

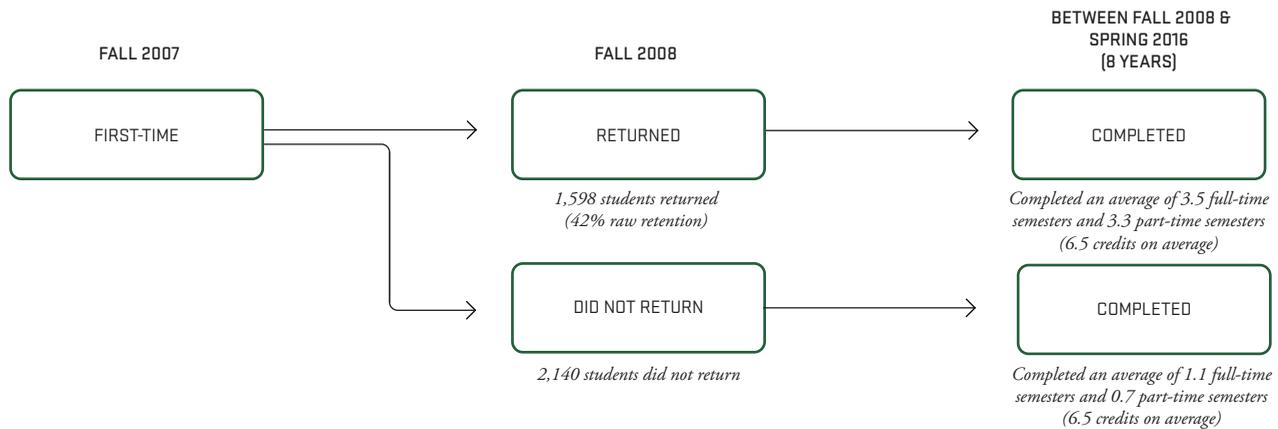
# RETURN ON INVESTMENT IN RETENTION

**QUESTION:** What would be the increased revenue resulting from a 1% increase in retention?

## DEFINING 1% RETENTION

- ▶ In Fall 2015, 4,155 new freshmen attended UVU.
- ▶ 1% of 4,155 students is approximately 42 students.

*Note: For the purposes of this estimate, retention has been defined as a new student attending in the fall semester and returning the following fall, regardless of part-time/full-time status or intended degree. No exclusions have been included. New students do not include high school students or transfer students.*



## REVENUE PER STUDENT FROM TUITION AND FEES

- ▶ Using the 2016 tuition and fee schedule, and assuming 2015 students attend future semesters similar to students entering in 2007, a returning student would yield \$14,723 in revenue on average.
- ▶ Students who don't return the following fall would yield \$4231 in revenue on average.
- ▶ The difference between students returning the next Fall and not returning is \$10,493 (over the next 8 years).

## THE BOTTOM LINE

- ▶ 1% retention increase for one year (42 students in a single cohort) would yield on average \$440,706 additional dollars of revenue (tuition and fees) over 8 years (or \$55,088 per year).

**1% retention increase = \$55,088 additional per year** *(for approximately 8 years)*