



Maximizing the Impact of Scholarships on Net Tuition Revenue

In today's higher education environment, many colleges and universities are primarily dependent on tuition revenue to cover their operating costs. COVID-19 has wreaked havoc with other revenue sources like housing, food services, and parking. To continue to preserve and/or grow tuition revenue, institutions need to ensure they enroll a certain number of new students each year. Schools offer students a specific financial package designed to support their individual needs and attract them to the institution. An increasingly important part of that package is the tuition discount or institutional scholarship award.

According to a recent report by NACUBO, tuition discounting has risen over the past five years to a point where most private institutions are now discounting fifty percent or more of their published tuition. The impact of

these awards on net tuition revenue can only be offset by replacing them with donor or corporate funded awards. However, since schools generally don't issue these awards until after the enrollment period ends, it is literally a guessing game as to how much can be offset. The size and scope of this problem had previously gone unnoticed by

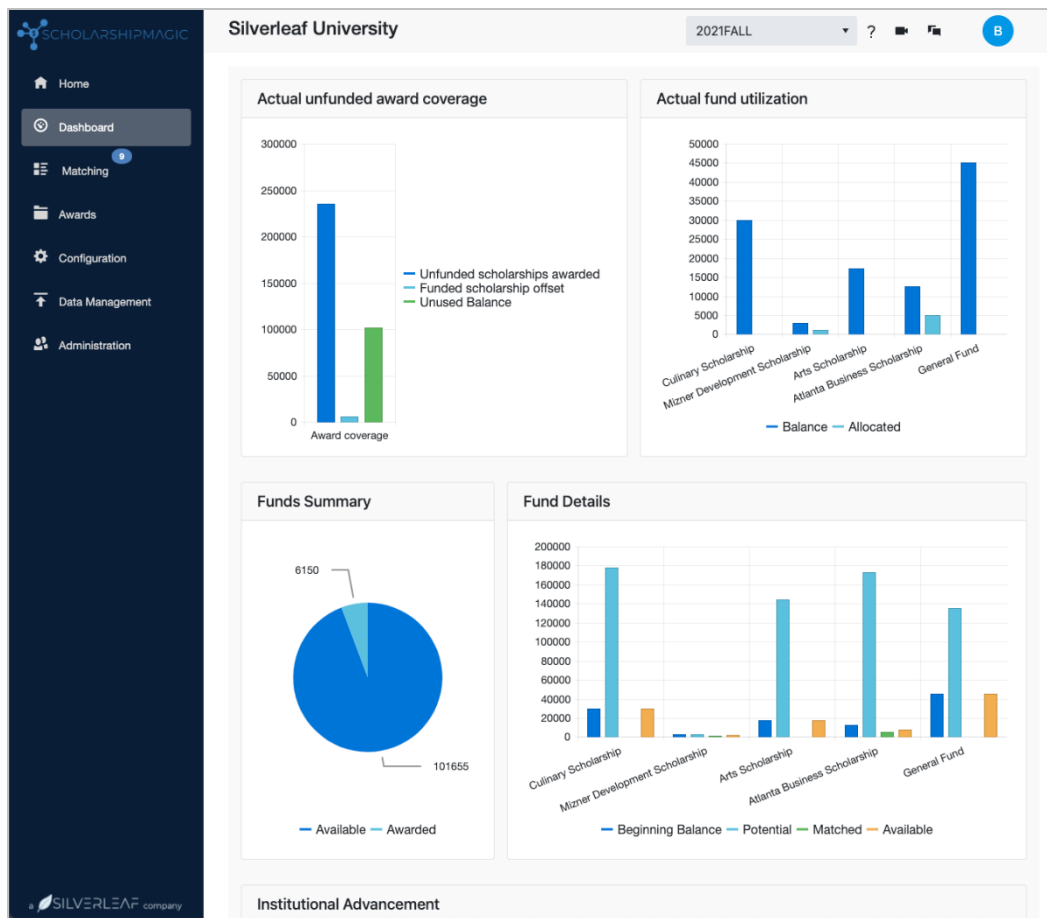


traditional solution providers in the higher ed community. But recently, several EdTech veterans decided to

address the issue and formed a company called ScholarshipMagic.

[David Meek](#), [Wesley Matthews](#), [Garland Hall](#), and [Bob Miller](#) have spent a combined 75+ years serving higher education. They recognized the impact on net tuition revenue caused by the increased use of tuition discounting and set-out to

ScholarshipMagic allows the institution to continuously model the potential impact of tuition discounting throughout the enrollment period. The solution provides an executive dashboard that delivers key data on potential scholarship awards and their ability to offset tuition discounts based on the profile of students who have



develop software to provide visibility throughout the enrollment process. The company's product,

applied or been accepted to the institution. This type of financial modeling and forecasting is very



important to business officers at most colleges and universities and allows them to make timely decisions that impact enrollment early in the process.

ScholarshipMagic uses data from a school's CRM and/or SIS to validate a prospective student's qualification for a funded scholarship to be awarded after the add/drop period.

This allows the institution to avoid awarding a donor funded scholarship to a prospective student who eventually fails to attend the school. It also allows the school to control the amount of tuition discount they must ultimately fund. This helps the institution achieve its mission by meeting the needs of more students while minimizing any potential negative impact on revenues.

Another problem addressed by the solution is the failure to deploy all available funds for a specific award period. A recent article in "The Lantern" revealed that ten colleges

within Ohio State University did not award \$615,000 worth of undergraduate scholarships in fiscal year 2019. That amounts to a tenth of available scholarship funds the college collectively manages, and the remaining funds could be a result of lack of applicants and narrow criteria. This type of problem exists at many universities across the country.



ScholarshipMagic addresses this and many other awarding challenges through the use of its powerful dashboard reporting feature. An administrative staff member can monitor the institutions entire inventory of



scholarship funds and their statuses on screen. This view shows all activity within each individual fund and helps the staff member make critical awarding decisions to optimize the overall use of funds. The student financial aid staff can spend more time with students and families helping create an acceptable financial plan and less time struggling with administrative overhead associated with scholarship awarding.

Finally, the solution supports the institutional advancement staff by providing many types of information needed to communicate with donors. This includes everything from impact reports needed to update donors on the results of their giving, to suggested changes which would allow better utilization of their gifts, and much more.

One of the most important features of ScholarshipMagic lies in the simplicity of its user interface and ease of implementation. The

solution is offered via a very affordable SaaS subscription and requires no long-term commitment. It is a cloud native application which can be deployed at any institution within a few hours without the need of technical resources. Nor is there any cost associated with deployment since there is no data migration necessary, and no infrastructure impacted on the campus. It resides in the Microsoft Azure cloud and therefore extremely secure. The modern user interface is so intuitive and easy to use that staff need little if any training beyond the in-app documentation.

Overall, it is a true solution to a problem that has plagued institutions over the past few years. Early reviews by members of the higher ed community have given ScholarshipMagic high marks!

In order to learn more about ScholarshipMagic, or to schedule a demo, please visit our website at www.scholarshipmagic.com.