

STATE STUDENT ASSISTANCE COMMISSION OF INDIANA



**ACTIVITY AND PROGRAM REPORT
FOR ACADEMIC YEAR
2006-2007**

DECEMBER 2007

Activity and Program Report for Academic Year 2006-2007

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State Student Assistance Commission of Indiana

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Crown Point, IN
Term: 2008

6TH CONGRESSIONAL DISTRICT
Mr. Jeff Jenness
Anderson, IN
Term: 2008

2ND CONGRESSIONAL DISTRICT
Mr. Richard Dilling
Logansport, IN
Term: 2009

7TH CONGRESSIONAL DISTRICT
Vacant

3RD CONGRESSIONAL DISTRICT
Mr. Thomas K. Borne
Fort Wayne, IN
Term: 2006
Secretary

8TH CONGRESSIONAL DISTRICT
Ms. Katherine Startin
Velpen, IN
Term: 2007
Vice Chairperson

4TH CONGRESSIONAL DISTRICT
Vacant

9TH CONGRESSIONAL DISTRICT
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Kokomo, IN
Term: 2007
Chairperson

STUDENT MEMBER
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Remington, IN
Term: 2008
Purdue University, West Lafayette

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As of August 2007

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Dennis Obergfell	<i>Deputy Director</i>
Laurie Gavrin	<i>Director of Policy Analysis & Research</i>
Helen Curley	<i>Executive Secretary</i>
Yvonne Heflin	<i>Human Resources Coordinator</i>
Basu Maharjan	<i>Senior LAN Administrator</i>
David Falls	<i>Senior Systems Analyst and Developer</i>
Jason Melchi	<i>Systems Analyst and Developer</i>
Vacant	<i>Software Developer</i>

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David Highfill	<i>Controller</i>
Bonnie Davis	<i>Assistant Controller</i>

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Kathryn Moore	<i>Assistant Director</i>
Ada Sparkman	<i>Program Counselor</i>
Kathi Graves	<i>Program Counselor & Outreach Coordinator</i>

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Zerda Blackmon	<i>Nursing Program Coordinator</i>

Twenty-first Century Scholars Division

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Allison Knox	<i>Scholar Coordinator</i>
Tene McDonald	<i>GEAR UP Coordinator</i>
Ginny Ort	<i>Administrative Support</i>
Joy Martin	<i>SEAS Enrollment Specialist</i>
Vacant	<i>SEAS Enrollment Specialist</i>

ACTIVITY AND PROGRAM REPORT 2006-07

Summary

The academic year 2006-07 was prefaced with debate on the appropriate relative tuition caps for public and independent universities. Since AY2003-04 SSACI has been working with caps on the amount students receive at public and independent universities which are lower than the maximum levels defined by law. The caps chosen for fall of 2006 were \$5,692 and \$10,272 respectively. Generous funding levels for SSACI over the last two years have allowed more students than ever to receive higher per student amounts to obtain their college educations, and SSACI is positioned to continue awards at least at present levels.

The Twenty-first Century Scholars Program continued its recovery from fiscal cuts and reorganization. Large numbers of Twenty-first Century Scholars are obtaining Core 40 and Academic Honors high school diplomas, providing better preparation for college.

The FY08 and FY09 budget planning process completed in April of 2007 with generous funding for SSACI from the Governor and the General Assembly for both years. Several new programs and changes to existing programs were legislated as well. This report details SSACI progress over the past year, discussing specific 2006-2007 academic year data, as well as describing the individual SSACI programs for those who are unfamiliar with SSACI and its functions.

Despite the challenges, SSACI met its goals to make college more affordable for increasing numbers of students, to foster choice in where students can attend college, to promote increased academic preparedness for college, and to use research and technology to improve the delivery of awards to Hoosier students.

Affordability and Grants

Tuitions at independent colleges rose on average \$1,094 (a 6.1% increase) in AY06-07 for an average tuition at independent colleges of \$19,023. Increases in tuitions at public colleges rose a more modest 4.91 percent (\$256) for an average tuition of \$5,473. The Indiana University system, Ball State University, and Indiana State University continued the two-tiered tuition structure differentiating between new and continuing students. The Purdue University system completed its final year of the dual tuition structure.

Although modest for a second year in a row, the increases in public tuition always impact the National Guard Supplemental Grant, and tuition increases in both public and independent universities impact the Twenty-first Century Scholarship. Both of these grants are indexed to the *current* tuition charged to students. (For readers unfamiliar with Indiana's student aid programs, please refer to the later section titled Program Descriptions).

Table 1 shows the average tuitions and Frank O’Bannon Grant with percentage change each year from 2002-03 to 2006-07. In the past two years, the increases in the Frank O’Bannon Grant have been 10 and 5 percent, respectively, and student aid is catching up to rises in tuition. The average Frank O’Bannon Grant was \$3,375 for AY2006-07. Not only has the state been generous with tuition aid, but also for the past three years tuitions have been rising more slowly at public schools.

Table 1 Average Tuitions and Frank O’Bannon Grant (FOB) 2002-03 to 2006-07

Year	Independent 4-Year College		Public 4-year College		Students with Frank O’Bannon		Frank O’Bannon Grant	
	Tuition & Fees	% chng	Tuition & Fees	% chng		% chng		% chng
2002-03	\$14,981		\$4,381		41,442		\$2,805	
2003-04	\$15,956	6.51%	\$4,772	8.92%	45,265	9.22%	\$2,839	1.21%
2004-05	\$17,167	7.59%	\$4,955	3.83%	46,779	3.34%	\$2,904	2.29%
2005-06	\$17,929	4.44%	\$5,217	5.29%	45,475	-2.79%	\$3,200	10.19%
2006-07	\$19,023	6.10%	\$5,473	4.91%	48,408	6.30%	\$3,375	5.47%
Average yearly change		6.16%		5.74%		4.02%		4.79%
Change from 2002 to 2006		26.98%		24.93%		16.65%		20.32%

NOTE: The Frank O’Bannon Grant is based on *previous year tuition* and thus changes are known

Table 1 also shows the number of students receiving financial aid within a five-year period; the percentage changes ranged from an increase of nearly 9% to a drop of nearly 3%. The academic year 2006-07 increase of 6.3% in the number of students receiving aid is greater than the five-year average of 4.0%. When the number of students needing aid is higher, each individual would normally get less aid. However, state aid increases have allowed SSACI to fund students at the same or greater per student levels each year.

SSACI raised the maximum awards in 2006-07 by 10% for public colleges and 2.7% for independent colleges. Since all independent schools are at the SSACI cap in tuition, all independent college students got the 2.7% increase. The 10 percent increase accrued to full-need Academic Honors diploma students at the most expensive public colleges, and students at less expensive public colleges, or with Core 40 or regular high school diplomas, saw more modest increases averaging 3% to 4%.

Table 2 shows the average Parental Contribution of Hoosier parents and Expected Family Contribution of independent students. Parents of students in public four-year schools, independent and proprietary schools had on average higher contribution levels than last year. The exception was parents of students at two-year public colleges, i.e., Ivy Tech. Independent students, who are generally older and who expect to pay for college themselves, had lower contribution levels this year than last year; the exception was independent students at certain schools in Ohio and Kentucky (see Reciprocity Agreement in the Program Description section of this report).

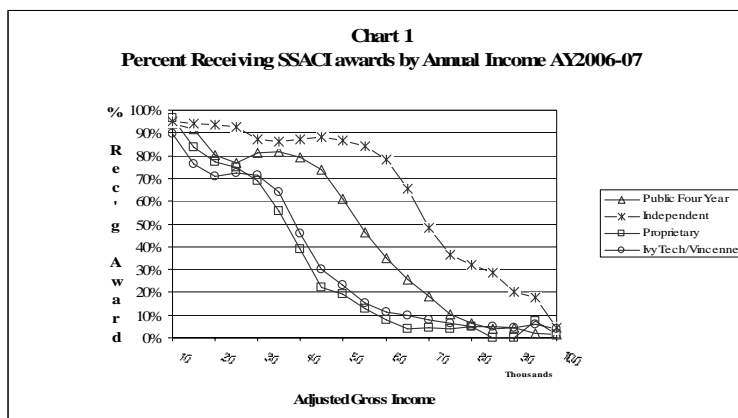
Table 2 Average Ability to Pay of Students Receiving State Aid
2005-06 and 2006-07

Institutional Sector	Dependent Student's Average Parental Contribution		Independent Student's Average Contribution	
	2005-06	2006-07	2005-06	2006-07
Public	\$2,177	\$2,207	\$2,358	\$2,261
Independent	\$3,566	\$3,649	\$3,528	\$3,450
Proprietary	\$913	\$950	\$707	\$651
Reciprocity Agreement	\$1,385	\$1,879	\$2,121	\$2,655
Community College	\$1,405	\$1,352	\$1,088	\$979
Total	\$2,405	\$2,408	\$2,253	\$2,124

Grant Aid and Tuition

Indiana's generosity to college bound students ranks fifth in the United States. According to the National Association of State Student Grant and Aid Programs' (NASSGAP) 2005-06 Annual Report Summary, five locales (Washington DC, South Carolina, Georgia, New York, and Indiana) provided the greatest amount of grant aid on a per capita basis and the largest amount of aid per capita for the population between ages 18 and 24. (Indiana has an estimated population of 6,272,000, with around 10 percent of that (621,687) deemed to be 18-24 years old; total grant dollars per head for the 18-24 year old population is \$461.62, compared to a national average of \$237.00.)

Chart 1 shows the percent of students receiving SSACI awards plotted against their annual adjusted gross income as reported on the Free Application for Federal Student Aid (FAFSA). At the income bracket of \$55,000 to \$60,000, almost 80 percent of independent school students receive aid, only 35 percent of public four-year school students receive aid, and a little over 10 percent of Ivy Tech students receive aid. Distributions are much closer together for families clustered around or below SSACI recipients' average adjusted gross income of \$35,000, where 55 to 85 percent of students at all schools receive aid.



Variable Factors in Award Calculations

Several factors affect grant calculations, and as these change, SSACI adapts by changing the caps, the maximum grant a student can receive. Since SSACI will calculate an award for any student who files the FAFSA on time and correctly meets other state requirements, the number of students fluctuates from year to year. In estimating the awards for 2005-06 SSACI assumed the historical growth in the number of students needing aid - including historical increases in Academic Honors and Core 40 graduates - would continue to be around 7% (see Table 8), but in 2005-06 the number of students dropped. In the academic year 2006-07 population growth increased a strong 6.37%, slightly above the historical average. In addition to changes in the size of student populations, SSACI needs to consider changes in tuition as they affect the National Guard and Twenty-first Century Scholars grants.

Each year the federal government changes a number of factors in its calculation of each student's need. There have always been a certain number of low-income students for which the federal government sets to zero the ability to pay for college [The ability to pay is called the Parental Contribution (PC) for dependent students and the Expected Family Contribution (EFC) for independent students]. In February of 2006, the federal government announced that it was changing the income level at which a student's or parents' contribution would automatically be set to zero (the autozero cutoff) from \$16,000 adjusted gross income to \$20,000. The autozero cutoff is expected to be \$30,000 for the 2008-09 academic year; this is very close to this year's average family adjusted gross income of \$35,000. In addition, the federal government has introduced a means test: families with incomes under \$50,000 who have a member participating in one of five income-based programs (free or reduced lunch, TANF, SSI, food stamps and WIC) will be assumed to have zero dollars to pay for college. The federal government has also changed the calculation of the income protection allowance for small business owners to result in lower contributions for these families. These three changes together would increase the state's per student cost; in response to expected increases exceeding its budget, SSACI would have to decrease maximum award levels or use deadlines to shrink the award pool, or both.

Expenditures for All Programs AY2006-2007

Proportions of expenditures on all of SSACI’s programs remain very close to last year’s, with a slightly higher percent (55 to last year’s 53 percent) in the Higher Education Award, and a slightly lower dollar usage of the Twenty-first Century award (9 percent to last year’s 10 percent). Since these grants work in combination, it is logical that when there is more money available in the Frank O’Bannon award, less money needs to come from the Twenty-first Century Scholarship fund. The four largest SSACI programs - the Higher Education Award, Freedom of Choice, the Twenty-first Century Scholarship and the statutory fee remissions program - Children of Veterans and Public Safety Officers (CVO) together account for nearly 92 percent of SSACI expenditures. Targeted awards include State Work Study, Minority Teacher and Special Education Services Scholarship, Nursing, and the Federal Youth Offenders Grant. Merit awards include the Federal Robert C. Byrd Honors Scholarship and the Hoosier Scholar Program.

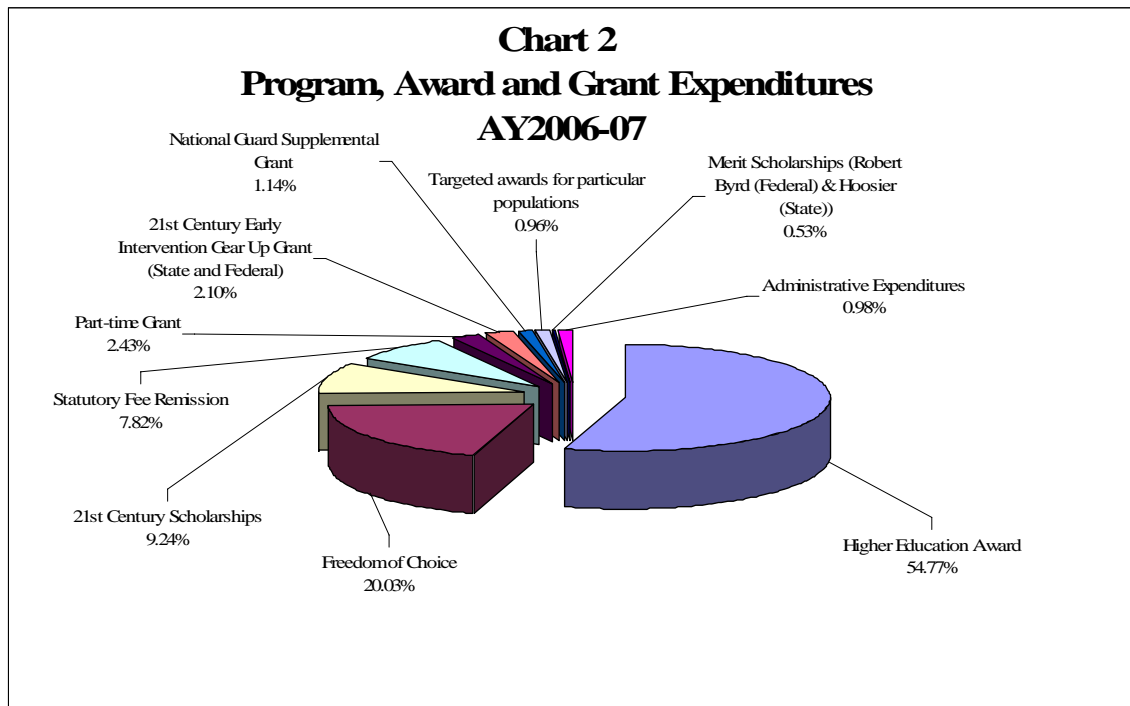


Table 3 shows SSACI’s total budget, including a breakdown of administrative expenses as well as the grant expenditures for all of SSACI’s programs. Note that the administrative expenses for SSACI are less than 1 percent of SSACI’s total budget.

Table 3 SSACI Expenditures 2006-07, State and Federal Sources			
Programs, Awards & Grants	Dollars	Percentage	
Higher Education Award	\$119,632,811	54.77%	
Freedom of Choice	\$43,760,862	20.03%	
21st Century Scholarships	\$20,181,299	9.24%	
CVO - Statutory Fee Remissions	\$17,076,766	7.82%	
Part-time Grant	\$5,315,855	2.43%	
21st Century Early Intervention Gear Up Grant (Federal)	\$2,657,495	1.22%	
National Guard Supplemental Grant	\$2,481,884	1.14%	
21st Century Early Intervention (State)	\$1,927,076	0.88%	
Federal Robert C. Byrd Honors Scholarship Program	\$819,000	0.37%	
State Work Study Program	\$366,823	0.17%	
Minority Teacher and Special Education Services Scholarship	\$508,932	0.23%	
Contract For Instructional Opportunities In Southeastern Indiana	\$377,723	0.17%	
Hoosier Scholars	\$333,000	0.15%	
Nursing Scholarship	\$434,799	0.20%	
Federal Youth Offenders Grant	\$405,716	0.19%	
Total Programs, Awards & Grants	\$216,280,041	99.02%	
Administrative Expenditures			
Scholarships, Grants, General Administration	\$1,138,643	0.52%	
21st Century Administration	\$594,658	0.27%	
State Work Study Program	\$361,085	0.17%	
Nursing Scholarship Program	\$35,370	0.02%	
Federal Youth Offenders Grant	\$16,756	0.01%	
Minority Teacher and Special Education Services Scholarship	\$4,870	0.00%	
Federal Robert C. Byrd Honors Scholarship Program	\$0	0.00%	
Total Administrative Expenditures	\$2,151,382	0.98%	
Total Expenditures	\$218,431,423	100.00%	

Student Count

Prior annual reports constructed tables based on grants by program: how much is spent from the Higher Education Award, Freedom of Choice, Twenty-first Century Scholarship or National Guard Supplemental Grant for each award. Tables similar to the prior year tables follow, but a new format is offered here to delineate student counts. Table 4 presents unduplicated student counts by program. If a student receives Twenty-first Century Scholarship money, as well as Frank O’Bannon money, they can be thought of as a Twenty-first Century Scholar. If a student participates in two more programs other than the Frank O’Bannon during the course of a year, they are aggregated under only one program type, in this order: CVO, National Guard, Twenty-first Century.

**Table 4 Unduplicated Student Counts by Program
For Years 2004-05 through 2006-07**

Program	2004-05	2005-06	2006-07
Frank O'Bannon only	39,818	38,069	40,560
21st Century Scholars	8,202	8,728	8,926
National Guard Students	769	886	804
Children of Veterans/Officers	5441	5051	5035
Totals	54,230	52,734	55,325

Grant Count

Table 5 shows the award count for Indiana’s state grant programs for the past three years. There was a 2 percent increase in the number of grants awarded in AY 2006-07. Students can receive several different grants at once, such as the Frank O’Bannon plus a National Guard Supplemental Grant for service in the Indiana National Guard, so that the total number of students receiving grants from each grant program does not sum to the total number of students, but a total number of grants. The total amount of dollars awarded increased almost 10 percent from the prior year; the Frank O’Bannon award increased 12 percent. Nursing scholarships increased 29 and 21 percent in awards and students; minority teacher scholarships increased 23 and 26 percent in awards and students, respectively. Also notable is that fee remission CVO expenditures have increased 5 percent in one year even while the numbers of students served decreased by 4 percent.

**Table 5 State Grant Dollar Counts by Program
For Years 2004-05 to 2006-07**

Program	2004-05		2005-06		2006-07	
	Grants	Awards	Grants	Awards	Grants	Awards
21st Century Scholarship	8,370	\$17,072,819	8,945	\$19,925,482	8,949	\$20,181,299
Fee Remission	5,647	\$15,530,810	5,222	\$16,191,053	5,035	\$17,076,767
Frank O'Bannon Grant	47,241	\$135,851,619	45,924	\$145,507,585	48,408	\$163,393,673
Hoosier Scholars	753	\$376,500	689	\$344,500	666	\$333,000
Minority Teacher Scholarship	226	\$334,834	267	\$413,759	336	\$508,932
National Guard Supplemental Grant	780	\$2,116,117	903	\$2,740,499	808	\$2,481,884
Nursing Scholarship	463	\$339,061	448	\$336,305	545	\$434,799
Part-time Grant	5,759	\$5,650,412	5,409	\$5,528,115	4,909	\$5,315,855
Work Study(1)	586	\$755,966	600	\$625,890	161	\$366,823
Total Grants(2)	69,825	\$178,028,137	68,407	\$191,613,187	69,751	\$210,093,032

(1) Work Study includes non-college organizations.

(2) Students can receive more than one grant. Hence the total of the grants is the number of grants awarded and not students.

Awards by Sector

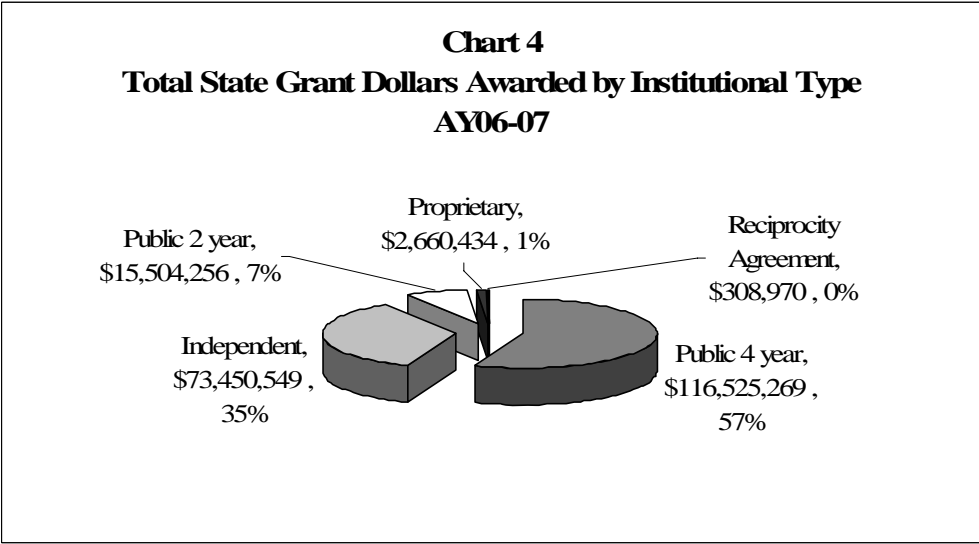
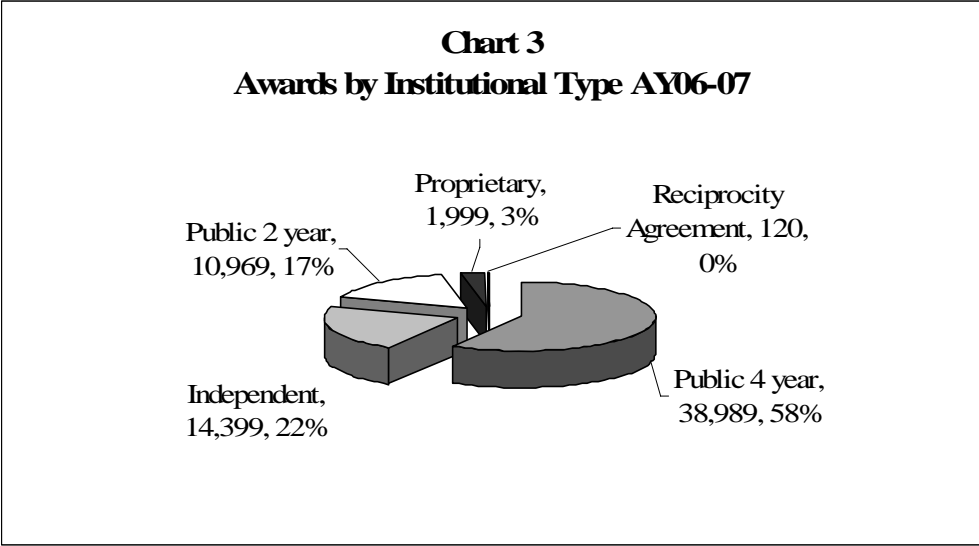
Table 6 shows how Indiana’s awards are distributed by major program and sector: public four-year, independent, proprietary, reciprocity agreement and public two-year institutions. For students at independent schools, the Frank O’Bannon award is divided into two parts called the Higher Education Award (HEA) and the Freedom of Choice Award (FOC). Table 6 includes both the breakout and combined Frank O’Bannon. CVO and NGSF funds are only available for use at public universities. Students at reciprocity schools are not eligible for the Twenty-first Century Scholarship, or Part-time grants. The combined total of SSACI awards in the major programs is just over two hundred million dollars.

Table 6 2006-2007 Used Awards for All Major Grant Programs

Sector		All Awards	Higher Education Award	Freedom of Choice Award	HEA plus FOC: Frank O’Bannon	21st Century Scholarship	Children of Veterans and Officers	National Guard Grant	Part-time Grant
Public 4 year	Grants	38,989	27,096		27,096	5,603	3,219	677	2,394
	Mean	\$2,989	\$3,052		\$3,052	\$2,566	\$4,459.43	\$3,375	\$1,174
	Total	\$116,525,269	\$82,694,715		\$82,694,715	\$14,379,831	\$14,354,893	\$2,284,715	\$2,811,115
Independent	Grants	14,399	12,226	12,226	12,226	1,469			704
	Mean	\$5,101	\$2,015	\$3,579	\$5,594	\$2,513			\$1,941
	Total	\$73,450,549	\$24,631,044	\$43,760,862	\$68,391,906	\$3,692,249			\$1,366,394
Proprietary	Grants	1,999	1,877		1,877	122			
	Mean	\$1,331	\$1,329		\$1,329	\$1,354			
	Total	\$2,660,434	\$2,495,297		\$2,495,297	\$165,137			
Reciprocity	Grants	120	120		120				
	Mean	\$2,575	\$2,575		\$2,575				
	Total	\$308,970	\$308,970		\$308,970				
Public 2 year (1)	Grants	10,969	7,089		7,089	1,753	1,816	131	1,811
	Mean	\$1,413	\$1,340		\$1,340	\$1,109	\$1,498.83	\$1,505	\$629
	Total	\$15,504,256	\$9,502,785		\$9,502,785	\$1,944,082	\$2,721,874	\$197,169	\$1,138,346
All Sectors (2)	Grants	68,117	48,408	12,226	48,408	8,949		808	4,909
	Mean	\$3,060	\$2,471	\$3,579	\$3,375	\$2,255	5,035	\$3,072	\$1,083
	Total	\$208,449,478	\$119,632,811	\$43,760,862	\$163,393,673	\$20,181,299	\$17,076,767	\$2,481,884	\$5,315,855

(1) Public 2 year includes Ivy Tech system and Vincennes University
(2) Sum of Grants Awarded

Charts 3 and 4 graphically present the distribution of the major state grants by sector. The 22 percent of grant recipients attending independent colleges receive 35 percent of the fund totals. Since tuition is significantly lower at the two-year public colleges, the 17 percent of students attending Ivy Tech and Vincennes receive only 7 percent of the grant totals. Since public colleges are the only ones at which students can use National Guard Supplemental Grants and the CVO funds, the public four-year colleges are receiving total funding amounts in near proportion to the percentage of students attending them.



Program Descriptions

For readers unfamiliar with the State of Indiana’s student aid programs, this section will provide more in-depth descriptions of individual SSACI program operations. SSACI administers three types of award programs: mixed need- and merit-based tuition subsidies that take into account a family’s or student’s ability to pay for college (the Frank O’Bannon Grant); supplements to the need-based award for participants in special programs (Twenty-first Century, National Guard, CVO); and a number of targeted awards based on merit or career choice incentives.

Frank O’Bannon Grant

This award is the core award administered by SSACI. It requires financial need, full-time college enrollment and Indiana residency. It can be used only for tuition and certain fees. It is based on three factors:

- For each eligible postsecondary institution, the *tuition and fees* that SSACI will subsidize.
- The *rate* at which the allowable tuition and fees are subsidized, based on the type of high school diploma the student receives and their GPA in attaining it.
- The parent’s or student’s *ability to pay* for a college education, as determined by the federal government.

The Frank O’Bannon Grant formula is:

$$\frac{\text{RATE} \times \text{TUITION AND FEES}}{\text{ABILITY TO PAY}}$$

The FOB Grant is calculated in the same way for all students no matter where they enroll: the public, independent, or proprietary sector. To receive this award, a Hoosier student must file a FAFSA so that it is received by the federal processor by March 10th, correct any errors by June 10th, attend college full time, be in a degree-granting program, and maintain satisfactory academic progress.

Tuition and fees

Allowable tuition and fees are set early in the financial aid year. They are determined by each college based on a typical 30 credit hour per year course load plus any regular fees assessed to all students. At public institutions, the allowable tuition and fees is the advertised tuition or a cap (a maximum award set by SSACI), whichever is lower. The amount of the cap is determined by available funds. For 2005-06 the cap was \$5,172; for 2006-07, the cap was \$5,692.

The independent college cap is determined each year by looking at the true cost of tuition at Indiana’s public colleges. This true cost is roughly the state appropriation per student at the public college, plus the amount a student pays in tuition. The cap is based on a formula that combines the lowest state appropriation per student and the highest public college tuition. It can be capped if funds are not adequate to cover costs. For 2005-06 the independent college tuition cap was \$10,014. For 2006-07, the independent college cap was \$10,272.

Subsidy rate

There are three subsidy rates: 100% for Academic Honors graduates, 90% for Core 40 graduates, and 80% for all other students. Academic Honors students with at least a 3.00 high school GPA receive the extra 20% and Core 40 students with at least a 2.00 GPA receive the extra 10% in grant money. It is through the subsidy rate that SSACI introduces the merit part of the Frank O’Bannon Grant. All high school graduates will be required to have a Core 40 diploma with the 2011-12 cohort.

Ability to pay

The parent’s or student’s ability to pay is determined by the federal government from FAFSA data. Unlike the federal government and other states, Indiana does not count dependent student earnings as part of the ability to pay; it counts only the parental contribution. Thus students who work to earn money to pay for college can use that money for the costs of education not subsidized by SSACI, such as room and board or textbooks.

Fund Sources for the Frank O’Bannon Grant

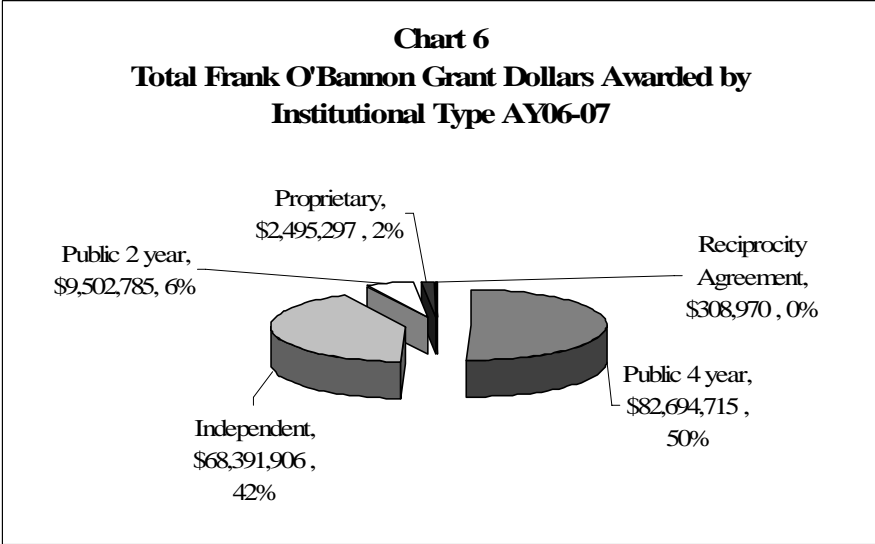
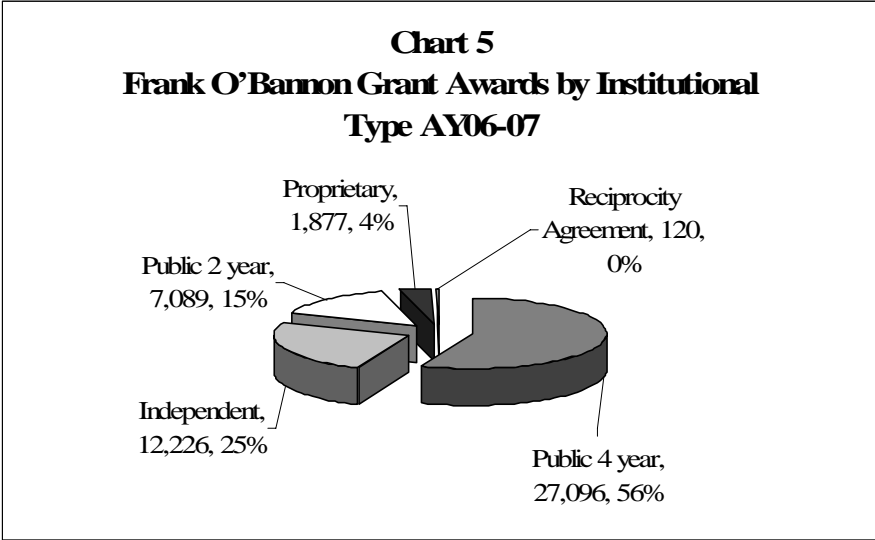
Higher Education Award

If a student attends a public or proprietary institution, their Frank O’Bannon Grant comes entirely from the *Higher Education Award (HEA)*. The general assembly appropriates a Higher Education Award budget. Part of this fund is also used to pay the Frank O’Bannon Grant for students at independent colleges.

Freedom of Choice Grant

If a student attends an independent college, the Frank O’Bannon Grant is divided into two parts: 36% is funded from the Higher Education Award and 64% from the *Freedom of Choice (FOC)* fund. The general assembly appropriates a separate budget for the FOC award. Students at independent colleges who receive the Frank O’Bannon Grant see both components on their award letter. It may seem confusing to have two funds from which the Frank O’Bannon award comes, but students would receive exactly the same dollar award if there were only one fund from which to draw the money.

Looking at the Frank O’Bannon Grant for AY2006-07, Charts 5 and 6 show the disparities between percentage of students and distribution of funds. Fifty-six percent of Indiana’s FOB grant recipient students attend public four-year colleges and receive 50 percent of the Frank O’Bannon funds. Twenty-five percent attend independent colleges and receive 42 percent of Frank O’Bannon funds, reflecting the attempt to compensate for larger tuitions at independent colleges through the Freedom of Choice part of the grant. Public two-year colleges, with their much lower tuitions, have 15 percent of the students receiving grants and 6 percent of the Frank O’Bannon funds.



Academic Honors and Core 40 High School Diploma Supplements

The Frank O'Bannon Grant provides incentives for Indiana students to take a more academically rigorous high school program than they otherwise might. The regular diploma student will receive only 80 percent of an institution's tuition and regularly assessed fees to the extent that they have need. A student with a Core 40 diploma *and a 2.0 grade point average* will receive 90 percent of tuition and fees minus what the family is expected to pay. An Academic Honors diploma recipient *with a 3.0 grade point average* will receive 100 percent of tuition and fees minus what the family is expected to pay.

Table 7 2006-2007 Used Awards for Frank O'Bannon Grant by High School Diploma Type

		Total		Regular		Core 40		Academic Honors	
		HEA	FOC	HEA	FOC	HEA	FOC	HEA	FOC
Public 4 year	Grants	27,096		10,668		7,680		8,748	
	Mean	\$3,052		\$2,767		\$3,115		\$3,343	
	Total \$	\$82,694,715		\$29,522,864		\$23,925,596		\$29,246,255	
Independent	Grants	12,226	12,226	4,544	4,544	2,678	2,678	5,004	5,004
	Mean	\$2,015	\$3,579	\$1,890	\$3,355	\$2,027	\$3,605	\$2,121	\$3,770
	Total \$	\$24,631,044	\$43,760,862	\$8,587,114	\$15,243,533	\$5,429,615	\$9,653,953	\$10,614,315	\$18,863,376
Proprietary	Grants	1,877		1,577		250		50	
	Mean	\$1,329		\$1,310		\$1,372		\$1,731	
	Total \$	\$2,495,297		\$2,065,833		\$342,914		\$86,550	
Reciprocity	Grants	120		54		44		22	
	Mean	\$2,575		\$2,056		\$2,766		\$3,465	
	Total \$	\$308,970		\$111,011		\$121,723		\$76,236	
Public 2 year	Grants	7,089		5,260		1,417		412	
	Mean	\$1,340		\$1,240		\$1,600		\$1,734	
	Total \$	\$9,502,785		\$6,521,886		\$2,266,691		\$714,208	
All sectors	Grants	48,408	12,226	22,103	4,544	12,069	2,678	14,236	5,004
	Mean	\$2,471	\$3,579	\$2,118	\$3,355	\$2,659	\$3,605	\$2,862	\$3,770
	Total \$	\$119,632,811	\$43,760,862	\$46,808,708	\$15,243,533	\$32,086,539	\$9,653,953	\$40,737,564	\$18,863,376

- (1) HEA is Higher Education Award; FOC is Freedom of Choice; these are the two parts of the Frank O'Bannon Grant.
- (2) Public 2 year includes the Ivy Tech system and Vincennes University.
- (3) Regular Diploma: all students with regular diplomas are funded at a base rate of 80%.
- (4) Core 40 students receive an extra 10% subsidy of tuition and fees (Core 40 endorsement on H.S. diploma plus 2.0 GPA).
- (5) Academic Honors students receive an extra 20% subsidy of tuition and fees (Academic Honors diploma plus 3.0 GPA).
- (6) Not every Frank O'Bannon recipient will have a base amount, just as not every FOB recipient will have either a Core 40 or an Academic Honors component. In calculating the Frank O'Bannon, some students receiving Core 40 or Academic Honors grants will have family contributions that will nearly or completely cancel out their base award, but the Core 40 or Academic Honors additional award component will still be available to them. For purposes of this table, the grant counts for regular, Core 40 and Academic Honors represent diploma type with GPA standard, not which students receive base, subsidy or both.

Table 7 illustrates that the more challenging the high school diploma, the more money an individual can receive, no matter what institution the student attends. For example, a public school student with a regular diploma receives on average \$2,767; a Core 40 student receives \$3,115 and the Academic Honors student receives \$3,343. For Ivy Tech students, a regular diploma averages \$1,240 in Frank O'Bannon aid; a Core 40, \$1,600; and an Academic Honors diploma, \$1,734. This year, out of a pool of 48,408, we have 46% obtaining regular diplomas, 25% Core 40, and 29% Academic Honors diplomas. Table 8 shows the numbers of regular, Core 40 and Academic Honors diplomas received by Indiana's freshman FAFSA filers year by year, but these students do not necessarily all have 2.0 or 3.0 GPAS, and they do not all receive SSACI aid. A further discussion of diploma issues follows in the section on the Twenty-first Century Scholars Program.

**Table 8 Core 40 and Academic Honors
Indiana Graduating High School Seniors Filing the FAFSA (1)
2001-02 to 2006-07**

Year	Core 40	Honors	Regular	Total
2001	17,806	14,619	87,630	120,055
2002	18,275	15,338	94,143	127,756
2003	19,166	16,397	94,599	130,162
2004	20,064	17,172	96,252	133,488
2005	19,840	17,744	101,911	139,495
2006	21,018	18,188	105,028	144,234
Total to date	116,169	99,458	579,563	795,190

(1) This includes students who indicate on their FAFSA that they have never attended college and are first year undergraduates, or they have attended college before but are first year undergraduates.

Supplemental Programs

Twenty-first Century Scholarship Program

The Twenty-first Century Scholars Program is designed to support and encourage youth from lower-income families to enter college through early intervention strategies and grants. Effective in 2002, students could enroll in the program when in the 7th or 8th grade. Table 9 shows the income standards necessary to qualify for the Twenty-first Century Scholars Program.

Table 9 2006-07 Income Maximums to Qualify for 21st Century Scholars Program

Household Size	Maximum Annual Income
2	\$24,420
3	\$30,710
4	\$37,000
5	\$43,290
6	\$49,580

For each additional person in household, add \$6,290.

Twenty-first Century Scholars are required to sign a pledge that they will remain drug, alcohol and crime-free. They must also attain a Core 40 high school diploma with a 2.0 GPA or better. They must file their FAFSA on time and they must use their Twenty-first Century Scholarship within two years of high school graduation. In their graduation year, they must affirm that they have kept their pledge. As you can see from Table 10, numbers of affirmations are up this year, but because there are a large number of students who enrolled in this cohort year, the percentage is down from last year. Still, significantly more than half of enrolled students affirmed from the 2006-07 cohort.

Table 10 Twenty-first Century Scholars
Enrolled and Affirmed Since 1995

Cohort*	Enrolled	Affirmed	% Affirmed
1995-96	5,715	2,562	44.80%
1996-97	6,317	2,835	44.90%
1997-98	5,004	2,608	52.10%
1998-99	4,237	2,637	62.20%
1999-00	4,748	2,999	63.20%
2000-01	5,744	3,395	59.10%
2001-02	7,335	3,929	53.60%
2002-03	7,717	3,989	51.70%
2003-04	7,594	3,732	49.10%
2004-05	7,785	4,462	57.30%
2005-06	7,282	4,850	66.60%
2006-07	10,045	5,446	59.74%

* A cohort is a group of students who all expect to graduate from high school in the same year. It does not matter whether the student signs up for the Twenty-first Century Scholars Program in seventh or eighth grade; the cohort year is the expected high school graduation year.

There are early intervention strategies aimed at enrolled Scholars and their parents in the seventh through twelfth grades. They are administered from fourteen sites around the state covering all ninety-two counties. The sites are under contract with the Office of Twenty-first Century Scholars and are closely monitored.

The purposes of the Scholar’s Program are to:

- Reduce the number of students who withdraw from high school before graduation;
- Increase the number of students prepared to enter the workforce upon graduation;
- Increase the number of low-income students entering institutions of higher education;
- Decrease drug and alcohol use by encouraging higher education pursuits;
- Increase individual economic productivity; and
- Improve the overall quality of life for Indiana residents.

The Scholars program is nationally recognized as a successful access and early intervention program. It was the topic of a “Best Practices” workshop and meeting sponsored by the National Governor’s Association in August of 2002. The program serves as the national model for states looking to increase aspirations and college-going rates among low-income students.

One of its key features is the Parent Program. Research has repeatedly shown that parental support and encouragement are the most important factors in a decision to go to college. The Scholar’s Program works directly with parents so they can learn the skills needed to fully support their children.

Community Based Activities

To help ensure students stay on track to fulfill their pledge, Scholars must have the commitment of the entire community. In addition to enabling Scholars to earn tuition assistance, the program engages Scholars, their families, and their communities in a holistic network of support initiatives. The aim of these initiatives is to build resiliency—to foster an academically encouraging environment for Scholars, while empowering parents to serve as the educational leaders in Scholars’ lives.

Early Intervention

Scholars engage in a wide variety of early intervention strategies when they are in high school. For example, to introduce more students to college life, the Scholars Program has a minimum standard requiring each of its regional support sites to provide at least 10 opportunities for students and parents to participate in campus visits. Virtual campus visits are popular with students but are not counted towards the regional support sites minimum standard.

The Office of Twenty-first Century Scholars Program works with local colleges and universities to support early residential campus experiences. Additionally, many state supported institutions and independent institutions sponsor Scholar Days. The lists below include many of the intervention activities in which Scholars and their parents participate.

Interventions: Scholar

- Math, English or other academic tutoring.
- Standardized high school Test Tutoring.
- Tutoring for SAT, ACT or other college entrance exam.
- Computer Assisted Labs in english, math or other academic subject.
- Mentoring one-on-one.
- Professional Mentoring with professional in a field on a joint project.
- Personal Counseling assistance in solving personal or family issues.
- Counseling/advising for college.
- Counseling/career advising.
- Study Skills Workshops.
- Careers Workshops.
- College, Job site Visits.
- Job Shadowing and College Shadowing of student or instructor.

Interventions: Parents

- Social Events: social activity to involve/engage parents in project.
- Awards Events: highlight student achievement, accomplishment.
- Required parents' college visit.
- Workshop: College Prep: choosing a school, entrance requirements, financial assistance.
- Workshop: Careers: requirements for careers/occupations.
- Workshop: Core 40/Academic Honors, targets 8th grade parents.
- Workshop: ISTEP, targets 9th/10th grade parents.
- Workshop: Study Skills/Time Management.
- Workshop: SAT/ACT, targets 11th/12th grade parents.

GEAR UP and Early Intervention

In 1999-2000, SSACI wrote and received a grant from the federal government for Early Intervention activities for Scholars, Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP). The total GEAR UP grant to Indiana was \$30 million over 6 years, beginning in September of 1999. Indiana received this substantial grant because it is recognized as a leader in early intervention and grant programs. In 2005, SSACI re-applied for a new GEAR UP grant and despite stiff competition for limited funds, won a grant for nearly \$19 million.

SSACI, in response to new GEAR UP requirements and reduced federal and state funds, as well as a need for improved programmatic and fiscal efficiencies, maintains a model of support site management based on clear, measurable goals and objectives. This is accomplished while giving support sites the responsibility and freedom to attain those goals with the support of Office of Twenty-first Century Scholars (OTFC).

SSACI-OTFC Program Guiding Principles:

- Maximize resources while providing the highest possible level of services to Scholars and their families.
- Provide services consistent with the accountability requirements.
- Provide services that directly address the issues of Scholar motivation to go to college and academic preparation to succeed.
- Make changes that are sustainable, viable, and accountable through 2011, the time-frame of the GEAR UP grant.

SSACI-OTFC Support Site Allocation Criteria:

- Site history such as changes in locations, leadership, administration, and support provided beyond contract.
- Historical enrollment and affirmation rates.
- Participation in early intervention activity rates.
- Overall budget expenditures and costs per student.
- Ability to comply with Electronic Data Gathering, Analysis, Retrieval System (EDGAR) federal regulations governing GEAR UP grant, state fiscal rules and regulations, and internal fiscal and other reporting structures.

Cross Site Collaborations:

While requiring sites to *maintain the same decentralized services*, the model is characterized by the following:

- It allows sites to share costs on programming including the rising costs in transportation while building stronger awareness of the program in each region.
- It allows each site to retain a separate budget and the flexibility to determine site specific programming outside of mandated programming.

- It requires sites to work collaboratively to determine the feasibility of sharing staff members to assist with meeting goals and objectives.
- It can recast the reporting lines to maintain accountability while maintaining local control.

Under this model core early intervention activities do not change:

- Senior exit interviews continue to take place in area high schools.
- Core 40 workshops continue to take place in area high schools.
- FAFSA workshops continue to take place in area high schools.
- Recruitment activities continue to take place across the region in each middle school.
- Regional Parent Conferences and monthly parent meetings continue to take place across the region.

Scholar Track: Student and Parent Services

Collecting information on early intervention activities for Scholars in high school is essential for the continuing success of the Program. *Scholar Track* is a comprehensive web-based data recording system that tracks Scholars and their parents who are engaged in the activities offered by the fourteen sites across the state. Data is collected on a weekly or monthly basis and used to fine-tune early intervention strategies and meet Scholar needs.

Twenty-first Century Scholarship

Once Scholars are ready for college, they receive the Twenty-first Century Scholarship as a supplement to the Frank O’Bannon Grant. It is the difference between the student’s current year tuition and fees and the FOB Grant. The program covers up to 100% of approved tuition and fees. It is available to Scholars if they affirm their pledge in the 12th grade and enroll in college as a full-time student within two years of high school graduation.

Looking at all 21st Century Scholars currently in college, Table 11 shows us that more Scholars are receiving more 21st Century money (in addition to their Frank O’Bannon grants), and the average award dollars used per student is increasing as well. However, the number of students, the mean dollars per student, and the total dollars have been only slightly greater than last year. The small size of the increase in the number of dollars and the mean can be attributed to the larger size of the Frank O’Bannon award. Since that award is calculated for each individual first, any 21st Century Scholar with need receives a significant portion of their total award from the Frank O’Bannon Grant and only the differential between this year’s and last year’s tuitions is needed to be covered by the Twenty-first Century fund. Also, any student with low need receives a higher fraction of their award from the Twenty-first Century fund. The lower size of increase in the number of students may indicate the distress the Twenty-first Century program suffered in its slow recovery from fiscal cuts and reorganization in previous years. It is harder to track and counsel students in the program with fewer resources.

Table 11 Scholarships Used by 21st Century Scholars

Academic Years 1995-1996 to 2006-2007

Year	Students	Mean	Total
1995-96	1,463	\$1,297	\$1,897,143
1996-97	2,815	\$1,274	\$3,586,763
1997-98	3,540	\$1,348	\$4,771,556
1998-99	4,382	\$1,449	\$6,349,763
1999-00	4,600	\$1,497	\$6,884,035
2000-01	5,033	\$1,507	\$7,583,425
2001-02	5,984	\$1,567	\$9,379,520
2002-03	6,942	\$1,749	\$12,476,966
2003-04	7,639	\$1,926	\$14,714,426
2004-05	8,381	\$2,040	\$17,098,140
2005-06	8,934	\$2,228	\$19,904,743
2006-07	8,949	\$2,255	\$20,181,299

Noteworthy is the number of Core 40 and Academic Honors diplomas that 21st Century Scholars are achieving in comparison with the population of all SSACI grant recipients. Table 12 shows that a larger percentage of Scholars receive Core 40 diplomas than the general population of grant recipients: 36.8% of Scholars receive Core 40, compared to 19.4% of non-Scholar grant recipients, *and this includes the GPA requisite of 2.0*. Of all Scholars, 35.5% receive regular diplomas, 36.8 percent receive Core 40 and 27.8% receive Academic Honors diplomas. Of all non-Scholars, 54.7% receive regular diplomas, 19.4% receive Core 40 and 25.9% receive Academic Honors. This is excellent preparation for the college experience for these 21st Century students.

**Table 12 Scholars and non-Scholars
Degree Type AY2006-07**

Status	Total Students	Regular	Percent	Core 40	Percent	Acad. Honors	Percent
Scholars	8,949	3,174	35.5%	3,291	36.8%	2,484	27.8%
Non-Scholars	45,224	24,726	54.7%	8,765	19.4%	11,733	25.9%
All Students*	54,164	27,900	51.5%	12,056	22.3%	14,217	26.2%

* with either Frank O'Bannon Grant, 21st Century Scholarship, or both

National Guard Supplemental Grant

This program began in the fall of 2000. It is intended to increase the ability of the Indiana National Guard, Army and Air Force, to recruit new members and retain present personnel. The National Guard Supplemental Grant (NGSG) is similar to the Twenty-first Century Scholars award, but there are differences. First, it is available to both full-time and part-time Guard members. Second, because of special Guard certification, a student could be eligible for the grant one semester, not be for the second, but be reinstated at a later semester. Finally, the grant is available only at Indiana public institutions.

The grant is a supplement to either the Frank O’Bannon Grant or the Part-time Grant. The idea of the grant is simple: it guarantees to pay up to 100% of certain tuition charges after tuition-specific aid is applied. Members of the Indiana National Guard must meet all requirements for the Frank O’Bannon Grant, be in active drilling status, and not have been absent without leave in the preceding twelve months.

There were fewer National Guard Scholarship recipients this year than last, with fewer dollars spent from the National Guard funds. This is to be expected with increased levels of active duty deployment. Also, when the average Frank O’Bannon grant is larger, less money is used from the National Guard fund, because students with need will have a higher portion of that need covered by the Frank O’Bannon scholarship and the Guard scholarship covers mostly the difference between last year’s and this year’s tuitions. The average NGS grant this year was \$3,071.

Table 13 Awards Used by National Guard Students

Academic Years 2001-2002 to 2006-2007

Year	Students	Amount
2001-02	861	\$1,842,824
2002-03	923	\$2,214,787
2003-04	841	\$2,215,806
2004-05	780	\$2,120,394
2005-06	903	\$2,740,499
2006-07	808	\$2,481,884

Child of Veteran and Public Safety Officer Supplemental Grant Program

This Fee Remission Program - the CVO Program - provides tuition and fee assistance at public colleges for eligible children of disabled Indiana veterans, eligible children and spouses of certain members of the Indiana National Guard killed while serving on state active duty, and eligible children and spouses of certain Indiana public safety officers killed in the line of duty. As a supplement to other state financial aid, the grant pays 100% of tuition and program related mandatory fees; it does not cover other fees such as room and board.

Applications for the program are required and all students must file the FAFSA. Some program restrictions apply. For example, children of veterans are limited to 124 credit hours and children of public safety officers must be less than 23 years of age.

Like most of SSACI’s other grants, this grant works in combination with the Frank O’Bannon need-based scholarship. Slightly fewer people used the CVO award this year, but more funds were spent on the program (Table 14). This is one of the few SSACI programs that does not show the leveling effect of increasing the need-based (Frank O’Bannon) part of a student’s award. Even with slightly fewer people participating, costs went up more than \$890,000 or 5.5%.

Table 14 Expenditures for the CVO Program 2001-02 to 2006-07

Year	Type	Fee remission	Grants	Mean
2001-02	Pupil in Soldier and Sailors Home	\$35,486.54	19	\$1,867.71
	Child of Purple Heart recipient	\$988,843.39	453	\$2,182.88
	Child of deceased or disabled veteran	\$10,452,759.41	4,731	\$2,209.42
	Child of deceased public safety officer	\$30,777.81	9	\$3,419.76
	Total	\$11,507,867.15	5,212	\$2,207.96
2002-03	Pupil in Soldier and Sailors Home	\$37,114.85	19	\$1,953.41
	Child of Purple Heart recipient	\$1,222,688.97	474	\$2,579.51
	Child of deceased or disabled veteran	\$13,725,458.56	5,384	\$2,549.31
	Child of deceased public safety officer	\$39,481.63	9	\$4,386.85
	Total	\$15,024,744.01	5,886	\$2,552.62
2003-04	Pupil in Soldier and Sailors Home	\$65,834.71	28	\$2,351.24
	Child of Purple Heart recipient	\$1,160,559.71	434	\$2,674.10
	Child of deceased or disabled veteran	\$14,467,235.27	5,250	\$2,755.66
	Child of deceased public safety officer	\$23,643.42	6	\$3,940.57
	Total	\$15,717,273.11	5,718	\$2,748.74
2004-05	Pupil in Soldier and Sailors Home	\$65,406.49	29	\$2,255.40
	Child of Purple Heart recipient	\$1,045,642.96	353	\$2,962.16
	Child of deceased or disabled veteran	\$14,399,268.80	5,066	\$2,842.33
	Child of deceased public safety officer	\$18,704.97	5	\$3,740.99
	Spouse of deceased public safety officer	\$1,786.30	1	\$1,786.30
	Total	\$15,530,809.52	5,454	\$2,847.60
2005-06	Pupil in Soldier and Sailors Home	\$42,673.48	20	\$2,133.67
	Child of Purple Heart recipient	\$977,780.95	314	\$3,113.95
	Child of deceased or disabled veteran	\$15,148,137.14	4,722	\$3,207.99
	Child of deceased public safety officer	\$15,081.85	6	\$2,513.64
	Spouse of deceased public safety officer	\$1,589.20	1	\$1,589.20
	Total	\$16,185,262.62	5063	\$3,196.77
2006-07	Soldiers' & Sailors' Children's Home	\$46,637.63	21	\$2,220.84
	Child of Purple Heart recipient or wounded vet	\$891,180.52	265	\$3,362.95
	Child of deceased or disabled veteran	\$16,071,108.44	4731	\$3,396.98
	Child of deceased police officer or firefighter	\$27,599.13	8	\$3,449.89
	Spouse of deceased police officer or firefighter	\$8,682.00	4	\$2,170.50
	Child of Vietnam War POW/MIA	\$28,539.00	5	\$5,707.80
	Spouse of National Guard member killed while on state active duty	\$3,020.25	1	\$3,020.25
	Total	\$17,076,766.97	5,035	\$3,391.61

Targeted Special Programs: Merit-Based

Robert C. Byrd Honors Scholarship Program

The Robert C. Byrd Honors Scholarship is a merit-based scholarship funded by the federal government and administered by SSACI. The scholarship is designed to promote and reward outstanding academic achievement of new college students. Students are chosen based on their class rank, grade point averages, and SAT/ACT test scores. It can be used to attend out-of-state colleges. Allocations have not varied much from year to year, but because of fluctuations in student usage, there will be slight variations on dollars spent and number of students using this grant. These fluctuations include students who graduate in less than four years, as well as students who take a year off as part of a co-op program to work, and do not use the fourth year of their scholarship until the fifth year of their eligibility. Table 15 shows current and prior year usage of the Robert Byrd.

Table 15 Robert Byrd Honors Scholars

Academic Years 2005-06 and 2006-07

	2005-06		2006-07	
	Students	Awards	Students	Awards
Indiana Public Institutions	196	\$186,500	192	\$277,500
Indiana Independent Institutions	134	\$232,438	134	\$201,188
Out-of-state Public Institutions	57	\$130,000	46	\$66,562
Out-of-state Independent Institutions	191	\$222,000	183	\$268,500
In-state Proprietary Institutions	1	\$1,500	2	\$2,250
Out-of-state Proprietary Institutions	1	\$500	1	\$1,500
Total Scholarships	580	\$829,881	558	\$819,000

Hoosier Scholar Program

This scholarship is a one-time \$500 award given directly to outstanding high school students entering their first year at an Indiana college. Students are nominated by their high schools and are usually the top students in their classes.

Targeted Special Programs: Career Choice Incentives

Part-time Grant Program

Many of today’s students are not the traditional dependent undergraduate; many are older, have nearly full-time jobs and family members to support, and wish to pursue their Associate’s or Baccalaureate degree at a reduced course load per term. The Part-time Grant is calculated similarly to the Frank O’Bannon Grant, but it uses only an 80% subsidy rate, no matter what high school diploma the student has, and the student’s actual part-time tuition per credit hour and (regularly assessed) fees. Part-time awards are calculated for an individual term, not for the whole academic year.

The Part-time Grant formula is:

$$\frac{80\% \times \text{TUITION PER CREDIT HOUR PLUS FEES} \times \text{NUMBER OF CREDIT HOURS TAKEN}}{\text{ABILITY TO PAY}}$$

Students must be enrolled in 3 to 11 credit hours to be considered for the grant. Funds are directly allocated to public and independent colleges based on their past use of the grants and available funds, which can vary year by year. Colleges determine eligibility and make awards to students subject to SSACI guidelines and review. In 2006-07 the typical student was enrolled for 7.5 credit hours and had earned a total of 49.4 hours before receiving the grant.

Tuition pressures affect Part-time Grant usage as well. Most colleges receiving SSACI's Part-time funds used the vast majority of their allotment. A few colleges did not and as a consequence receive less in the coming year. Table 16 shows aggregated data for the Part-time Grant program over the past eight years.

Table 16 Numbers of Students Receiving Part-time Grants
Academic Years 1999-00 to 2006-07

Year	Students	Amount
1999-00	5,762	\$5,025,841
2000-01	6,620	\$5,902,957
2001-02	6,366	\$5,344,173
2002-03	5,764	\$4,849,701
2003-04	5,695	\$5,246,665
2004-05	5,775	\$5,681,582
2005-06	5,409	\$5,528,115
2006-07	4,909	\$5,315,855

The Minority Teacher/Special Education Services Scholarship Program

This program was created to provide renewable scholarships for African American and Hispanic students preparing for a teaching career. Minority students demonstrating financial need may receive up to \$4,000 annually; for non-minority students the maximum award is \$1,000 and is not need-based. Special education students can receive a scholarship regardless of their ethnicity. Colleges select the recipients and determine the amount of the award when reviewing a scholar's financial aid package. Students are required to work in Indiana after graduation.

The Nursing Fund Scholarship Program

This program is designed to encourage students to pursue a career in nursing. Certain eligible institutions are allocated money based on the number of nursing students they enroll. The scholarship is renewable. The maximum annual scholarship is \$5,000 and can only be applied towards tuition and fees. Colleges select the recipients and determine the actual award amount when developing a scholar’s financial aid package. Students are required to work in Indiana after graduation.

The State Work Study Program

The program is designed to help students gain work experience and earn money towards their college expenses. It subsidizes the hourly wages of students so that not-for-profit agencies and postsecondary institutions can hire the students within their limited budgets. It is available only to students receiving a need-based state grant in the prior year.

The Reciprocity Agreement Program

This program provides tuition assistance to Hoosier students residing in a six county area of southeastern Indiana: Dearborn, Franklin, Jefferson, Ohio, Ripley, and Switzerland counties. Three colleges participate in the program: Northern Kentucky University, the University of Cincinnati, and Cincinnati State Technical and Community College. Under a special arrangement, Northern Kentucky does not report the number of participating students. There are two parts to this program: Higher Education Awards to eligible students, and direct payments to the schools to offset out-of-state fees.

Specter Grant

SSACI administers a federal grant for the Indiana Department of Corrections that provides financial aid support for youth offenders who have earned a GED or high school diploma and are enrolled in a higher education program at an eligible institution. A youth offender is a person under the age of 26 who is eligible for release or parole within five years. The grants can be used at public or independent colleges that have programs approved by the Indiana Department of Corrections and SSACI. It can be used when the student is not eligible for state aid or to supplement state aid. Usage of this grant has increased this year after a decrease last year.

Table 17 Specter Youth Offenders Grant
Academic Years 2004-05, 2005-06 and 2006-07

	2004-05		2005-06		2006-07	
	Students	Awards	Students	Awards	Students	Awards
Public Institutions	159	\$232,816	147	\$215,196	212	\$303,936
Independent Institutions	102	\$153,000	67	\$102,000	66	\$98,780
Total	261	\$385,816	214	\$317,196	278	\$405,716

Legislative and Regulatory Issues

National Guard Extension Scholarship

Senate Enrolled Act 480 (SEA 480) established a fund (the National Guard Extension Fund) drawn from the National Guard Supplemental Grant (NGSG) carryover from AY2006-07 to fund scholarships of limited duration in limited circumstances for former National Guard members who have served on active duty. A former Guard member must apply for this scholarship within a year of leaving the Guard and would receive a number of semesters of aid based on the amount of time served on active duty. The amount of aid available per semester would be based on the amount available to a person still serving in the Guard; that is, based on the present year's tuition and regularly assessed fees. Implementation is proceeding cooperatively between Indiana's National Guard units and SSACI, and while the IT structure is under development, individual applicants can be awarded grants as a subset of the NGSG program.

Insurance Scholarship

House Enrolled Act 1452 (HEA 1452) established a scholarship to encourage students to pursue a major in the insurance field within a public university program. It has a need- rather than merit-based directive, and is supported by sales of framed certificates to insurance industry participants. It would be most similar to SSACI's Minority Teacher and Nursing Programs.

Adding 6th Grade Enrollment to the 21st Century Program

House Enrolled Act 1647 (HEA 1647) expands eligibility to sixth grade students beginning with the 2008-09 academic year. No funds were allocated to implement this policy. When SSACI expanded enrollment from 8th graders to 7th graders in 2001, there was an increase in enrollment from 7,000 to 12,000 students in that one year, which has manifested every year since. When SSACI enrolls the 6th grade students, a similar increase is expected.

Twenty-first Century Scholarship: Non-Accredited Schools; Foster Children

House Enrolled Act 1266 (HEA 1266) provides that a student who is in foster care can be enrolled in the Twenty-first Century Scholarship program any time before the student graduates from high school. Parental or guardian consent is not required to enroll. The student does not have to meet free lunch standards to qualify. The late enrolling student will be unable to take advantage of the many intervention strategies offered the Twenty-first Century students during their high school years. SSACI has generally handled the participation of older foster care students on a case by case appeals basis.

There is a provision within HEA 1266 that opens eligibility for the Twenty-first Century Scholars program to eighth grade students attending non-state-accredited, non-public schools. There is no definitive list of these schools available, but SSACI estimates that around four hundred schools in Indiana could fall under this rubric. Outreach costs to identify students at these schools and sign them up for the program would be prohibitive if pursued in the same way as enrollment efforts that currently take place for the accredited public school population, a process that involves informational visits to individual schools, and large mailings of applications. There is currently no SSACI funding available for such enrollment efforts.

Ten-Year Rule

SSACI Commission Resolution R-9.2006.2 expressed the wish of the Commission to abandon SSACI's ten-year rule on student aid. This rule, based on SSACI's legislative code, states that if a student uses any SSACI aid, and ten years pass without the student's using the available state educational financial aid, the student is thereby ineligible for further state aid. This affects primarily women (3 to 1) in their mid-30's who want to return to college and then re-enter the workforce after raising children. There has been a large growth in the number of adults returning to college to increase their earning potential (and with it, their ability to contribute to the Indiana tax base).

Progress on New Information Technology

SSACI is preparing to deploy a Web application, "xGrads," which will supplement the existing file transfer method of exchanging data, enabling schools to update student award data directly. Five volunteer schools have been testing xGrads. Preliminary tests have gone well and provided important insights on future data needs for both SSACI and the test universities. The client/server application used by SSACI staff since 1998 to view and manipulate grant-related data, called GRADS, is also being converted to a Web application, using Microsoft's .NET platform with an upgraded SQL Server. SSACI is planning to launch both applications in early 2008.

The Twenty-first Century Program has achieved integration of EMC² Captiva InputAccel into FormWare for scanning Twenty-first Century applications, affirmations and attachments.

Outreach Activities

SSACI engages in an extensive series of education programs for all its constituents: students from the seventh grade through seniors in high school and college, parents familiar with the college experience and financial aid to those with little or no knowledge of either, high school and college admissions counselors, Indiana National Guard recruiters, early intervention program staff, college financial aid staff, state and federal legislators and their staff, and other state and federal government officials. At the start of 2006-07, SSACI held 11 high school guidance counselor workshops, nine financial aid nights and three college fairs, presented at three College Goal Sunday sessions, the Munger Conference for high school guidance counselors, an Indiana Association of College Admissions Counselors conference, and staffed a booth at *Black Expo*.

Through a variety of media, *SSACI* educates its constituents on preparing for college, choosing a college, general financial aid strategies, and the specific aid programs offered by the state. A variety of methods are used to get the message across:

- Formal presentations to high school and college groups.
- Publication of brochures, handouts, and flyers.
- Maintenance of a World Wide Web site.
- On-line access to its databases for college financial aid and admissions offices.

Through the Scholars Program:

- State-wide in-service training for early intervention staff.
- Support for parents of high school students in arranging college campus visits and Core 40/Academic Honors academic counseling.
- Direct mailings to seventh and eighth graders and high school students.