

Rationale for Tuition Reduction Request for SACM students:

As part of a targeted strategy to enroll more students through the Saudi Arabia Cultural Mission (SACM) scholarship program, Wright State University proposes entering into a MOU with SACM by offering a 25% decrease in the out-of-state surcharge for new students. With the creation of an MOU, SACM has agreed to approve WSU academic programs currently not open to their students, including the LEAP program for students not meeting the English Language Proficiency requirements.

WSU is held in high regard by our very active Saudi Student Association. The UCIE maintains a quality relationship with the SACM headquarters staff in Washington DC. It is imperative that WSU take the opportunity to become a committed partner to SACM for the mutual benefit of both parties. This MOU will help to ensure growth in student numbers, diversity across academic areas, and increase revenue, over the remaining years of the scholarship program.

Saudi government funding for the scholarship program has been in decline over recent years. This situation is compounded by the increasing strength of the US dollar, internal SACM policies on receiving institutions, potential internal WSU policies and, potentially, political rhetoric.

Quickly decreasing student numbers, and revenue, from the scholarship is not unique to WSU. Between FY'16 and FY'17, (latest nationwide figures available from the Institute for International Education) Saudi student numbers in the US dropped 14.2% from 61,287 to 52,611. SACM funding decreases, and restrictive policies on receiving institutions were enacted at this time. WSU experienced a corresponding 37% decrease from 480 to 301. Between FY'17 and FY'18, WSU experienced a further 33% decrease from 301 to 226 students. Between FY'18 and Fall 2018(FY'19) WSU has experienced a further 14% drop to 194 – See Tables 1 & 2.

Table 1 – SACM Student Count Per Semester

| | 2015-2016 | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 projection without tuition reduction | 2019-2020 projection with tuition reduction |
|---------------------|-----------|-----------|-----------|-----------|--|---|
| # of total students | 480 | 301 | 226 | 194 | 140 ¹ | 160 ² |
| # of new students | 127 | 66 | 47 | 42 | 30 ³ | 50 ⁴ |

¹ Prediction of 28% reduction as averaged between previous three-year percentage decreases

² Based upon projections and availability to new students only, 50 of 160 total SACM would be eligible

³ Prediction of 28% reduction as averaged between previous three-year percentage decreases

⁴ Discount is based upon 20 new students and only applies to transfer, FTF and/or graduate students

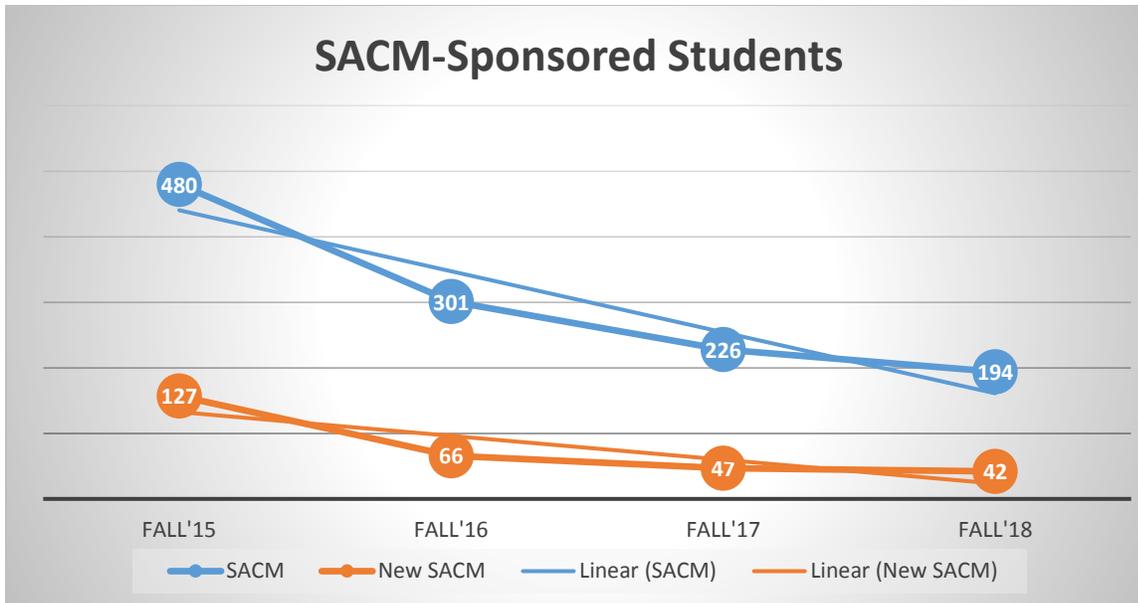


Table 2 – SACM overall and new student enrollments at WSU from 2015-2018

Using Spring 2019 fees, an undergraduate full-time, Ohio resident tuition is \$4,627 and the full-time, non-Ohio resident is \$9,199, with the difference (surcharge) being \$4,572. Thus, 25% of the surcharge is \$1143, making the adjusted tuition for SACM undergraduate, full-time students to \$8056 (\$9,199 – \$1143).

Using Spring 2019 fees, a graduate, full-time, Ohio resident tuition is \$7,149 and the full-time, non-Ohio resident is \$12,143, with the difference (surcharge) being \$4,994. Thus, 25% of the surcharge is \$1248.50, bringing the tuition for SACM students to \$10,894.50 (\$12,143 - \$1248.50).

With a prediction of 10 undergraduate and 10 graduate students, WSU would bring in a **revenue of \$189,500.50** (10 students x \$8056 + 10 students x \$10,894.50 = \$189,505). The total **tuition reduction is \$23,910.50** (\$1143 x 10 for undergraduate students + \$1248.50 x 10 for graduate students). We believe this reduction is worth the 20 students (potentially more if downward SACM trends hold steady) we would not have without the tuition reduction.

WSU will continually assess the outcome of this waiver to ensure cohort minimums are met, diversity of enrollment is seen throughout a greater number of WSU academic programs and WSU remains on the approved list for receiving sponsored students.