

Financial Aid Overview

Board of Trustees Meeting

September 19, 2008

Presenter: Dr. Roger J. Thompson

Presentation Overview

- Financial aid strategy
- Need-based aid
- Merit-based aid
- Summary
- Questions and answers

Financial Aid Strategy

Need-Based Financial Aid and Merit-Based Financial Aid

- Align with recruitment and enrollment goals
- Presented in an easily understood manner to students and parents
- Coordinated and applied strategically
- Published widely
- Requires outstanding student service

Financial Aid Strategy

- Need-Based Financial Aid
 - Based on easily-understood criteria
 - Designed to increase the social economic status diversity in the freshman class
 - Requires continual outcome assessment
 - Key Recruitment Point:
 - Parents, students and high school contacts should have a clear understanding of need-based programs early in the student selection process.

Financial Aid Strategy

- Merit-Based Financial Aid
 - Based on high standards
 - Designed to increase the quality at all levels in the “pipeline” or “funnel”
 - Requires continual outcome assessment
 - Key Recruitment Point:
 - Parents, students, and high school contacts should have a clear understanding of merit-based parameters early in the student selection process.

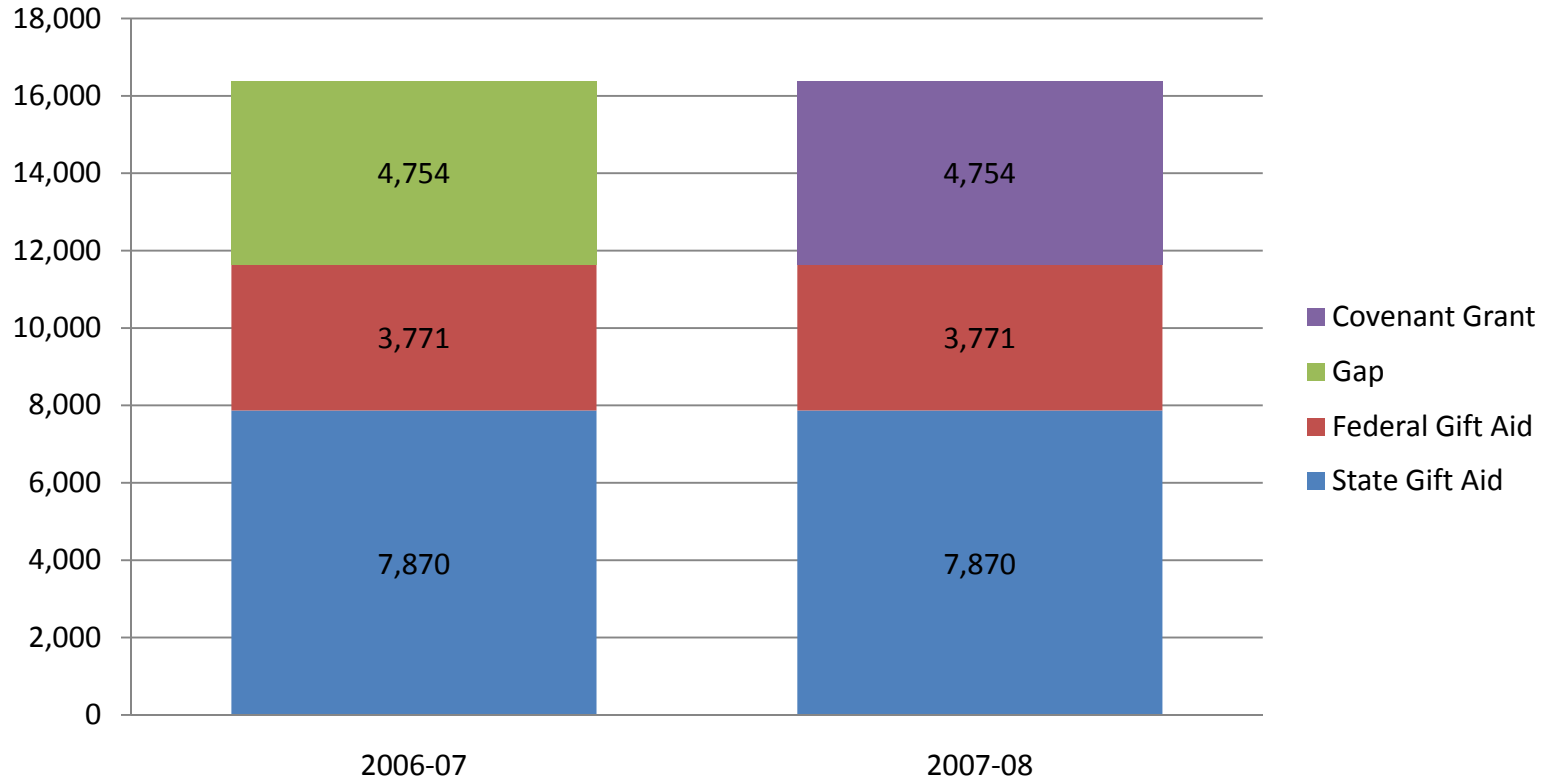
New Financial Aid Initiatives

- Need-Based Programs:
 - 21st Century Scholar Covenant
 - Pell Promise
 - Merit-Based Programs
 - Research Scholars
 - IU Excellence Scholarship*
 - IU Distinction Scholarship*
 - IU Prestige Scholarship*
 - IU Recognition Scholarship*
- Key Recruitment Point:
- *These scholarships are awarded at the time of admission based on academic performance.

21st Century Scholar Covenant

- State program established by then Governor Evan Bayh
- State program provides funding for tuition and fees to eligible students
- Program designed to help families in lower income brackets
- Our Covenant package provides funding to cover the difference between tuition and fees and the full cost of attendance, up to financial need

21st Century Scholar Typical Freshman Student

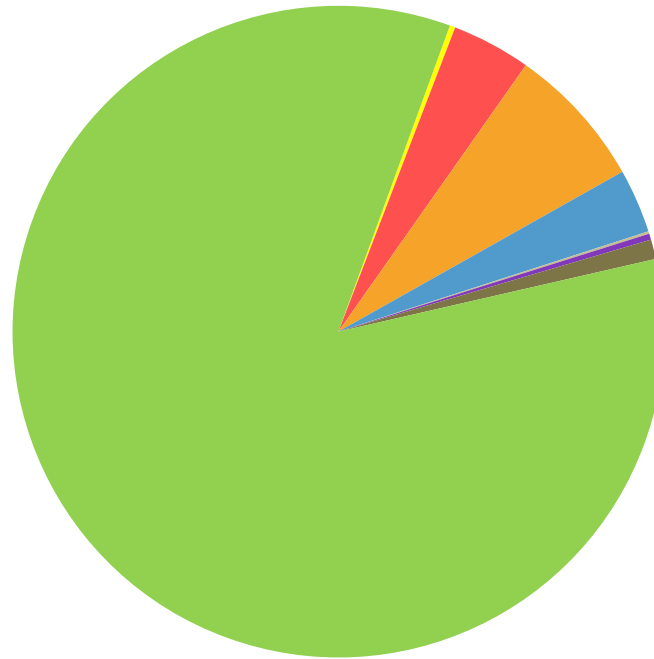


21st Century Scholar Covenant

- Provides funding to Hoosier families
- Eliminates the need for loans and reduces debt load
- Builds upon an existing state program
- Enables an IU education to remain affordable for low income families
- Increases access to IU and increases diversity in terms of ethnicity and social economic status
- Provides hope and opportunity to many families

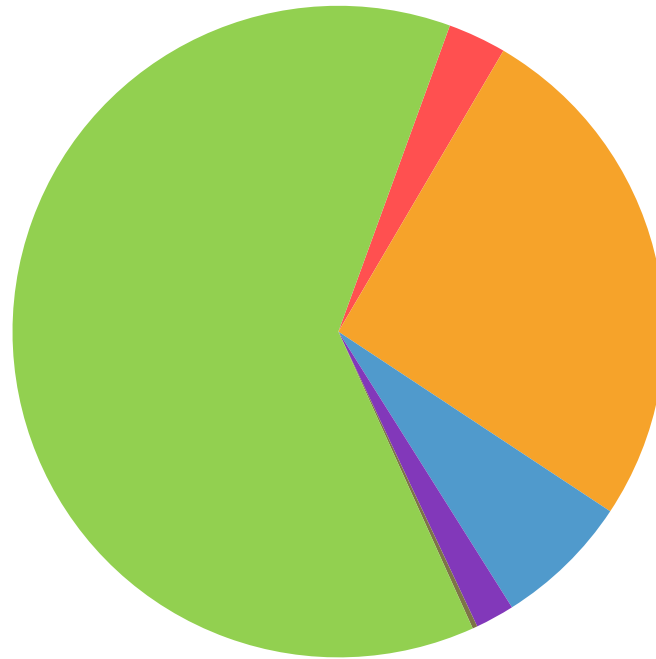
2008-2009AY Freshman Resident Cohort Ethnicity

- American Indian/Alaska Native 0%
- Asian 4%
- Black/African American 7%
- Hispanic/Latino 3%
- Non Resident-Alien 0%
- Other American 0%
- Refused to Answer 1%
- White 84%



2008-2009AY Freshman Resident - Covenant

- Asian 3%
- Black/African American 26%
- Hispanic/Latino 7%
- Other American 2%
- Refused to Answer 0%
- White 62%



21st Century Scholars & Pell Promise Funding

Freshman Class 2007

21st Century Covenant

267 students

\$1,169,794

Pell Promise

36 students

\$87,082

Freshman Class 2008

21st Century Covenant

452 students

\$2,307,684

Pell Promise

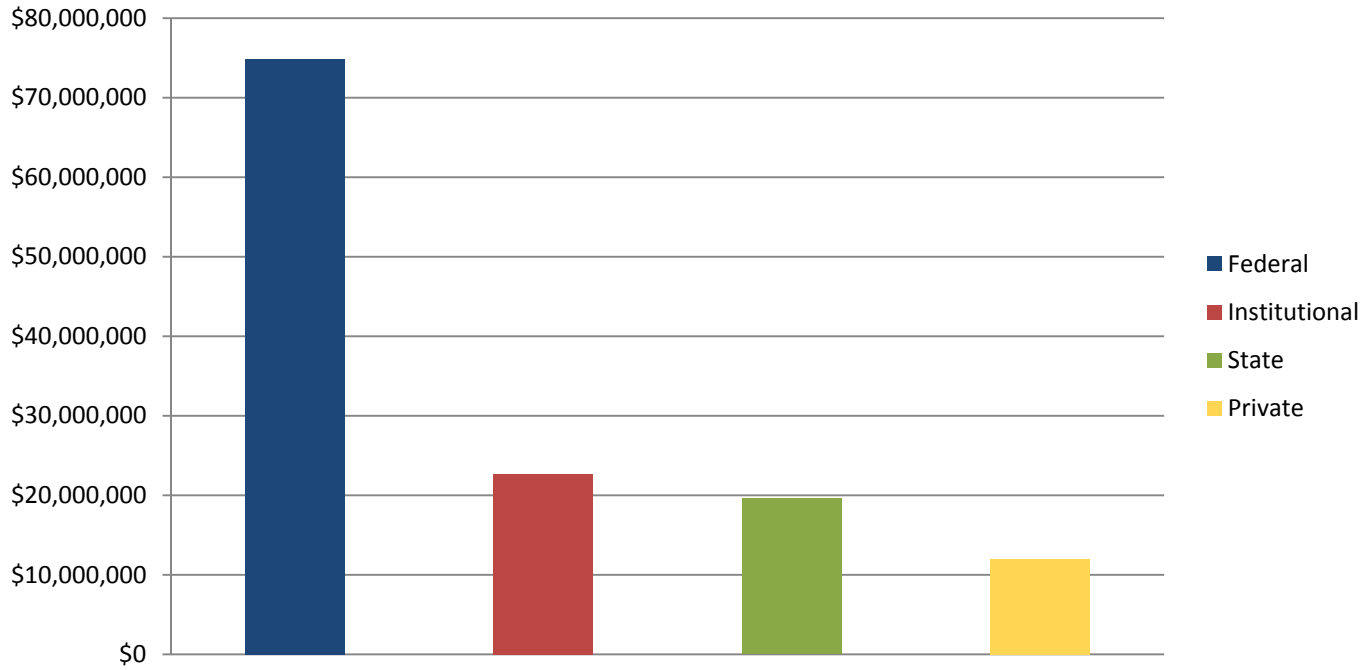
52 students

\$114,995

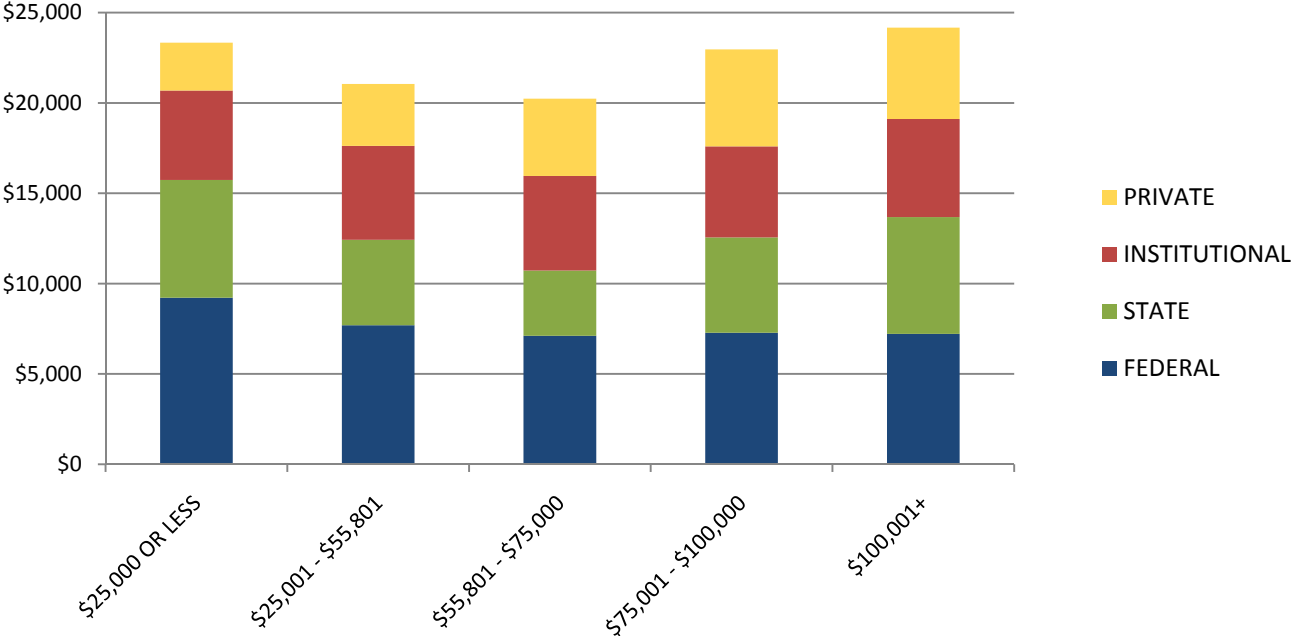
Overview of Financial Aid Resources

- Four key components:
 - Federal
 - State
 - Institutional
 - Private

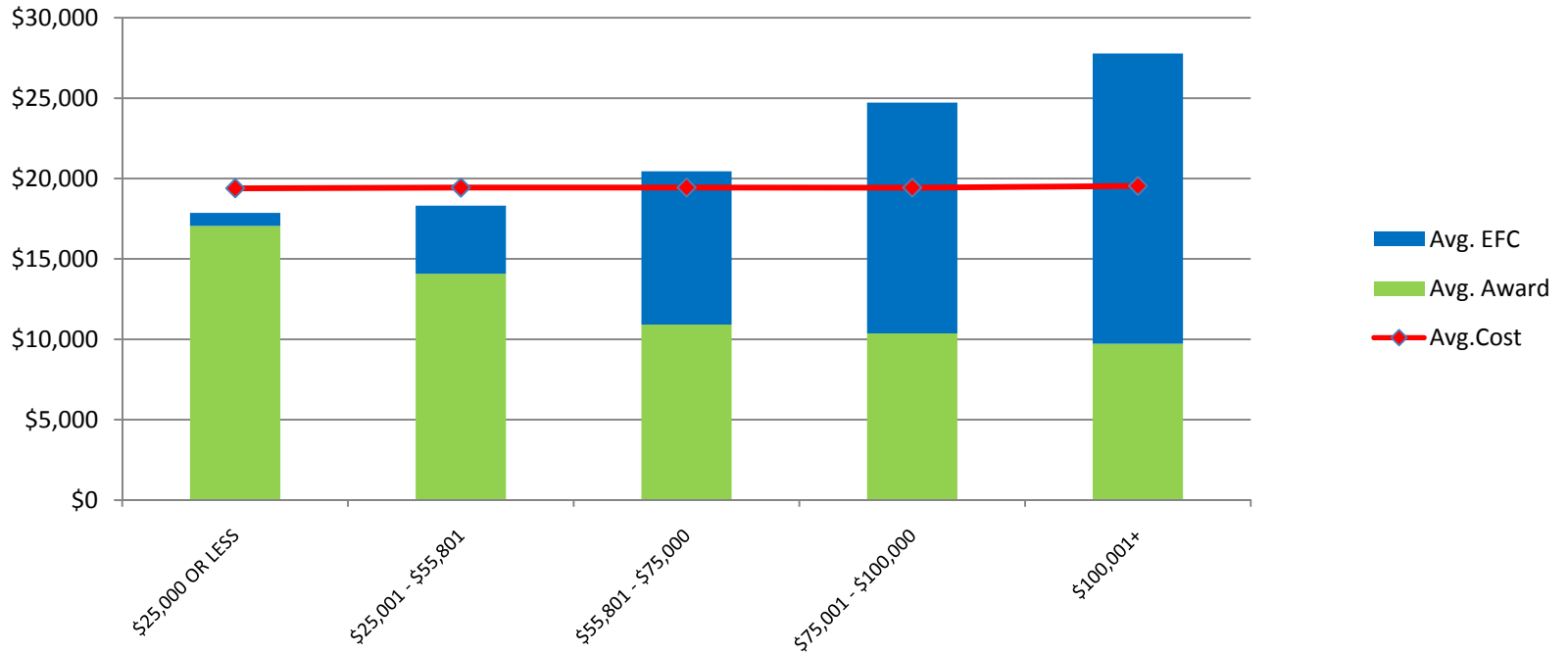
2008-09AY Total Sources of Aid for In-state FAFSA Filers



2008-09AY Source of Average Award Amount by AGI Range



2008-2009AY Average Costs vs. Average Resources by AGI Range



Summary of Need-Based Financial Aid

- Targeted to low and middle income Indiana families.
- Built our programs upon federal and state programs to assist families.
- Our premiere need-based program, the Covenant, has been far more successful than predicted.
- Our Pell Promise program is assisting with retention.

Summary of Merit-Based Financial Aid

- Primary merit-based financial aid programs are our OEM scholarships.
- We adopted new approach in the Fall of 2007 for freshmen entering in 2008.
- Programs are based on high standards and straight forward approach for students, parents, HS guidance counselors and others.

OEM Scholarship Awarding Index Prior to Fall 2008

OEM Recruitment Scholarships based on the Scholarship Index, Award Criteria and Amounts, Fall 2006 cohort



OEM Scholarship Parameters for 2008

Table 1: Standards for 2008 IU Excellence, IU Distinction, IU Prestige, and IU Recognition Scholarships.

Indiana Residents				
ACT	SAT	HIGH SCHOOL GPA		
		≥ 3.75	3.70 - 3.74	3.60 - 3.69
≥ 29	≥ 1300	IU Excellence \$8,000		
28	1250-1290	IU Prestige \$5,000		
25-27	1150-1240	IU Recognition \$2,000		
Non-Residents				
ACT	SAT	HIGH SCHOOL GPA		
		≥ 3.75	3.70 - 3.74	3.60 - 3.69
≥ 29	≥ 1300	IU Distinction \$8,000 Award		
28	1250-1290	IU Prestige \$5,000		
25-27	1150-1240	IU Recognition \$2,000		

Indiana Residents: Merit-Based Scholarships

Freshman Class 2007

Number of Students:

1,568

Dollars Offered:

\$5,000,000

Freshman Class 2008

Number of Students:

3,210

Dollars Offered:

\$14,652,000

OEM Scholarship Results

- The 2008 Freshman class at IU includes the most Indiana residents in a decade.
- Indiana resident students with a 3.75 grade point average and a 1300 SAT enrolled at record levels—more than a 30% increase compared to a year ago.
- We have strong momentum in many high schools around the state, with enrollments increasing.

Summary

- The programs we initiated last year are working.
- Our need-based and merit-based programs are well-aligned with our four primary recruitment goals.
- With another year to communicate about these programs, we expect program effectiveness to increase.

Questions and Answers

- Contact information

Dr. Roger J. Thompson

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