

President's Memorandum to Faculty and Staff

Office of the President
September 23, 2013

Enrollment

This fall's enrollment report contained many promising data points – an increase in student retention, increased diversity in entering students, more international students and the largest head-count in our history. However, it also included a decrease of nearly 2,300 student credit hours (1.8 percent) on the Big Rapids campus compared to a year ago last fall. Over the past two weeks we have studied and reviewed these data carefully, looking to gain understanding of the changes in our enrollment patterns and tuition revenue. There are four observations that can be made from this review –

- First, while the overall number of new freshman students is up, the number of *degree-seeking* freshmen is down 130 from last year. Non degree-seeking freshman typically are part-time students and take one or at most two courses. We have frequently talked about how 100 students represent more than a million dollars in revenue. For the year, this current decline in the number of degree-seeking freshman will result in a projected tuition revenue decrease of approximately \$1.45 million.
- Second, there is a significant decline in the number of master's degree students on campus. The resulting 30 percent decrease in master's degree student credit hours, when annualized, is an estimated \$330,000 revenue decrease.
- Third, there is a decline in on-line student credit hours. While down slightly for fall, for summer term this was nearly 450 fewer credits. The annualized impact of this is an estimated decrease in revenue of approximately \$315,000.
- Combined, these three factors represent a shortfall in tuition revenue of \$2.1 million from the figures included in our preliminary budget for the Big Rapids campus.

We have been fortunate to enjoy a long and sustained period of enrollment growth at Ferris State University and student interest in a Ferris degree remains strong. This year's applicant pool was one of the largest in history, totaling more than 12,000 student applications. Traditionally, Ferris has had one of the best yields from its application pool. A year ago 38 percent of the students who applied to our university enrolled, the second highest in the state. This year that yield dipped to 34 percent. It is important to remember that the decline in student credit hours and tuition revenue results from a relatively small change in student enrollment. With declining state support a difference of approximately 200 students has a significant financial impact.

Each of us can make a positive difference in our enrollment, and our efforts are interrelated in ways that might not be immediately evident. For example, the largest single decline of freshman degree-seeking students is in Pre-Nursing, where there are 49 fewer students than last year. The immediate impact of this change is not in Nursing, but in the general education classes these students would normally take during their first year.

In this changing environment it is important we move forward in a proactive way to consider how we reverse this downturn in yield and right-size our budget. The most significant challenge we face is with undergraduate enrollment. This needs to be addressed immediately. To study the data, determine the factors for the decline in yield, and recommend changes in our student recruitment efforts for next fall I am establishing a Presidential Task Force on Enrollment. Associate Provost Paul Blake and Vice President for Student Affairs Don Flickinger have accepted my invitation to chair this group.

For the task force we are looking for people interested in examining this issue from a university-wide perspective. If you would like to volunteer for this effort, please let me know by sending an email to eislerd@ferris.edu. The Task Force will report back its findings and recommended actions in early November. This is a topic of critical importance to Ferris and our future.

Additionally, we want to encourage and solicit your best thinking on enrollment. If you have an idea or suggestion, please send this to PaulBlake@ferris.edu or DonaldFlickinger@ferris.edu. As we begin this effort I want to thank Paul and Don for their willingness to lead the group, and encourage you to volunteer and send us your ideas. I am confident that working together we will find solutions to this challenge.

In the other areas of concern, Provost Fritz Erickson is already working with groups across the campus on boosting summer enrollment and online learning. As the year progresses he will be sharing the results from these efforts. Working with deans and faculty he will also consider efforts to reverse the decline in masters' degree students.

Budget Implications

As we seek to understand and address these enrollment trends, we also need to adjust our budget so it balances with these lower revenues. We need to reduce the Big Rapids campus budget by \$2.1 million, approximately 1.05 percent, to close the gap between actual tuition revenue and original projections. Deans and vice presidents are already working to identify areas where savings can be realized. It is important we make these changes to our base budget now. While we will not push off budget problems to the future, colleges and divisions will have some flexibility in using one-time funds during this year to make the transition to the new reduced budget figures.

If, as in the past, fall declines are followed by spring semester increases, we will make adjustments to budget reductions at that time. Although this is a challenging situation, without the concerted efforts of staff in Enrollment Services – especially the hard work of staff in Admissions and Financial Aid – the situation could have been worse. I am also grateful for the efforts by faculty and staff in Academic Affairs over the summer, which helped boost retention for our continuing students, mitigating some of this impact. They have been very responsive to meeting the needs of students and employers, which has played an important role in the strength we have seen with student retention numbers.

As in the past, I will be hosting two forums next month regarding the university's budget - the first on Tuesday, Oct. 15th at 11 a.m. and the second on Wednesday, Oct. 16th at 1 p.m. Both sessions will be in the Optometry Building Room 210. In this year's sessions I will include additional analysis on our enrollment patterns. I am hopeful you can attend, and I look forward to both your insights and questions.

Our university has gone through several difficult periods in the past few years when funding from one year to the next remained flat, or was actually reduced. Despite those challenges Ferris has grown, our academic standards have risen, and historic numbers of graduates have left to begin their careers. With your help, we will continue to rise to the fiscal and demographic challenges that face us. Please consider taking part in our enrollment task force, offer your suggestions and insight on enrollment efforts, and attend the budget forums next month.

Hablemos: Speaking Spanish Together

Our Center for Latin@ Studies is hosting “Hablemos: Speaking Spanish Together,” beginning this evening, Monday, Sept. 23, in IRC 131. These sessions give the Ferris and Big Rapids community opportunities to speak Spanish in a friendly and supportive environment. The sessions, which take place 6-8 p.m. Mondays through Nov. 25, will include some basic instruction, thanks to faculty member Eric Warner, as well as the chance to learn more about Latin@ culture. There is a \$75 fee. You can register online at www.ferris.edu/cps , or learn more about the other offerings and resources of the CLS at <http://www.ferris.edu/latino> .

ArtPrize

If you have not done so already, I hope you plan to visit ArtPrize, which is running now through Oct. 6. Kendall College of Art and Design is an ArtPrize exhibition center and has put together a very strong group of entries. Entitled “Designed to Win,” they are housed in our Woodbridge N. Ferris Building. Beyond the art itself, the exhibition highlights what a resource the expanded Kendall campus is for the City of Grand Rapids. There is a good slideshow of the art available at http://www.mlive.com/artprize/index.ssf/2013/09/kendall_college_of_art_and_designs_artprize_2013_exhibition_is_designed_to_win.html .

Last week I highlighted some of the artists with Ferris/Kendall connections exhibiting at ArtPrize. In addition to those entries, Ferris’ 2013 graduating class of Architecture and Sustainability students has an ArtPrize installation, “FORTY-ONE 32,” comprised of more than 4,000 reused plastic bags, which explores issues of sustainability. More information is available at <http://www.ferris.edu/atfm/ArtPrize-2013> .

Sincerely,

David L. Eisler, president