Chapter 5

INNOVATORS IN HIGHER EDUCATION: GRADUATE PROGRAMS AND THE TUITION RESET
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SAL, as we’ve seen, provided Concordia with a toehold in new programs, and innovative ways of delivering them. Based on this positive experience, from the 1990s forward some visionary leaders developed a range of graduate curriculum that, it can be argued, transformed Concordia University, St Paul. The days of CSP just offering undergraduate degrees became a remnant of the past. In a hurry. As we’ll see, these Master’s programs began in Education, but within several years Business offered an MBA and, by the time we get to 2018, we’ll see that CSP had expanded to several Health Care fields.

Leadership also took an innovative approach to meet another challenge, the increasing expense of higher education. Steady rises in tuition costs—and the strong competition from other small private colleges—proved ever more difficult for Concordia to manage. University finances were stretched. In 2010, outside consultants presented some dismal forecasts that pushed leadership to cut the Gordian knot of spiraling costs to students and their families. The resulting tuition reset, which took effect in Fall 2013, put CSP on a new path of affordability and competitiveness.

So come along for a fast-moving ride through the past 25 years of graduate education and a new tuition model.

GRADUATE PROGRAMS

Carl Schoenbeck traces the decision to have graduate programs back—all the way back—to the beginnings of the school, in the 1890s.

The original founders of Concordia St. Paul, their vision was that there be a liberal arts university, across the disciplines. But respondents said, we can’t afford that, we don’t have the resources to do that. So we’re going to start with church work. But we want this to be beyond that. ... So there’s been a history of, we’re on a journey and when we became a university that said to me, this is part of the journey.

There were a lot of people who said it’s kind of presumptuous for us, 1400 students, to have graduate programs. ... The opposition for that was really, we’re too small for that and we can’t do it well. And if you can’t do it at the level of the university, then you shouldn’t get engaged in that.

But it took leadership to move from idea to reality. Lonn Maly identifies President Bob Holst as the catalyst.

He was a visionary. He knew that we needed to grow enrollment. He was willing to challenge people to be innovative, to think bigger than they maybe had before, to say, have you thought about this, have you considered that? He tried to get the faculty and staff and the Board of Regents to think beyond little old Concordia into, what’s Concordia’s potential and what does the future hold for Concordia? We’ve got to do things differently into the future.

Bob Holst nurtured and guided Concordia into adulthood. Brought us from being small, 700-800 [traditional undergraduate students], parochial Concordia into a comprehensive Lutheran university of 2800 students with robust graduate programs. And he also instilled in many of us that that we could go beyond little old Concordia and we could do things we never dreamed we could do.

[Holst] was a visionary... He was willing to challenge people to be innovative, to think bigger than they maybe had before, to say, have you thought about this, have you considered that?
Paul Hillmer echoes these comments.

To me, any institution that wants to continue to evolve, wants to continue to improve, wants to continue to challenge not just its students but its faculty, has to think about new, interesting, responsible ways to educate students.

And Hillmer goes further, explaining how and why Education was a logical candidate for Concordia’s first foray into graduate education.

Education is really I’d say the bedrock program at Concordia, going all the way back to the days when it was more of a Gymnasium-style school. We had some—I’d say certainly by Concordia standards—near legendary people in our College of Education for many years who were committed Lutherans, committed educators, committed scholars, very active in the community, committed to issues of social justice, early childhood education: Barbara Schoenbeck, Judy Klingsick, Carl Schoenbeck, Frances Hancock, Don Sellke, Loma and Gary Meyer. So we had people who I think really defined the kind of school Concordia was from the ’60s into the 2000s and who had developed a well-earned reputation as the place to go if you want to be a good teacher in Minnesota.

So it made sense that that would be an area where we would begin graduate studies. As we’ve seen, there are ever-rising expectations for credentialing in our professional lives and certainly if you want to do more than just be a classroom teacher, you want to think seriously about getting a Master’s or Doctorate.

Leadership recognized that, yes, new revenue streams would be required. So that was part of it. But Carl Schoenbeck argues there was another side to the decision.

I think that’s a point of perspective. I think you could say it was inevitable and we were forced to do it, but I think you could also make the case that says historically, it’s in the DNA of this institution that we respond well to change. ... And we can say we were forced to add graduate programs, or you could say no, we were responding to the changes.

Creating graduate programs meant new challenges, as Marilyn Reineck explains.

Because when you have graduate education, there’s just a whole new level of expectations that go with it in terms of faculty credentials, faculty scholarship, resources and so forth. Thinking through all of that, and preparing to really offer that level where you’re going to produce students who actually can contribute to the creation of knowledge I think is just transformative.

You have to have a lot of internal discussions and really set standards for the kind of educational institution you want to be, and what you expect to accomplish in your programs. And you have to set a higher bar for instruction and for scholarship. You really have to have people who are generating new knowledge themselves. Graduate faculty members, that’s a whole level above.

Financial realities also played a role in the decision to expand Concordia’s offerings to graduate programs, as Holst admits. Support from the LCMS, which decades before had covered much of the cost of a student’s education, had gradually decreased over the years.

When I was a student here in the 1950s, it paid a hundred percent. I paid no tuition. Paid room and board. ... When I came in 1991, we were really complaining because I think only ten percent of the budget came from the Missouri Synod at that time. ... The history of the Missouri Synod was that it would pay support. So anyway, in 1999-2000 it quickly went down to nothing.

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...it’s in the DNA of this institution that we respond well to change...
By the mid-1990s, Concordia was well positioned to add new programs. Here is where the earlier experience with CSAL proved beneficial. Leadership around Loma Meyer already had demonstrated a willingness to move in new directions—and the results with CSAL had been positive, generating revenue, growing the number of students and raising visibility. There was less reluctance to trying another new idea.

By the mid-1990s, Barb Schoenbeck was the coordinator of the Early Childhood Education program. She also worked with getting several programs licensed by the State of Minnesota, and oversaw the staff at Hand in Hand Child Care, the on campus center that now bears her name.

Dr. Herman Wentzel, who was a strong leader in the College of Ed, felt that we really needed to add a Master’s of Education. Herman developed the first draft of what would be included in the curriculum. Because of the great interest in early childhood education, Herman suggested that we also add a Master’s in that area. Herman helped us develop that. When we started it, there would be six, seven or eight students in a class.

Graduate programs were now part of Concordia’s offerings, and took two paths. One was a traditional on campus version that grew only slowly. Lonn Maly explains why.

Teacher Education graduate programs started in 1991, but by the year 2000 we’d had just a handful of graduates, because we were trying to appeal to graduate students in a very traditional way. You have to drive from Minnetonka to Concordia to take a class at 4:30 in the afternoon, and then you have to do that for a period of a couple years, and then maybe you’ll finish your program and get a Master’s degree.

We looked at that model in the early 2000s and said, this isn’t working. We’ve got to figure out a way to be a game changer here. We’ve got to be responsive to what the marketplace wants in Master’s degree programs.

Leadership responded to these low enrollment figures in two ways. One was to look carefully at the existing programs and see how they might be made more attractive to the main target audience, K-12 educators. So they reached out to teachers who had expressed some level of interest in a Master’s program, Maly says, and found out that the current model was the primary impediment: most teachers simply didn’t want to drive to CSP after school, during rush hour, for evening classes. So the College of Education pivoted to a new, more innovative model.

How about we offer you some Master’s degree programs that are convenient for you location-wise, within five miles of your home or school? We’ll bring a program to area schools around you. We’ll use the CSAL model that we know works.

We’ll give you a break in the summer, and we’ll get it done in two years. We’ll keep the curriculum very relevant. We’ll expand into some areas that we’ve not done before, because we hear that’s what you want, educational leadership and classroom instruction and reading. But there will be academic integrity.

So we did all that and we developed some programs. ... We’ll be innovative. We’ll be relevant. We started programs in 2007 in the College in Educational Leadership. We built on our differentiated instruction in our Early Childhood [program]. We offered classroom instruction. We offered a reading credential.

We added 110 students in May of 2007 and another 120 or something in September of 2007, and had to go out and hire three new faculty because we didn’t anticipate that that would happen. But we really felt that we did what they said [they wanted] in the study: We want a relevant, convenient if you will, academic program that’s got integrity and from an institution that we respect, because we know that Concordia does teacher education well. We heard that message.
Hand in Hand Child Care was established in 1983. Now the Barbara Schoenbeck Early Learning Center, it continues to carry on Barb’s legacy by providing Early Childhood Education students the opportunity to apply concepts they learn in class through hands-on practice.

At the end of the 1990s, leadership put all graduate programs in the same college as CSAL, but to reflect the broader offerings changed this to Concordia School of Adult Learning. This housed degree completion, the original CSAL product from the 1980s, but now also the increasing number of graduate programs.

And not just traditional programs: The second way that leadership responded to lagging enrollment figures in Education graduate programs was to embrace the new technology then appearing on campus. Several forward-looking faculty began exploring just how courses—or perhaps entire programs—might be moved to online delivery. If we remember that the laptop initiative had started in 1998, and CUE-Net right before that, this makes sense—exploring how available new technologies could be employed to create and deliver innovative programs. So in this case, while the College of Education was developing and modifying face-to-face graduate programs, online offerings were growing too.

Barb Schoenbeck remembers the beginnings of online Education programs. It was a bit of a shock, she recalls.

I remember very well when Jim Olhoff [then Associate Dean of Human Services] sent me an email that said, Barb, we’re including Early Childhood in the online Master’s. I just flipped. How could they do that? You couldn’t learn from a computer. How silly! I fired back a not very friendly email to Jim, who felt bad that he had made me upset. [But even though I] prepared Early Childhood professionals, [I] did not act in a way that was professional. But we worked out that I would teach one class, and make a decision about teaching this way.
Barb Schoenbeck was quickly converted. The new online environment, she says excitedly, offered a world of possibilities – and students from all over the world as well.

What this taught me was so much more about this field that I was in. I knew how we did early childhood in Minnesota, and I could tell you what they were doing in Wisconsin, and I had some inkling what they were doing in Georgia. But this opened my world of early childhood to the people who are doing the same thing all of my undergraduate students were doing in Minnesota, framed by a much larger picture.

We had a lot of directors in the program along with students in the Department of Defense schools in Germany. We had several entire cohorts of teachers and directors from Hawaii. ... The chats that we had weekly and the assignments that students did, they really had a need to know more about best practices with young children. They were in a stage when they were learning how to do this teaching and nurturing of young children in the best possible ways. They learned best practices from each other, readings from experts, and research. It was so fun to work with people who really needed to know what best practices was.11

While in 2018 the majority of students in Education graduate programs are online, says Lonn Maly, this shift didn’t happen overnight. It wasn’t until the mid-2000s that significant growth took place in online courses. Maly explains why he believes that was the case.

The teachers who wanted Master’s degrees became more comfortable with technology in their personal lives, in their teaching and in their schools. So they began to explore the convenience of being able to take a course online, while at home or in their classroom. Of course the model was that we actually could see each other, so the technology was good enough that we could replicate the classroom setting to a certain degree.

And they became much more tolerant, even excited, about the technology because then they also saw ways that that could expand back into their own classroom as teachers. So they saw the relevancy of how can distance learning, how can online learning, how can asynchronous activities benefit not only my own education as a teacher, but also how can it then play a role in how I teach in my own classroom.12

A look at overall enrollment figures in College of Education Master’s programs shows very positive results. The mid-2000s boom Maly spoke of is evident in these numbers.13

Concordia’s willingness to innovate, as evidenced with the development of new graduate programs in Education, as well as how these programs are packaged, marketed and delivered, is ongoing. As of 2018, a prospective student who goes to the university website searching for options in Education will find several licensure programs, nine different Master’s programs, as well as a Doctoral degree program. The past twenty-five years have truly witnessed a transformation in what the university offers, and how.

This continual innovation, a desire to grow enrollment through the creation and delivery of new programs, extends beyond the College of Education. That unit blazed the trail, but others have followed, with equally positive results. Let’s look briefly at one more example: the College of Business.

Hillmer discusses how Business helped to set a standard for the university. But it didn’t happen right away.

What the faculty in that college wanted were degrees that fit the sort of stringent, traditional models of graduate education, and our leadership was looking for something that fit more into this emerging model of cohort based and at least partially online programs. So that developed a bit more in fits and starts. But ultimately if you want to look at an area that shows the most creativity and flexibility in delivering graduate programs, I think you need look no further than the College of Business.

I think they became the college through which the rest of us learned how to be good, innovative online educators. They’ve really set down for us an example to follow in many ways. It was not easy for them .... A lot has been demanded of them and they’ve responded...I would go so far as to say heroically. They have served this university’s interest exceedingly well and I think we’ve benefited tremendously from that. I think people like Richard Brynteson and Craig Lien, Christine Kudelka and Steve Manderscheid, Tom Hanson, Nancy Harrower, and Renata Mayerhofer and even some who are no longer with us really played an important role in defining what graduate education looks like at Concordia.14
The Masters of Business Administration (MBA) program exemplifies the creativity, flexibility and innovation that Hillmer discusses. No, it wasn’t the first online program at CSP—those date back to the late 1990s, as we’ve seen—or even the first Business program delivered in a non-traditional format—CSAL holds that distinction. But it can be argued that the MBA brought all three of Hillmer’s characteristics together. The resulting MBA program also helped to transform the market for graduate business education in the Twin Cities metropolitan area.

Steve Manderscheid started at Concordia in 1997, as an adjunct faculty member in CSAL Management programs. With a background in private industry, he brought real world experience to Business at CSP. By the mid-2000s, says Manderscheid, there were internal discussions about creating an MBA program that also would be delivered online. But faculty in Business were divided on the question.

“It was a big step, because we already had a Master of Arts in Organization Management [MAOM] program. ... There was one camp in the College that thought an MBA is differentiated enough and there’s a large enough market, and it’s going to be a growing area of interest for students. They believed we should move in that area. And there were other people that thought it would cannibalize the MAOM program, and that it [MBA] was already saturated at that time.

We started asking for more information on the competitive landscape and the number of potential students that would be interested in the MBA. What about pricing? How are we going to be unique from other MBA programs? The more it took shape, the more I believed that we had a viable program. ... There seemed to be a marketplace for it.
One reason the faculty in Business believed they could be successful with an online MBA, Manderscheid adds, was experience.

We had done online learning. We were some of the first people in the Metro area to do online learning. There was a trend towards online, and we believed that we had the upper hand in that area. We had experienced faculty that had taught online for years. Quite frankly, [we were] good at it and better than other people. And we believed other people underestimated how difficult it is to do online learning well.15

Craig Lien, who began in the CSAL program and joined the full-time faculty in 1999, was instrumental in creating the MBA and moving the program forward. Here he talks about why university leadership also believed an MBA could be successful.

Carlson [School at the University of Minnesota] was not geared toward the working professional. And St Thomas was really, at that time, a day school that the working professional would either need an awful lot of support from his or her boss, or just be able to take that time off and do it. So there wasn’t any programming in place that was really adult-friendly.

There was something innovative about what we were creating, which was to give students an integrated breadth of understanding of business, as opposed to just simply the functional, vertical silo courses. Because [in other MBA programs] most of them were still taking individual courses, filling the bucket.16

COLLEGE OF GRADUATE AND CONTINUING STUDIES
Business faculty Nancy Harrower works with students in 2005.
Concordia’s cohort-based MBA program established itself and quickly began to grow. The numbers of students taking the fully online version of the MBA grew steadily, too. Even given these successes, leaders in the College of Business sought ways to further innovate the MBA program and keep it relevant for students.

Lien explains one new innovation, a transformative mentoring program that was launched in 2013.

Students in their first semester take sort of an aptitude test, 63 professional skills in five categories that they rate themselves on. When we meet for the first session, I’ve asked them to choose three of those they’d like to consider development of. Then we talk through those, and end up choosing one that they’re going to spend the next four months working on developing, until we connect again. Within 48 hours of our meeting, they have to submit an action plan with precisely what they’re going to do. Then we meet again next semester; we review that and plan ahead.

What’s nice in our mentoring is, we’re also guiding them towards the completion of their MAP, which is their capstone. We consider it really a bridge to their future. There’s a reflection, there’s a demonstration of their academic ability through writing an industry analysis, and they have an opportunity to reflect on the education and learning, on their life. I often use [Ralph Waldo] Emerson’s “The height of the pinnacle is determined by the breadth of the base.” So we get them to be very reflective learners.

Our 21st century formula is based simply on this: The world is moving faster than structure, the world of capitalism. Our society is moving faster and building structure around it. What that means for our students is that opportunities must be found and discovered … So we now have many scores of students who are creating opportunities for themselves, not waiting for the organization to do it for them.

Because what is transformative is not necessarily that they’ve learned what the four P’s of marketing are, what’s transformative is when you desire and demand more of yourself. That’s a far more important propellant than me teaching you the four P’s of marketing, as important as they may be.

In 2018, despite an increasingly competitive landscape, Concordia’s MBA continues to be successful. Enrollment data shows this: in the decade from 2007 to 2017, for example, the MBA program grew from 34 students to 315. These days, “about 75% of students are online, as opposed to blended, when we meet in class. I think a lot of students like the idea of coming to a classroom,” concludes Lien, “but life just doesn’t afford them the opportunity to do it.”

Thankfully, given CSP’s array of online programs, students still have the chance to pursue graduate education.

Concordia continues to innovate. Not just in areas where the university traditionally has offered quality programs—Education and Business, as we’ve seen above—but recently in entirely new fields. As of 2018, CSP has established a presence in Health Care, with several programs that respond to changing market demand. Concordia offering degrees in the Health Care field? Even the Concordia’s visionary leaders in 1993 didn’t foresee this development.

But a willingness to try new ideas, to experiment with new programs, as Eric LaMott summarizes, has been a hallmark of the university during the years since 1993.

We did a partnership with a cyber-security group in Washington, D.C. It’s a reputable one, but sometimes the dance doesn’t work well, and we’re closing that one down. … So we tried it. It didn’t work, but out of that came other offspring, which is the Master’s in Information Technology Management (ITM). Sometimes you start and it doesn’t work, but it creates an impetus that allows other shoots to grow, and you pursue those.

This bold approach, of being willing to move in new directions—and to accept that sometimes these new ideas will not work—has produced a long list of successes. It was a strong undergraduate presence in Kinesiology, for example, that provided the platform for CSP to launch an M.S. in Exercise Science that in 2018 boasted 101 enrolled students and 48 graduates.

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And some creative partnerships with other organizations and schools, as LaMott noted above, have allowed the university to leverage its strengths and explore new areas. Three examples demonstrate this.

First, there is a fully online MBA with Health Care Compliance, offered in partnership with Mitchell Hamline School of Law. “What a great opportunity for students to advance their careers into this growing market,” said Kevin Hall, Dean of the College of Business and Technology, at the conclusion of the agreement with Mitchell Hamline. “We are looking forward to growing this partnership to address community and student needs.”

Another example is the M.A. in Human Services with an emphasis in Forensic Behavioral Health, launched in 2013. For this degree, another being offered fully online, Concordia partnered with the American Institute for the Advancement of Forensic Studies (AIAFS).

Or the M.S. in Orthotics and Prosthetics, begun in 2014 as a collaborative partnership between CSP and Century College, a two-year community and technical college located in suburban White Bear Lake, Minnesota. “The graduates of this degree will receive the educational preparation to become leaders within the orthotics and prosthetics field,” explained Katie Fischer, Dean of the College of Health and Science, “especially as healthcare needs continue to change.”

Three different programs, three innovative ways to create and launch them. More evidence of forward looking leadership and a proven willingness to take risks and try new ideas. After learning about these examples of Concordia’s experience with graduate programs, it’s helpful at this point to step back and look at the big picture. How has graduate education impacted the number of students, and those completing degrees? Well, in 2018, CSP boasts 26 different graduate programs, with 1,963 students enrolled. In 2017-18 the university graduated 782 students in these various programs. This is a level of success the entire university can be proud of. And a transformation of Concordia’s programs few could have envisioned in 1993.
CHANGING THE GAME: TUITION RESET

In the field of higher education, explains Lonn Maly, Concordia traditionally has faced strong competition for students. “Trying to stand out in this competitive market … You can’t say hey, we’re a Christian institution, because there’s a dozen of those around here. You can’t say, hey, we’re a special private institution, because there’s a dozen of those around here, too.”27 There are indeed numerous private colleges in the Midwest region alone, including several other Concordia institutions. And public institutions further crowd the field.

Given the many choices, when it comes to deciding which school to attend, tuition cost matters—a lot. By the middle of the 2000s, though, Concordia’s published tuition for full-time attendance had passed $20,000 per year. Additional charges, including on-campus housing, food service, books and the ETI fee of $400 per semester (see above), added to this total. And these costs were going up each year, with increases averaging around 3%.

Concordia was not alone—nationwide, costs of attendance at private colleges nearly doubled from the mid-1990s to the mid-2010s, exceeding the rate of inflation. This trend squeezed Concordia’s resources, as it spurred an increase in financial aid in order to attract students. In Fall 2010, as a study by consultants at The Lawlor Group showed, the situation took a critical turn.

John T. Lawlor was the author of the 2010 study. He explains the situation the university found itself in.

Concordia faced a particularly glaring warning sign: After eight consecutive years of increases, net tuition revenue from its traditional (residential) undergraduate program dropped. Even though its tuition price and its enrollment number both climbed, the total amount of institutional aid Concordia awarded also increased in excess of revenue gains. And despite enrollment keeping pace the following fall, Concordia’s discount rate rose even more sharply and net tuition revenue dropped even further.28

The result: By the 2012-13 academic year, CSP was using institutional aid, in the form of scholarships and grants, to subsidize over 40% of the published price of tuition.29 In the long run, this high-tuition/high-discount model was not sustainable. Leadership began to ask tough questions, and consider various ways of addressing the issue, even before Fall 2010. But the drop in net tuition revenue that year added a sense of urgency—something had to change.

The solution was truly an innovative one: a tuition reset. Announced during 2012-13 and taking effect with the 2013-14 academic year, the tuition reset effectively transformed the price of a Concordia education, made the university accessible to more people and, in the process, attracted regional and national attention as a model that directly addressed rising tuition costs.

Before the tuition reset, explains LaMott, Concordia was just one of many schools trying to recruit the same students.

We did the analysis of the tuition versus the perceived value of the school. We had this graph, and it looked at the publics, the privates, the CUS [Concordia University System], our competitors. Everybody is right in the same sector, and competing over this small set of students. Our goal was to drive down and get our price sensitivity closer to the public sector, which had the volume and also targets our students.30

Kristin Vogel was Concordia’s Director of Undergraduate Admission at the time of the tuition reset.

I think that, instinctively, Concordia knew that the cost was becoming out of reach for our students and we wanted to address that in some way. … We looked at lots of things—more scholarships or partnerships with other schools. Some things like that. But, really, reducing tuition was the way to get the message out that Concordia is an affordable place to go. … We would talk with students and their families, have them come in, and you would see their eyes get big and the big gulp at the mention of the cost. We knew the barrier that that sticker price was.31

![Tuition Levels](chart.png)

**KEY**
- Out-of-Pocket
- Student Loans
- Federal/State Grants
- CSP Scholarships
Kim Craig, currently Vice President of Enrollment Management, also was part of the conversations about the tuition reset.

The major factor in the tuition reset is that, as we were talking to students and families, they weren’t even really considering Concordia—just because of the sticker price. For private institutions—because historically it has been a high-tuition/high-discount model—students would see the $30,000 price and we wouldn’t even be considered. I think the average person, they don’t necessarily know that the tuition that is highlighted on a website isn’t necessarily the tuition that they’ll be paying after scholarships and discounts.32

Key administrators, led by Maly, LaMott and Vogel, collected ideas that could help with developing the tuition reset concept. Maly explains.

We attended a conference on the future of higher education sponsored by the Minnesota Private College Council (MPCC) and other organizations around the area, and we started to hear conversations and presentations about the complex future of higher education and the funding models that we were finding ourselves in as institutions, the high-tuition/high-discount model.

We started to wonder if that maybe wasn’t a good future for higher education. Then we started to talk: Maybe we could be innovative, maybe break from that status quo and go away from the high-tuition/high-discount model. Because frankly, we didn’t have a lot of students paying full tuition anyway… few or none.33

LaMott remembers the moment the idea first took shape.

It was on the drive back [from the MPCC conference]. We had known that we could not keep driving tuition forward at a 3% rate. President Holst had said that. We had talked about it. We worked with the Board [of Regents]. You do a 3% rise every year … the cost-debt issue came into play. And this is before tuition debt was in vogue in terms of negative publicity.

So we started several individual studies, testing things; we looked at a lot of different variants. Then ultimately we were ready to pull the trigger.

President Ries came in [2011] and, being a finances person, he knew right away this is what we needed. The Regents were already on board with it, so we executed that right in his first year, and it was perfect timing. It was sequenced well because it was a very hot topic politically.34

And it was more than just politics, as Vogel adds.

Faith really informs a lot of the decisions that we make, so it is definitely a part of that. We were really motivated to make this decision for students, and that is an example of the Lutheran ethos here. Making school accessible is right in line with the values of being an institution of the church.35

Starting in Fall 2013, Concordia reset undergraduate tuition from $29,700 to $19,700—not only for new incoming students, but for returning ones as well. When the numbers were announced in late 2012, the reset was noticed across the region, and across the country. “[We knew] full well that it might attract some attention in the press,” recalls Lonn Maly. “We got a lot of publicity and that helped put Concordia into a different place in the conversation in higher ed.”36 Indeed. The innovative move was featured in the Chronicle of Higher Education, U.S. News and World Report and CBS MoneyWatch, among others. One report argued the reset gave CSP “the most affordable published price among its private college competitors.”37

The new, lower costs helped to bring more visitors to campus during 2012-13 (up by 30% over the previous year), and generate more applications for admission. And when classes started in Fall 2013, there were 462 new undergraduates enrolled. That represented a record high for the school, and was up nearly 200 over Fall 2012. Dorms were full, for the first time in many years.38

But the reduction in tuition costs also brought a corresponding reduction in financial aid, as these monies are linked to tuition expenses. University leadership needed to ensure a net savings to students, and a recent independent study demonstrates that the tuition reset did just that. “During the first year of the tuition reset, the out-of-pocket cost to every returning student dropped a minimum of $1,400,” concluded the external assessment, “with families that did not qualify for need-based aid saving even more.” “It’s not just a shell game,” said Vogel at the time. “We wanted students to see a savings.” And the savings were cumulative, as the reset price also meant that any future tuition increases would add fewer dollars to a student’s bill.39

The tuition reset produced other demonstrable changes, too. In the years after 2013, not only did traditional undergraduate enrollment increase by 17%, the persistence to graduation rate increased as well, by 13%. And the average amount of student loan debt graduates carried went down by 18%. The institution benefitted too, with an increase in net tuition revenue from the traditional undergraduate program, and annual budget surpluses. These monies could help fund salary increases and faculty hires, as well as building renovations and technology upgrades.40
CSP created a branding campaign that accompanied the tuition reset. ‘Responsive. Relevant. Real.’ campus banners were one very visible part of this.

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The tuition reset produced positive changes for the institution, but there have been several potential issues as well. Craig points out that while the tuition was reset in Fall 2013, that new price wasn’t locked into place for future years.

"I think some of the challenge has just been keeping that cost reasonable for students, because every year we’ve had a little bit of an increase. It’s part of our plan to look at, okay what is the next iteration of the tuition reset?"

LaMott adds that some parts of the planning didn’t exactly go as expected, either.

"The one thing that didn’t work the way we were hoping it would was, we were hoping the state schools would start to do their [annual] 3% increase too, and they would catch up to us and then we would be able to target them even more directly. That’s taken longer than we anticipated, but we are there now and we’re crossing over the University of Minnesota right now. So we’re actually doing targeted ads against the University of Minnesota population. Who would have thought that Concordia would be a pinprick in the side of the University of Minnesota?"

Cheryl Chatman, Executive Vice President and Dean of Diversity, says that with the reset “Concordia was a pioneer, leading the way in addressing a real need.” But a closer look, she argues, reveals that some students still faced financial hardship.

"The one reality regarding this is that even though it did lower the amount that students would have to pay, whether it was through grants and loans, the amount of aid was also reduced proportionately. So for some, especially when we think about our diversity and some of their levels of income, as the tuition lowered so did their aid.

For some students it’s not that the reset solved the financial problem for them. It did help decrease long term debt. But for some students the tuition and costs were at a level where they still had to figure out how to find adequate aid to cover all of their costs. So it didn’t just magically solve the problems. I mean the reduction was not going to make it automatically affordable for all students."

Notwithstanding these challenges, on balance the tuition reset has proven to be a net positive and transformed Concordia. No longer held captive by a high-tuition/high-discount model, the innovative reset has allowed the university to lower costs for students, broaden its appeal, boost enrollment and show annual budget surpluses.

The creation and expansion of graduate programs, and the fresh approach to the question of tuition, put on display two of Concordia’s strengths: visionary leaders and innovative solutions to challenges. Both the Masters (and recently Doctoral) programs and the tuition reset have helped to keep CSP relevant in the world of higher education, and positioned the university for growth in the next quarter century.