STRATEGIC USE OF FINANCIAL AID

This newsletter examines how Purdue has strategically used financial aid dollars to attract greater numbers of students who add to the academic quality and vitality of the Purdue community. Additionally, the newsletter reports on the retention and graduation rates of Presidential and Trustee scholarship awardees.

For questions, comments and suggestions please contact: enrollmentmanagement@purdue.edu.

HIGH MERIT SCHOLARSHIPS AND ACADEMIC PROFILE

Purdue made the decision with the class entering in the fall of 2008 to expand its merit aid dollars to attract more students with high academic credentials. Prior to the expansion of merit aid, the top quartile of students based on test scores and high school transcript, consisted of students who either had a SAT critical reading plus math score of at least 1260, or an ACT composite score of at least 28, and a minimum high school GPA of 3.8. When examining the students who match this academic profile, there is an increase of 1136 admitted students from fall 2007 to fall 2012 (24.6% increase). Additionally, the yield (percentage of admits who enroll) of this population increased 3.5 percentage points, ultimately leading to 442 more high academic profile enrolled students. There was a 45.4% increase of the most academically prepared students in fall 2012 compared to fall 2007.
DIVERSITY AMONG MERIT SCHOLARSHIP STUDENTS

The initial Trustee and Presidential scholarships offered in fall 2008 were automatic awards based upon academic benchmarks. The first year of awarding was received extremely well by merit scholarship recipients, leading to a higher yield of students than projected. The university scaled back the number of awards offered in fall 2009 to maintain budget, leading to the dip in enrollments demonstrated in charts 3 and 4. Even though the automatic awards were successful in increasing the yield of the high merit students, it led to a lack of diversity broadly defined in the pool students. The university responded to the results of automatic selection by academic criteria with switching to a holistic review of scholarship recipients. The holistic review is primarily conducted within the individual colleges. The review considers academic preparation as well as personal background and experiences. This change began with the entering class of 2011. As demonstrated in chart 1 and 2, the university continued to see enrollment gains in 2011 of top students, and the switch to holistic review resulted in greater diversity (charts 3 and 4). Overall enrollment of top minority students increased by 276.3% in fall 2012 compared to fall 2009, and there was a greater spread among all the minority groups (chart 3). Also, enrollment of the top female students increased 49.5% in fall 2012 compared to fall 2009 (chart 4).

NONRESIDENT AID FOR HIGH NEED, HIGH MERIT STUDENTS

In fall 2012, the Division of Financial Aid piloted a strategy of targeting greater institutional need based aid to the high profile nonresident students. More institutional grant aid is stacked on top of university merit scholarships to better meet the need of middle-to-low-income nonresident students. This policy led to a 16.9 percentage point increase in the yield of these students (chart 5), which ultimately led to an increase of 73 additional high merit students or a 57% gain.
SUCCESS OF HIGH MERIT AID STUDENTS

Both retention and graduation rates of merit aid recipients are higher than the overall undergraduate student populations’ retention and graduation rates at the University. These student success indicators have also increased over the last five years for merit aid recipients.

For the students receiving Presidential and Trustee scholarships, entering between fall 2008 and fall 2011, the one-year retention rate of these students has increased 1.5 percentage points. Purdue is also retaining these high merit aid students into their 3rd year of enrollment at an even higher rate of increase, 5.1 percentage points from fall 2008 to fall 2010.

When compared to the overall university one-year retention rate for the fall 2011 cohort (90.6%), the one-year retention rate for the Presidential and Trustee scholarship recipients (96.2%) which is 5.6 percentage points higher. The two-year retention rate for the fall 2010 scholarship recipients (95.8%) is 12.1 percentage points higher than the overall university two-year retention rate (83.7%).

Students receiving a Presidential or Trustee scholarship in fall 2008 graduated in four years at a rate of 60.4%, compared to the overall university 4-year graduation rate of 45.7%, amounting to a 14.7 percentage point higher rate of four year graduation for our merit award recipients.

Chart 6. One-Year Retention of scholarship recipients and overall students