



Office of the President

May 30, 2017

Daemen College
Faculty and Staff

Dear Colleagues:

As promised, I am writing with an update on issues related to enrollment and the fiscal health of the College.

The state agency charged with producing regulations governing how the new Excelsior ("free tuition") program will be administered has published those long-awaited rules and procedures, and we have had a chance to review them and assess how the program might affect Daemen.

The regulations reiterate (and do not attempt to alter) what we already knew: preference will be given to students already enrolled in public colleges; students must maintain a full course load; after graduation, students must reside in the state of New York for as many years as they received funding; students who accept funding but do not fulfill these obligations will have their grants converted to loans. The state has not allocated sufficient resources to fully or even adequately fund this program.

These onerous restrictions are likely to discourage some families from accepting the "free tuition" option.

Faculty and Staff
May 30, 2017
Page Two

A confidential survey of the presidents of not-profit colleges and universities in New York reveals that enrollment deposits are off by 22% overall in the aggregate, although these numbers will change as enrollments begin to stabilize later in the summer. These presidents report that the Excelsior program is likely a major cause of this apparent shortfall. A 22% drop in enrollment is sufficient to drive many small colleges into a major financial crisis, if not bankruptcy.

It is too early to tell with great certainty what impact the Excelsior Program and shifting demographics will have on Daemen College, so as a Cabinet, we are being intentionally conservative in our forecasting. Our primary focus has been, and will continue to be, keeping our costs low for our students. To that end, we are only increasing tuition 3.9%, as opposed to the 5 to 6% increase seen from some other area institutions. We felt that this was an important message to send to prospective and returning students.

Additionally, we have been monitoring our enrollment for both returning and new students very closely and while we are not seeing an alarming reduction of students, we are currently tracking lower than we were at this time last year for incoming students. Since we are a tuition driven institution, it is important that we continue to be pragmatic, so we are delaying making any decisions about tuition increases until we have final enrollment and retention numbers in October, when we will have final numbers from both our Amherst and Brooklyn campuses.

I continue to be optimistic that we are not facing the cataclysmic plummet in enrollment that some colleges are facing. Increasingly more students are attracted to Daemen by Athletics programs and we have developed an impressive array of high quality academic programs on both the graduate and undergraduate levels that are likely to continue to help us maintain a relatively healthy enrollment in the face of substantial challenges. At the same time, we know that the lure of "free college" is too much of a temptation for some people and until our student enrollment for the upcoming academic year does in fact stabilize, we want to be cautious.

I will continue to provide updates as appropriate. Thank you for all that you do to make Daemen a very special college for our students.

Cordially,



Gary A. Olson
President

PS: I thought you would be interested in the attached summary of actions we have taken to address the threat of the "free tuition" program and the potential shortfall in enrollment.



Actions Taken to Address the Threat of the NYS Excelsior ("Free Tuition") Plan and the Potential Shortfall in Enrollment

Beginning immediately after the Governor's initial announcement of the free tuition proposal, the Cabinet held a series of emergency meetings to assess the potential risk to the College and to strategize the institution's response.

President Olson sent letters to all students and employees, as well as to members of both Daemen boards (Board of Trustees and Community Advisory Board), requesting that recipients write personal letters to their state legislators urging them to vote against the free tuition plan and to support instead a proposal to increase state-provided financial aid.

President Olson played a central role in organizing the statewide campaign in opposition to the plan through his work as trustee (and executive committee member) of the Commission on Independent Colleges and Universities. He personally lobbied several State Assembly Members and Senators, and he helped organize a delegation of college presidents to meet with the *Buffalo News* editorial board, which resulted in an editorial and several news stories favorable to New York State's private colleges' position on the proposed legislation.

After the legislature adopted a version of the free tuition plan, the Cabinet held a number of additional meetings to strategize the college's response, and the President wrote to both boards updating them on the situation.

In the first few days immediately following passage of the legislation, the President was interviewed and cited extensively by the local and national press regarding the potential effect of the Excelsior Program on private colleges throughout New York (*WIVB*, *WBEN*, *Buffalo News*, *Wall St. Journal*, *Chronicle of Higher Education*, *Inside Higher Ed*). He also published two op-eds in the *Buffalo News*.

The College administration then took a series of actions:

- Instituted a freeze on all new spending.

- Instituted a freeze on all new hiring.

- Halted all but one essential capital project: repair of the Lumsden Gymnasium roof

- Sent a letter to all incoming students

Sent a separate letter to the parents of incoming students elucidating the facts related to the Excelsior Program and explaining why Daemen is an excellent quality education and an exceptional value.

Sent a separate letter to all current students detailing the facts related to the new Excelsior Program and explaining why Daemen is an excellent quality education and an exceptional value.

Sent a letter to all faculty and staff describing the Daemen administration's efforts to respond to potential threats posed by the Excelsior Program and attempting to allay concerns about Daemen's future.

Distributed a fact sheet/talking points correspondence to all faculty and staff to assist them in answering questions and addressing concerns of present and incoming students.

Set up a staffed information table in the Wick Student Center (along with fact sheet flyers) in order to efficiently and effectively address any students' concerns.

Created a task force to investigate ways to strengthen partnerships with high schools, placing emphasis on creating dual enrollment programs and other innovative, accelerated curricula that would be attractive to potential students.

Created a Junior Year Provisional Admission Program in an attempt to attract new students prior to their senior year in high school.

Created a task force to investigate enhancing athletics roster management to increase the number of students enrolling in order to participate in organized sports.

Created a task force charged with monitoring early registration of current students and requests for transcripts in order to intervene before students depart.

Instituted a simple way for faculty to report students who are considering transferring from Daemen so that College officials have ample time to intervene appropriately.

Increased marketing efforts (especially on social media) for the remainder of the year.

Investigated implementing a "Truth in Tuition Promise."

In addition, the President attended a full faculty meeting to inform faculty about potential threats posed by the Excelsior Program, describe the administration's efforts to address these threats, and outline how individual professors might answer students' questions. He also published editorial columns in the *Huffington Post* about the potential effect of free tuition proposals nationally on private colleges throughout the nation.

After careful consideration, the Cabinet agreed not to participate in The Excelsior program. College officials are continuing to monitor developments closely