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## **More Indiana College Students on Track to Graduate on Time** *2013 Financial Aid Reform Results in Ongoing Credit Completion Gains*

More Hoosier college students with financial need are enrolling in and completing at least 30 college credits per year, staying on track to graduate from college on time. Two years after the Indiana General Assembly passed legislation creating credit completion requirements for state financial aid, the number of 21<sup>st</sup> Century Scholar students taking and completing 30 credit hours per year has increased by 23.4 percentage points at four-year colleges and 24.2 percentage points at two-year colleges.

“Students who complete at least 15 credits a semester save money, are more likely to graduate, and enter the workforce sooner,” Indiana Commissioner for Higher Education Teresa Lubbers said. “Double-digit gains in the numbers of students meeting the 30-credit-hour benchmark for on-time completion demonstrate the ongoing positive results of 2013’s financial aid reform as well as the benefit of aligning state funding to Indiana’s goals for higher education attainment.”

Students who receive the Frank O’Bannon Grant, Indiana’s other need-based financial aid program, faced less stringent requirements but also marked gains in completing 30 or more credits—increasing by 12 percentage points at four-year colleges and 6.5 percentage points at two-year colleges in the same two-year period.

The Indiana Commission for Higher Education estimates every additional year students spend in college costs them at least \$50,000 in tuition, fees, and lost wages. Financial aid reforms passed in 2013 created financial incentives for students to complete degrees on time. Under the reforms, 21<sup>st</sup> Century Scholar students must complete 30 credit hours per academic year to remain eligible for financial aid and Frank O’Bannon students receive lower financial aid rewards if they fail to meet the 30-credit benchmark.

### Key Findings

- **Financial Incentives for On-Time Completion Work.** Significantly more students are taking and completing 30 credits per academic year at both four-year and two-year colleges.
- **Students Who Take More College Credits Are More Successful.** Students who enroll in 30 or more credits earn a higher percentage of the credits they take than students who enroll in lighter course loads.
- **Scholars at Community Colleges are More Likely Stay on Track.** While the percentage of 21<sup>st</sup> Century Scholars meeting the 30-credit-hour benchmark has increased at all institutions, success rates for those at two-year colleges have more than doubled.

[Read the full year-two report, \*Reforming Student Financial Aid to Increase College Completion\*, online here.](#)

In the 2016 legislative session, the Indiana General Assembly enacted additional college financial aid reforms. The changes create a smoother path back to financial aid eligibility for students who fail to meet the 30-credit-hour requirement for one year but work to get back on track the next.