

Let's catch up to Netflix

Implementing a Continuous Enrollment Model

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What is Continuous/Perpetual/Evergreen Enrollment?

- **Shift in Mindset** – Instead of giving families the opportunity to leave, it assumes that they will stay
- **Shift in Practice** – Instead of having to do work to remain enrolled, families must do work to un-enroll (like many businesses)
- **Shift in Policy** – Contract needs to be rewritten such that it is signed once and remains valid until graduation or until family gives notice of departure



What can Continuous Enrollment Solve for?

Uncertainty

- Budgeting
- Sectioning
- Staffing

Inefficiency

- Pursuit of late contracts
- Focus on new students
- Redundant paperwork
- Burden on families

Family Experience

- Families have reason to reevaluate
- More work to stay enrolled, less work to withdraw



Key Legal & Logistical Considerations

Preparation

- Be sure to have an experienced lawyer draft the agreement
- Ensure multiple reviews & involve Head of School, CFO, other admins
- Built-in **flexibility** is essential, must also be **enforceable** and **comprehensive**
- Do not try to use another school's agreement for your school

Continuing Enrollment: Parent understands that Parent will not be asked to sign another Enrollment Contract for the remainder of the years that Student attends the School. Rather, the terms of this Contract, as may be amended by the School from time to time, will continue in effect as long as Student remains enrolled in the School. The School agrees to notify Parent in writing (or electronically) of any significant changes made to the Contract prior to or concurrent with registration each academic year. The Student's

Structural Changes

- Include language that stipulates tuition & fees to be communicated separately
- Create Separate Financial Aid or Scholarship etc. Letters
- Require Registration Fee

Parent understands that, on or about **February 1st** of each academic year, the School will notify Parent of the amount of the Tuition, Registration, Finance Charges, and Related Fees for the next academic year and the date by which the Fees must be paid to reserve a place for Student for the next academic year. **The School will assume that Parent intends to re-enroll Student for the next academic year on the same payment plan as elected in this Contract unless the School has received a contrary notification (either about continuing enrollment or the election of the payment plan) from Parent prior to March 1st of each year. The School will bill Parent for the applicable Registration Fees on or about March 15th of each year. If Parent does not pay the Fees by March 15th of each year, Student will not be re-enrolled and Student's space will be offered to others. Should Parent decide to re-enroll Student either after March 15th or**

Stipulations & Procedures

- **One Payment Option:** Payment of tuition for payment by July 1st of the upcoming school year. Subsequent years will be subject to change by the School.
- **Two Payment Option:** Payment of tuition for two equal payments by the dates shown under Schedule of Tuition. Amounts, finance charges, and years will be as outlined on the Schedule of Tuition to Parent on or about February 1st of each year.
- **Ten Payment Option:** Payment of tuition for ten equal payments, by the dates shown under Schedule of Tuition. By agreeing to this option, the Parent agrees to a finance charge for the 2020-2021 school year. Truth-in-Lending Act disclosures being provided by the payment vendor or the School. Annually Truth-in-Lending Act disclosures. If for so

Discontinued Enrollment Procedure: Parent may terminate this Contract by submitting a **WRITTEN Termination Notice** to the Director of Enrollment by the date indicated below (the Termination Date). The Termination Notice must (a) be dated, (b) state the Student's name, (c) provide a reason for the termination of the Contract; and (d) be **RECEIVED** by the Director of Enrollment on or before the Termination Date. If such Termination Notice is timely received, Parent will be relieved of all Tuition paid and other payments and fees that would have come due after the Termination Date. Even if this Contract is terminated pursuant to the terms of this Paragraph, Parent understands that the School will not refund any portion of the Student's application fee or the non-refundable fees set forth in Paragraph 2.

Termination Date for 2022-2023 academic year: April 30, 2022

Termination Date for subsequent years: April 30th of such subsequent year

24548.1 Contracts first submitted for 2022-2023 academic year

after April 30, 2022:

No termination option available

Termination of Student's Attendance: The School has the right to suspend or terminate the attendance of Student for reasons set forth in this Contract, for reasons set forth in the Student Handbook (or other published document), for reasons that the School administration considers detrimental to the School community, student, or to other students of the School, or for the Parent's failure to pay all or any part of the Parent's financial obligations for Student's attendance



Implementation Process & Lessons Learned

Approval & Contract

Decision-makers on board

Legal counsel, multiple drafts,
increased complexity

Implementation

Increase communication

Consider electronic

Ensure easy access

First Continuous Season

Frequent reminders (biweekly)

Work with business office

Withdrawal process

Jun-Aug

Sept-Nov

Dec-Apr

Sept-Nov

Dec-Apr

Communication

monthly, direct, consider
varying media

Offer meetings/zooms/etc

Communication

Monthly Reminders

Get your Board (and HOS...and CFO) on board

- Key Items to Address
 - How would tuition increases work?
 - How would Financial Aid work?
 - What if we need to dismiss a student?
 - What if we need to put an academic or financial hold on a contract?
 - Is the contract enforceable?
 - How do we really know that families are returning in the fall?
 - What about annual Tuition Insurance? Families opting in/out?



Lessons Learned From a Two-Year Process

- Engage legal counsel
- Early and frequent communication
- Electronic contracts
- Separate Tuition Schedule & FA Letters
- Formal Withdrawal Process
- Change Deposit to Registration Fee

- Budgeting is easier
- Sections and Class sizes clear sooner
- More attrition surfaced earlier
- Consider adding signature to FA Letter
- Shift in time spent on new families
- Universally positive reception

Questions?

Supplementary materials and samples available upon request

Email: drew@claritytuition.com