.3% increase in net tuition revenue per FTFT and a 10% increase in total net tuition revenue. Institutional aid decreased by 25% during this period. The college's financial composite score increased from 2.2 the year prior to the reset to 3.0 in the year of the reset but returned to 2.2 two years after the reset

Table 18: Wilson College Financial Indicators

	2013	2014	2015	2016	Change Reset +2	Peers (2013 to 2016)
Total NTR from FTFT Students	$1,019,735	$1,447,060	$1,482,718	$1,776,743	74%	10%
NTR per FTFT Student	$14,568	$13,524	$12,782	$13,881	-5%	6%
Pell-Eligible FTFT Students	30	49	46	52	73%	
Institutional Financial Aid per FTFT Student	$14,802	$10,856	$11,610	$11,071	-25%	
Composite Financial Score	2.2	3.0	2.2	2.2		

The College did all their marketing in-house, but they did use the consulting firm of John Stevens to work with them on modeling, and they had Hanover perform some pricing studies. Affordability, along with the significant changes to the college, were the focus of their marketing efforts. By going from all-women to co-ed, the college moved from being in a national market to a regional market in terms of student recruiting. The college has continued to evolve and change from the small liberal arts college that it was prior to the tuition reset to an institution with developing on-line and graduate programs. It has gone from 700 students to more than 2000; an example of an institutional transformation.

Unity Environmental University

Unity College has transformed itself into Unity Environmental University. It completely transformed itself, and the tuition reset was just one small component of the change. It went from a very small, relatively traditional college to a large on-line institution with one-course-at-a-time versus a traditional semester model curriculum. The current university has three campuses and can expand and contract by using partnerships with other institutions. Unity reduced tuition by 58%, bringing it down to the net price per student prior to the reset, and eliminated institutional financial aid. Unity now operates year-round, bringing in new students every five to six weeks. It is a very nimble institution which can easily expand and contract.

They consider themselves a very career-focused environmental institution. Along with the price reset and all the other changes that Unity made, applicants increased two years after the reset by more than 500% while FTFT enrollment increased by 126% and new transfer enrollment rose by 939%. The admit rate remained above 90%, but the yield rate dropped significantly to 7% in 2022. The price reset was just one component of a comprehensive change in the College's mode of operation.

Table 19: Summary Information for Unity Environmental University

	2019	2020	2021	2022	Change Reset +2	Peers (2019 to 2022)
Tuition	$30,000	$12,640	$12,640	$12,640	-58%	

	2019	2020	2021	2022	Change Reset +2	Peers (2019 to 2022)
Applicants	983	885	2903	6312	542%	3%
Admitted Students	966	883	2654	5693	489%	
First-time, Full-time (FTFT) Students	184	229	244	415	126%	-6%
New Transfer Students	92	237	598	956	939%	-7%
Admit rate	98%	100%	91%	90%	-8%	
Yield rate	19%	26%	9%	7%	-62%	

The change in price, along with the transformation of the institution, resulted not only in significant growth in enrollment but also in increased total net tuition revenue from FTFT students. Net tuition revenue increased by 67% two years after the reset, compared with a 1% increase at peer institutions. Net tuition revenue per FTFT student fell by 26% to the level of the tuition as the University no longer provides any institutional financial aid. Unity has not increased tuition in six years and pledges to hold its tuition constant until 2030. The College's financial health has improved with this transformation. Its composite financial score has increased from 2.4 to 3.0.

Table 20: Unity Environmental University Financial Indicators

	2019	2020	2021	2022	Change Reset +2	Peers (2019 to 2022)
Total NTR from FTFT Students	$3,130,571	$2,894,560	$3,084,160	$5,239,000	67%	1%
NTR per FTFT Student	$17,014	$12,640	$12,640	$12,624	-26%	0%
Pell-Eligible FTFT Students	37	36	49	76	105%	
Institutional Financial Aid per FTFT Student	$12,986	$0	$0	$0	-100%	
Composite Financial Score	2.4	3	3	3	25%	

Summary and Conclusion

Tuition resets have had very positive results in terms of increasing applicant pools and increasing the numbers of transfer students for most reset institutions. The results in terms of increases in the numbers of FTFT students and net tuition revenue have been less consistently positive. We have only looked at net tuition

revenue for first-time full-time students and we found that only about one third of the reset institutions had positive results in terms of increasing NTR either per FTFT student or in total for all FTFT students. We did not look at overall changes in NTR for the college or university as a whole. Many schools that did price resets also made other changes to their programs thus resulting in new sources of revenue providing them with greater revenue diversification as we see in our case studies. A price reset may be an indication that the school is more open to experimentation and to trying new things. Future research should be done on this topic. We also did not examine the impact of the tuition resets on retention which, if increased because of the lower increases to net price as students advance, could have had a positive impact on total undergraduate net tuition revenue from traditional students.

A tuition reset should be viewed as one tool in the tool cabinet to help an institution become more successful. To work well, the institution must have a strong value proposition and there must be effective implementation of the reset, as well as other strategic initiatives to improve the institution's market position.

There are a variety of factors that an institution must address to implement a tuition reset successfully, including:

- The timing of the announcement must be well planned, usually at the beginning of the academic year just after classes have started. This is important because if the reset is announced before the new class is on campus where you can explain what you are doing, many students who are planning on coming may believe that they should postpone their attendance for a year to benefit from the lower price. It is difficult to explain to this group of potential students that they will pay the same net price if they start when they had planned versus waiting a year.
- Clear communication of the pricing change and clarity regarding its impact on continuing students are essential.
- There must be champions on campus who can explain it and advocate for it.
- Admission and financial aid staff, as well as athletic coaches, must be well trained in how the reset works. They must be able to focus parents and students on the bottom-line net price rather than the size of the scholarship award.
- Admission and financial aid staff need to be ready to deal with a significant increase in the applicant pool in a way that will maintain yield; many institutions that reset tuition are not ready for this increased workload and have not developed strategies to manage it.
- A very disciplined approach to awarding financial aid is necessary so that the institution attains its projected net tuition goal. Many admission and aid staff are tempted to increase awards above the level which has been modeled.

Even if the reset is well planned and implemented, it is unlikely to succeed on its own. The institution needs to have clarity about its brand and be able to clearly enunciate its value proposition. It may add new academic programs, athletic teams, or co-curricular activities or it may just need to more clearly and compellingly describe what it already offers. The same goes for its facilities; it may have new or newly renovated facilities or it may just tout what it already has in a more positive way. This also is an opportunity for an institution to reevaluate its public relations and marketing in order to increase the name recognition of the college.

For many of the institutions studied, especially the case study subjects, the tuition reset was part of a rethinking of the institution and a change in its mission to some extent. Many of the price reset institutions have moved from being categorized as baccalaureate to masters as it has become clear that additional revenue from graduate programs was necessary to supplement traditional revenue from full-time undergraduate students.

Many institutions initiate a price reset because they are uncomfortable with the high price/high aid model, especially when no student is paying close to the published price. These institutions want a price that is more transparent and closer to what the student will actually pay so that fewer prospective students are dissuaded by its unrealistically high price. The marketing aspect of a price reset is essential, but it is also important to focus on the actual impact on students. Institutions often frame a price reset in terms of increasing affordability. In truth, most new students will pay a price close or equal to what they would have paid before the reset. However, these students will generally pay less over their four or five years than they would have paid because price increases from year to year are on a smaller base, and this change can be significant. This study didn't consider the impact on retention or fundraising but many institutions have mentioned the positive impact that the reset had on both. This would be a valuable topic for future research.

Appendix A: Tuition Reset Institutions by Year of Reset

2011

- Brewton-Parker College

2012

- Lincoln College
- University of Charleston

2013

- Belmont Abbey College
- Central Christian College of Kansas
- Concordia University-Saint Paul
- Cox College
- Mid-Continent University
- Mount Carmel College of Nursing

2014

- Ashland University
- Ave Maria University
- Converse University
- Lesley University
- Ohio Northern University
- Southern Virginia University
- Wilson College

2015

- National Louis University
- Northwood University-Texas
- Paul Quinn College
- Stillman College
- University of Mount Saint Vincent
- Wilmington College

2016

- Rosemont College
- Utica University

2017

- College of Saint Mary
- Columbia College
- Immaculata University
- La Salle University

2018

- Avila University
- Benedict College
- Birmingham-Southern College
- Canisius University
- Drew University
- Eastern Nazarene College
- Hebrew Theological College
- Northeastern University Oakland
- Sweet Briar College

The Master's University and Seminary
University of Detroit Mercy
University of Sioux Falls
University of the Sciences
Warner Pacific University

2019

Albright College
Bacone College
Cornish College of the Arts
Elizabethtown College
Elmira College
Greensboro College
St. John's College – Maryland
St. John's College – New Mexico
Stephens College
University of the Cumberlands
Wells College

2020

Bryan College-Dayton
Carthage College
Central College
Hiram College
Keystone College
Randolph College
Southern New Hampshire University
Unity Environmental University
Virginia Union University

2021

Concordia College at Moorhead
Fairleigh Dickinson University-Florham Campus
Fairleigh Dickinson University-Metropolitan Campus
Goldey-Beacom College
Gordon College
Hendrix College
Houghton University
Rider University
Seattle Pacific University
Spring Hill College
Thomas University
University of Lynchburg
Willamette University
William Jewell College

2022

Roanoke College
San Diego Christian College
The King's College

2023

Colby-Sawyer College
Lasell University
Lenoir-Rhyne University
Roosevelt University
Trinity Christian College
Trinity International University-Illinois
Upper Iowa University
Washington & Jefferson College

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