UNIX SINGAPORE

UNIVERSITY OF NEVADA, LAS VEGAS

# REPOSITIONING IN ASIA – CURRENT OPPORTUNITIES



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# Singapore Campus



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### **Total Enrollments**

- Sept 2013 620
- Sept 2014 250
- Sept 2015 0

### EDB Loan

- Sept 2013 \$2.2 mil.
- Sept 2014 \$1 mil.
- Sept 2015 0

### Anticipated Surplus by December 2015 \$2.25 million

### **Disposition of Surplus**



- Must be used to benefit Singapore/Singaporeans because of income tax-exempt charity status
- Potential Options
  - Scholarships to main campus or branch campuses in Asia for Singaporeans (legal opinion pending)
  - Spend out on residual presence in Singapore
  - Explore subsidized 2+2 programs in neighboring
    EduCity Iskandar, Malaysia EDB development

### Going Forward Abroad – In Light of Lessons Learned



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- Avoid full undergraduate degree program
  - Impossible to replicate main campus
  - Very costly to provide "equivalent" 4-year education
  - Does not drive students or revenue to main campus
  - Detracts from Las Vegas as hub
- Do not create a discounted "out-of-state" tuition structure
  - Having a "back door" is not equitable
  - Full tuition required for branch viability after necessary start-up subsidy
  - Reputation damaged by lower tuition/fee rates
- Net financial gain will be minimal, so other benefits to UNLV should be required
  - Send participating students to main campus (UG completion, potential grad study)
  - Alumni relations and direct recruitment of international students to Las Vegas
  - Executive Ed and leadership for Nevada businesses in Asia (esp. gaming)
  - Campus globalization, study abroad scholarships and opportunities for faculty
  - Research collaborations and access to non-U.S. grant funds
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# **Benchmark Subsidies**

- Due Diligence \$1 mil.
- Annual Operating minimum \$1.5 mil. first four years

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- Free Facilities for Four Years (also tax concessions)
  - All academic and auxiliary services
  - Faculty housing, including utilities
- Up to \$10 mil. Loan Available
  - Interest free, no recourse in case of financial failure
- Post Start-up (year 5+)
  - Rent tied to amortization and utilities to actual costs no sponsor markups

Songdo Global University (SGU), Incheon Free Economic Zone (IFEZ), R.O.K.



- South Korea 12<sup>th</sup> largest economy in the world; 50% of family disposable income is spent on education
- IFEZ (\$65 Billion) economic development project, Korean government support at various levels
- SGU (\$1 Billion) vision is 10 leading international universities cooperating in general education but not competing in areas of expertise
- Ultimately, UG/G teaching, research and service should be provided in country
- Research grant funding opportunities from government and commercial sources can be made part of negotiations

# UNLV in Songdo



- Would be joining other American institutions already in place with more slated to follow
  - #82 (USN R) SUNY Stony Brook University (RU/VH)
  - #121 (USN R) University of Utah (RU/VH)
  - #141 (USN R) George Mason University (RU/H)
  - #93 (THE World) Ghent University Belgium
- No local university affiliation is required or desired by SGU
- Desired ratio of students is approximately one third each Korean, US/EU, and other
- Ministry of Education is set on 3+1 format with Hotel College, plus related programs only (e.g. Gaming Law, Hospitality Design, Entertainment Engineering appear possible)

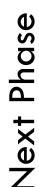
# Songdo, Korea

# Academic Quad



Classroom







# **Central Services**



# Due Diligence Issues



- Viability of enrollment projections and optimal enrollment number at approximately \$20K per year tuition and fees
- Accuracy of costing models and sustainability of program post-subsidy
- Curricular programming and impacts on availability and recruiting of tenure-track and other faculty for main campus and abroad
- Governance, control and integration by and into the main campus and its missions, e.g., locus in a college or central administration, appropriate contracting entities, etc.
- Risk management, especially with reference to reputation, academic freedom, civil society and physical security

### **Potential Timeline**

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