The median household income for Indiana during the last five years was $48,374 and the percent of persons below poverty level was 14.7% (U.S. Census Bureau, 2014). A family of four that makes less than $23,850 lives below the poverty line (U.S. Dept. of Health and Human Services, 2014). For these individuals, college can seem out of reach. For example, the undergraduate tuition and fees for Purdue in 2012-13 were $9,900, or over 40% of the poverty level income. However, students who file the Free Application for Federal Student Aid (FAFSA) may be eligible for federal or state awards, as well as institutional aid. One of those aid possibilities is the Federal Pell Grant, which unlike a loan, does not have to be repaid. The amount awarded depends on the student’s financial need and can change yearly. The Federal Pell Grant is typically used as a marker for low-income students. Nationally, the average amount per Pell Grant recipient was $3,650 in 2012-13, still leaving the student to cover a large amount of the tuition and fees (College Board, 2013). Additionally, the Pell Grant doesn’t cover as much of the tuition and fees amount as it used to. According to College Board’s Trends in Student Aid, in 2003-04 the maximum Pell Grant covered 87% of average public four-year tuition and fees, but only 63% in 2013-14. Also, the percentage of undergraduate students receiving Pell Grants increased from 23% in 2002-03 to 36% in 2012-13 (College Board, 2013). The number of students receiving Pell Grants increased from 4.8 million in 2002-03 to 8.8 million in 2012-13 (College Board, 2013).

Last fall, 17% of Indiana families were in the $0-$24,999 income range. For Purdue West Lafayette resident undergraduate FAFSA filers, 16% were in that range. Of the students at the West Lafayette campus last fall, 20% of the undergraduates, or 5,767 students, had Pell Grants. This is up from six years ago when there were 4,908 Pell recipients. Of the fall 2013 Pell students, 80% were Indiana residents compared to 57% of all undergraduates. There were more women in the low-income group as well; 48% were women, compared to 43% of total undergraduates.

Regarding race and ethnicity, 70% of the low-income students were white in fall 2013. Ten percent (10%) were African American, and Hispanic/Latino and Asian were both at 7%. Compared to the overall domestic undergraduate population, 67% of the students were white, 5% were Asian, 4% were Hispanic/Latino, and 3% were African American. Since 2008, the growth of low-income students has been with white and Hispanic/Latino students.

### 2012 CIRP Freshman Survey Results

<table>
<thead>
<tr>
<th>What was important when choosing a school</th>
<th>Public universities</th>
<th>Purdue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of attendance</td>
<td>42%</td>
<td>32%</td>
</tr>
<tr>
<td>Offered financial assistance</td>
<td>38%</td>
<td>32%</td>
</tr>
<tr>
<td>Academic reputation</td>
<td>66%</td>
<td>89%</td>
</tr>
</tbody>
</table>

* Fall enrollment includes students that may have received a Pell at any time during the financial aid academic year, except for the Fall 2013 count.
A study done by the National Bureau of Economic Research found that “inequality by family income in postsecondary attainment has grown in recent decades. Even among those who had the same measured cognitive skills as teenagers, inequality in college entry and completion across income groups is greater today than it was two decades ago” (Bailey & Dynarski, 2011, pg. 12). Among those who enter college, children from low-income families are much less likely to get a degree. This is true at Purdue as well. The one-year retention rate for full-time degree seeking undergraduates was 91% (for those that entered as freshmen in fall 2012). For low-income students, this rate was 87%.

Low-income students continue to progress at a lower rate than the full-time students too. As of 2013, 69% of fall 2012 full-time freshmen completed 30 credit hours of Purdue coursework, yet only 65% of the low-income cohort finished the amount. The trend continues at higher progressions as well; 58% of the fall 2011 full-time cohort completed 60 credit hours of Purdue coursework compared to 53% of the low-income students, and 55% of the full-time students and only 47% of the low-income students completed 90 hours of coursework. The pattern implies that unequal credit progression ultimately results in unequal college completion.

In a study on Purdue’s fall 2009 cohort, students were tracked over time to see if they had graduated, were still enrolled, transferred, or dropped out of college four years later at any higher education institution by using data from the National Student Clearinghouse. (The Clearinghouse tracks students in 95% of all U.S. higher education institutions.) Looking at all first-time full-time students, 44% had graduated somewhere, 31% were still enrolled, 11% had transferred, and 13% had dropped by spring 2013. Comparing the low-income students to the overall group, the low-income students had a lower graduation rate. However, more were still enrolled. For the low-income students, 40% had graduated, 34% were still enrolled, 12% had transferred, and 15% had dropped.

This trend is state-wide as well. Within Indiana, the comparison of 2007 full-time beginners and low-income students follow the same track. Overall, the six-year graduation rate for full-time beginners for all of the Indiana public institutions was 55% while the low-income students’ graduation rate was 40%. Within the Indiana University system, 58% of the full-time beginners graduated whereas the low-income students were at 40%. For the Purdue University system, full-time beginners six-year graduation rate was 56% and 41% for the low-income students.

Purdue is part of the University Alliance, a cluster of institutions that are committed to ensuring student success across all socio-economic statuses. The goal of the Alliance is to increase access and attainment for a diverse group of students, while improving quality and value, and containing costs. “The Alliance relationship will allow participant institutions to reach these goals, at a large scale, by facilitating the sharing of innovations and resources, and developing collective wisdom on how to increase throughput while closing completion gaps” (University Alliance, 2013). By sharing data and best practices, the institutions will be able to implement innovations across the campuses. With the help of a national grant, the Alliance's plan is to regularly meet to share innovations that further support low-income students in higher education. Purdue’s participation in the Alliance will allow the institution to better meet the needs of the lower-income students.

References


University Alliance Meeting Notes October 8, 2013 Washington D.C.


Zehner, A. (April 2014). Attrition, Retention and Student Success, Purdue’s Fall 2009 Cohort: A Background Report for Student Affairs and Student Service Staff. Division of Student Affairs. Purdue University; West Lafayette IN.