Leveraging Financial Aid and Scholarships to Increase Enrollment
By Edward Martinez and Lee Allard
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The purpose of this project was to determine if student financial aid and scholarships can be used to leverage increased enrollment and retention of undergraduate students at Highlands. To accomplish this the following objectives were completed:

- Determine the type of scholarships that are offered to new undergraduate students at Highlands
- Determine the historical type and amount of student aid provided to Highlands students
- Determine the retention of scholarships by student recipients
- Determine the retention and graduation rates of undergraduate scholarship recipients
- Determine the amount of debt non-retained students leave the institution with
- Determine the relationship between financial aid and scholarship awards and student retention
- Determine the retention and graduation rates of Highlands students based on unmet financial need
- Develop recommendations for restructuring of scholarships based on findings

Institutional Scholarships:

Highlands offers various scholarships and grants to first-time freshmen, first-time transfers, first-time international, and first-time graduate students. Criteria to qualify for these scholarships varies by student population. The prospective student admissions application is used to determine scholarship eligibility and offers to freshmen and transfer students. Scholarship offers are made via email every two weeks on a rolling bases as admissions applications are being received. All scholarship offers must be accepted online by students and funding is allocated on a first come first serve basis.

The below scholarship descriptions and eligibility criteria are all funded from two separate funds (3% fund and the institutional fund) which total $943,000. Every year the funds are split and $200,000 is used to provide scholarships to incoming athletes by the athletic department. The remaining funds are used to provide scholarships to any new student by the financial aid office and to continue to fund students that continued to earn their scholarship from the previous year.

Freshmen Scholarships for New Mexico Residents:

**College Incentive Grant:** $1,000 ($500 per semester)
Eligibility: 2.0 – 2.49 HS GPA
a. Will convert to Lottery Scholarship* for 7 semesters with completion of 15 credits and 2.5 GPA in first and subsequent semesters. Current eight semester value with Lottery approximately $14,500.
b. Otherwise, $500 for second semester and renewable for an additional 6 semesters with completion of 15 credits and 2.5 GPA in second and subsequent semesters ($4,000 value).
Total grant/scholarship eligibility is 8 semesters.

**Freshman Success Scholarship:** $1,500 ($1,000 first semester and $500 second semester)
Eligibility: 2.5 – 2.99 HS GPA
a. Will convert to Lottery Scholarship* plus $500 for 7 semesters with completion of 15 credits and 2.5 GPA in first and subsequent semesters. Current eight semester value with Lottery approximately $15,000.
b. Otherwise, $500 for second semester and renewable for an additional 6 semesters with completion of 15 credits and 2.5 GPA in second and subsequent semesters ($4,500 value).
Total scholarship eligibility is 8 semesters.
Dean’s Scholarship: $2,800 ($2,000 first semester and $800 second semester)
Eligibility: 3.0 HS GPA
a. Will convert to Lottery Scholarship* plus $800 for 7 semesters with completion of 15 credits and 2.5 GPA in first and subsequent semesters. Current eight semester value with Lottery approximately $18,100.
b. Otherwise, $800 second semester and renewable for an additional 6 semesters at $800 per semester with completion of 15 credits and 2.5 GPA in second and subsequent semesters ($7,600 value).
Total eligibility is 8 semesters.

Presidential Silver Scholarship: $5,000 ($3,200 first semester and $1,800 second semester)
Eligibility: 3.5 HS GPA and 22 ACT
a. Will convert to Lottery Scholarship* plus $1,500 for seven semesters with completion of 15 credits and 2.5 GPA in first and subsequent semesters. Current eight semester value with Lottery approximately $26,300.
b. Otherwise, $1,800 second semester and renewable for an additional 6 semesters at $1,800 per semester with completion of 15 credits and 2.5 GPA in second and subsequent semesters ($15,800 value) or $2,000 per semester with completion of 15 credits and 3.0 GPA in second and subsequent semesters ($17,200 value).
Total eligibility is 8 semesters.

Presidential Gold Scholarship: $6,000 ($3,700 first semester and $2,300 second semester)
Eligibility: 3.75 HS GPA and 25 ACT
a. Will convert to Lottery Scholarship* plus $2,000 for seven semesters with completion of 15 credits and 2.5 GPA first and subsequent semesters. Current eight semester value with Lottery approximately $30,300.
b. Otherwise, $2,300 second semester and renewable for an additional 6 semesters at $2,300 per semester with completion of 15 credits and 2.5 GPA in second and subsequent semesters ($19,800 value) or $2,500 per semester with completion of 15 credits and 3.0 GPA in second and subsequent semesters ($21,200 value).
Total eligibility is 8 semesters.

Freshmen Scholarships for Out-of-State Residents:
New Mexico Success Scholarship: $2,000 ($1,000 per semester) with a 3.0 HS GPA or $3,000 ($1,500 per semester) with a 3.50 GPA. Note: Students with a 3.0 GPA receiving out-of-state tuition waivers are eligible for a $1,000 award ($500 per semester). Renewable for an additional 7 semesters subject to completion of 15 credits and a 3.0 GPA per semester at NMHU.

New Mexico Opportunity Grant: $1,000 ($500 per semester). Eligibility: High School or postsecondary cumulative GPA of 2.5+. Renewable for an additional 7 semesters subject to completion of 15 credits and a 2.5 GPA per semester at NMHU.

Transfer Student Scholarships for New Mexico Residents:
Dean's Transfer Scholarship: $1,000 ($500 per semester). Eligibility: 3.0 – 3.49 cumulative GPA per college transcript. Renewable for up to an additional 6 semesters based on credits transferred and subject to completion of 15 credits and a 3.0 GPA per semester at NMHU.

Presidential Transfer Scholarship: $1,500 ($750 per semester). Eligibility: 3.5 or better cumulative GPA per college transcript. Renewable for up to an additional 6 semesters based on credits transferred and subject to completion of 15 credits and a 3.0 GPA per semester at NMHU.

Transfer Student Scholarships for Out-of-State Residents:
New Mexico Success Transfer Scholarship: $2,000 ($1,000 per semester) with a 3.0 – 3.49 GPA or $3,000 ($1,500 per semester) with a 3.5 or better GPA per college transcript. Renewable for up to an additional 6 semesters based on credits transferred and subject to completion of 15 credits and a 3.0 GPA per semester at NMHU.

Graduate Student Scholarships:

Presidential Scholarship-Graduate: (limited to funding for 12 awards – 3% or HU) $1,500 ($750 per semester) Bachelor’s degree from accredited college with a 3.0 GPA. Renewable for an additional 2 semesters subject to completion of 9 credits with a 3.0 GPA.

Athlete Scholarships:

Scholar Athlete Award: Award amount varies and can be given to freshmen, transfer or continuing student athletes.

a. Students must maintain a 2.5 cumulative GPA and complete 15 credits per semester or file an appeal and plan with the financial aid office proposing how they will complete at least 30 credits within the fall and spring semesters and summer term. Or

b. Recipients must complete at least 12 credits per semester and 30 for the 12 months and maintain a 2.5 cumulative GPA. Appeals are reviewed and are not automatically approved. Renewable on a semester by semester basis if criteria are met.

Tribal MOU Scholarship Awards:

Currently Highlands has an MOU in place with 23 tribes and nations to provide a full-tuition scholarship for up to three individuals, at any given time, from each of these tribes or nations.

a. Undergraduate students must maintain a minimum of a 2.0 grade point average per semester to qualify for the SCHOLARSHIP;

b. Graduate students must maintain a 3.0 grade point average per semester to qualify for the SCHOLARSHIP;

c. All scholarship recipients must be full-time students in accordance with NMHU admission’s policy for undergraduate and graduate students;

d. Distance education credits may be included to establish full-time status;

e. Students eligible under this MOU must be an enrolled tribal member of one of the listed above Tribes.

Highlands Scholarship Awards vs. Peer Institution Awards

Scholarship awards from Highlands were compared to peer institution awards to determine if award amount should be changed to be more competitive. The comparison indicates that Highlands’ award amounts vary, in some cases Highlands’s offers higher and lower amounts than its peers for awards requiring the same criteria. One significant difference found between Highlands and all peer institutions is that Highlands is the only institution that offers scholarships to students with a GPA of less than 3.0. Changes to the dollar amount for any Highlands’s awards would probably not positively influence student enrollment unless the amounts are increased significantly. When comparing out of state awards, Ft. Lewis awards were significantly higher than Highlands’ awards, especially to out of state students. Highlands may want to consider increasing the amount offered to out of state students.

Historical Student Aid:
Historically a large proportion of Highlands undergraduate students have qualified and received some type of aid, whether it is institutional, federal or state funds. Tables 1 and 2 below demonstrate the number and percent of students that receive Pell grant aid. Furthermore, data indicates that the proportion of Pell recipients has increased from 58% to 63% from fall 2014 to fall 2017. Conversely, the institutional aid (merit-based scholarships) has decreased since fall 14.

Table. 1 Number of undergraduate students receiving Pell Grant by fall term

<table>
<thead>
<tr>
<th>Number of Undergraduates Receiving Pell Grant</th>
<th>Fall 2013</th>
<th>Fall 2014</th>
<th>Fall 2015</th>
<th>Fall 2016</th>
<th>Fall 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cohort Size</td>
<td>2396</td>
<td>2275</td>
<td>2233</td>
<td>2125</td>
<td>1935</td>
</tr>
<tr>
<td>Number of Students</td>
<td>1261</td>
<td>1225</td>
<td>1169</td>
<td>1431</td>
<td></td>
</tr>
</tbody>
</table>

Source: IPEDS Student Financial Aid Reports 2013-2017

Table. 2 Percentage of FTFT receiving financial aid by fall term

<table>
<thead>
<tr>
<th>Percent of FTFT Receiving Aid</th>
<th>Fall 2013</th>
<th>Fall 2014</th>
<th>Fall 2015</th>
<th>Fall 2016</th>
<th>Fall 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any Aid</td>
<td>95</td>
<td>91</td>
<td>96</td>
<td>99</td>
<td>96</td>
</tr>
<tr>
<td>Federal Gov’t Grant Aid</td>
<td>61</td>
<td>58</td>
<td>58</td>
<td>61</td>
<td>74</td>
</tr>
<tr>
<td>Pell Grant</td>
<td>61</td>
<td>58</td>
<td>58</td>
<td>61</td>
<td>63</td>
</tr>
<tr>
<td>Other Federal</td>
<td>16</td>
<td>25</td>
<td>25</td>
<td>16</td>
<td>11</td>
</tr>
<tr>
<td>State/Local Gov’t</td>
<td>53</td>
<td>62</td>
<td>84</td>
<td>68</td>
<td>47</td>
</tr>
<tr>
<td>Institutional</td>
<td>68</td>
<td>66</td>
<td>44</td>
<td>59</td>
<td>52</td>
</tr>
</tbody>
</table>

Source: IPEDS Student Financial Aid Reports 2013-2017

Table 3. Average net price per fall term

<table>
<thead>
<tr>
<th>Average Net Price</th>
<th>Fall 2013</th>
<th>Fall 2014</th>
<th>Fall 2015</th>
<th>Fall 2016</th>
<th>Fall 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTFT with grant aid</td>
<td>$10,241.00</td>
<td>$9,003.00</td>
<td>$9,783.00</td>
<td>$12,538.00</td>
<td></td>
</tr>
<tr>
<td>FTFT with Title IV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$0-30,000</td>
<td>$5,884.00</td>
<td>$5,377.00</td>
<td>$7,604.00</td>
<td>$13,490.00</td>
<td></td>
</tr>
<tr>
<td>$30,001-48,000</td>
<td>$5,425.00</td>
<td>$6,027.00</td>
<td>$5,213.00</td>
<td>$13,447.00</td>
<td></td>
</tr>
<tr>
<td>$48,001-75,000</td>
<td>$8,219.00</td>
<td>$8,584.00</td>
<td>$10,799.00</td>
<td>14,280.00</td>
<td></td>
</tr>
<tr>
<td>$75,001-110,000</td>
<td>$9,438.00</td>
<td>$11,625.00</td>
<td>$10,490.00</td>
<td>15,623.00</td>
<td></td>
</tr>
<tr>
<td>$110,001 and more</td>
<td>$10,315.00</td>
<td>$10,866.00</td>
<td>$12,100.00</td>
<td>13,595.00</td>
<td></td>
</tr>
</tbody>
</table>

Source: IPEDS Student Financial Aid Reports 2013-2017
As a result of increasing tuition and fees, the average net dollar amount that students pay has increased through the years. Demonstrated in Table 3, the increases have outpaced the amount of aid received. The average aid received by first time full time freshmen has increased by about $2300 from fall 14 to fall 17. However, the average net price paid by students has almost doubled from fall 14 to fall 17 for students from all income levels except for students from households earning greater than $48,000 per year.

**Scholarship Funds:**

Currently Highlands has two separate accounts that fund the above listed scholarships. The “3%” fund is a total of $343,000 renewed annually and covers the following scholarships for both continuing and new students every year:

- Freshmen Success Scholarship
- Dean’s Scholarship
- Presidential Silver Scholarship
- Presidential Gold Scholarship

The “Institutional” fund is a total of $600,000 renewed annually and covers the following scholarships for both new and continuing students each year:

- NM Opportunity Grant
- NM Success Scholarship
- Dean’s Transfer Scholarship
- Presidential Transfer Scholarship
- NM Success Transfer Scholarship
- Scholarship Athlete Award
- Dean of Students Scholarship
- Presidential Graduate Scholarship

For the past three years Highlands has awarded scholarships to an average of 81% of the first-time freshmen incoming class. Additionally, an average of $289,823 were spent on the continuing student awards for the spring 16, 17, and 18 students. However, note that the amount ($193,090) needed for continuing students in academic year 15-16 was about 56% less than what was needed in academic year 16-17 ($328,891) and academic year 17-18 ($347,489). For these same three years an average of 111 scholarship recipients lost their scholarship award after their first fall semester (table 4). This has resulted on an average savings of $84,958 per year for the institution. Additionally, the data in the table indicate that about 68% of the Freshmen Success Scholarship recipients lose this award after their first semester, followed by the NM Success Scholarship (GPA 3.0) and the NM Opportunity Grant recipients (GPA 2.5) with a 58 and 57% loss respectively.
Table 4. Average fall 2015-fall 2017 scholarship awards from the 3% and Institutional funds. Percent average scholarships lost by students (regardless of class standing) and average dollar amount saved by institution due to scholarship loss by student.

<table>
<thead>
<tr>
<th>Title</th>
<th>Qualifying GPA</th>
<th>Average $ left after fall semester</th>
<th>Average % Lost Scholarship</th>
<th>Average Lost Scholarship</th>
</tr>
</thead>
<tbody>
<tr>
<td>College Incentive*</td>
<td>2</td>
<td>$0.00</td>
<td>0.00%</td>
<td>0</td>
</tr>
<tr>
<td>Freshmen Success Scholarship</td>
<td>2.5-3.0</td>
<td>$14,666.67</td>
<td>67.61%</td>
<td>29.3</td>
</tr>
<tr>
<td>Dean's Scholarship</td>
<td>3</td>
<td>$20,800.00</td>
<td>30.34%</td>
<td>26.0</td>
</tr>
<tr>
<td>Presidential Silver Scholarship</td>
<td>3.5 w 22 ACT</td>
<td>$1,500.00</td>
<td>8.83%</td>
<td>1.0</td>
</tr>
<tr>
<td>Presidential Gold Scholarship</td>
<td>3.75 w 25 ACT</td>
<td>$666.67</td>
<td>11.11%</td>
<td>0.3</td>
</tr>
<tr>
<td>NM Opportunity Grant</td>
<td>2.5</td>
<td>$7,333.33</td>
<td>57.05%</td>
<td>14.7</td>
</tr>
<tr>
<td>NM Success Scholarship</td>
<td>3.0 or 3.5</td>
<td>$10,833.33</td>
<td>58.42%</td>
<td>14.0</td>
</tr>
<tr>
<td>Dean's Transfer Scholarship</td>
<td>3</td>
<td>$166.67</td>
<td>33.33%</td>
<td>0.3</td>
</tr>
<tr>
<td>Presidential Transfer Scholarship</td>
<td>3.5</td>
<td>$1,250.00</td>
<td>55.56%</td>
<td>1.7</td>
</tr>
<tr>
<td>NM Success Transfer Scholarship</td>
<td>3</td>
<td>$166.67</td>
<td>6.67%</td>
<td>0.3</td>
</tr>
<tr>
<td>Scholarship Athlete Award</td>
<td>2.5</td>
<td>$17,303.83</td>
<td>29.88%</td>
<td>15.0</td>
</tr>
<tr>
<td>Dean of Students Scholarship</td>
<td>Variable</td>
<td>$0.00</td>
<td>0.00%</td>
<td>0.0</td>
</tr>
<tr>
<td>Presidential Graduate Scholarship</td>
<td>3.5</td>
<td>$250.00</td>
<td>16.67%</td>
<td>0.3</td>
</tr>
<tr>
<td>Presidential Graduate Scholarship 3%</td>
<td>3.5</td>
<td>$250.00</td>
<td>11.11%</td>
<td>0.3</td>
</tr>
<tr>
<td>Tribal MOU</td>
<td>2.0 or 3.0</td>
<td>$9,771.65</td>
<td>38.13%</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$84,958.82</td>
<td>28.31%</td>
<td>111</td>
</tr>
</tbody>
</table>

*One-time freshman fall award only

Retention and Graduation Rates of Institutional Scholarship Recipients:

As shown above, nine different institutional scholarships are given to in-state students and three different institutional scholarships are given to out-of-state students. These scholarships’ title, eligibility and renewal criteria have been in place since 2014.

Table 5 and figures 1 and 2, show the average retention and graduation rates for students with and without a scholarship and by scholarship type for years 2014 through 2016. Data indicate that only an average of 11.6% of Freshman Success Scholarship recipients are retaining their award. For the Presidential Gold Scholarship recipients 75% are retaining their scholarship. The minimum (38%) percent of students that were retained from fall to fall were the cohort of students that did not receive a scholarship. This cohort was followed by the cohort that received the Freshman Success Scholarship, with a fall to fall retention rate of 43.6%. The Presidential Silver and Gold Scholarship cohorts had the highest fall to fall retention rates of 75.4% and 75% respectively.

Similarly, the percent of students graduating or still enrolled during spring 2018 is lowest (23.3%) for the New Mexico Opportunity Grant cohort followed by the Freshman Success Scholarship (25.9%), and the No Scholarship cohort at 27.6%.
Overall students receiving the New Mexico Opportunity Grant (GPA 2.0-2.49) and the Freshman Success Scholarship (GPA 2.5-2.99) retained their scholarship at very low rates but slightly higher than the No Scholarship cohort. These same cohorts have graduated or are still enrolled at rates lower than the No Scholarship cohort.

Table 5. Retention and graduation rates of scholarship recipients by scholarship type.

<table>
<thead>
<tr>
<th>Title</th>
<th>Second Fall term</th>
<th></th>
<th>Spring 2018</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% retain fall 1 with award</td>
<td>% retain fall 1 without award</td>
<td>Total % retain fall 1</td>
<td>% graduated</td>
<td>% still enrolled in Spring 2018</td>
</tr>
<tr>
<td>No scholarship</td>
<td>38.80%</td>
<td>38.80%</td>
<td>1.50%</td>
<td>26.00%</td>
<td>27.60%</td>
</tr>
<tr>
<td>New Mexico Opportunity Grant</td>
<td>24.30%</td>
<td>24.00%</td>
<td>48.30%</td>
<td>0.00%</td>
<td>23.30%</td>
</tr>
<tr>
<td>Freshman Success Scholarship</td>
<td>11.60%</td>
<td>31.90%</td>
<td>43.60%</td>
<td>1.60%</td>
<td>24.30%</td>
</tr>
<tr>
<td>Dean's Scholarship</td>
<td>48.20%</td>
<td>14.10%</td>
<td>62.30%</td>
<td>4.60%</td>
<td>45.20%</td>
</tr>
<tr>
<td>New Mexico Success Scholarship</td>
<td>19.60%</td>
<td>28.20%</td>
<td>47.80%</td>
<td>4.00%</td>
<td>34.00%</td>
</tr>
<tr>
<td>Presidential Silver Scholarship</td>
<td>64.70%</td>
<td>10.70%</td>
<td>75.40%</td>
<td>11.10%</td>
<td>51.80%</td>
</tr>
<tr>
<td>Presidential Gold Scholarship</td>
<td>75.00%</td>
<td>0.00%</td>
<td>75.00%</td>
<td>0.00%</td>
<td>41.70%</td>
</tr>
</tbody>
</table>

Source: Office of Institutional Effectiveness and Research (OIER)

The remaining scholarships are awarded to students with a GPA equal to 3.0 or higher. The fall to fall retention rates of these students, except the New Mexico Success Scholarship cohort (for out of state students), are greater than the overall average first-time freshmen students retention rate of 55%. Additionally, these students are graduating or are still enrolled at much higher rates than students receiving scholarships that require a less than 3.0 GPA.
Figure 1. Fall-to-Fall retention of scholarship recipients with and without scholarship and by scholarship type. (Fall-to-Fall Retention)

Figure 2. Percent of scholarship recipients graduated or still enrolled. (% Graduated or Still Enrolled)

Retention and Graduation Rates of Institutional Scholarship Recipients, Out-of-State Freshman:
NMHU offers two institutional scholarships to non-resident students, a third award is also offered but is a waiver and therefore is not included in the below data. Table 6 indicates that the fall-to-fall retention rates
for students awarded a scholarship is on average of 42.8%. This average is 7% lower than the fall-to-fall retention of the general population. However, the average graduation rate/still enrolled (25.4%) is about the same as our general population.

Table 6. Retention and graduation of out of state institutional scholarship recipients (Fall 2013 to Fall 2016 Cohorts).

<table>
<thead>
<tr>
<th>Aid category</th>
<th>Retain to spring</th>
<th>Retain to fall</th>
<th>Graduated</th>
<th>Still enrolled</th>
<th>Fall-to-Fall</th>
<th>% retained</th>
<th>% Graduated or Still Enrolled</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0</td>
<td>83</td>
<td>50</td>
<td>5</td>
<td>21</td>
<td>39.40%</td>
<td>20.50%</td>
<td></td>
</tr>
<tr>
<td>$1-999</td>
<td>60</td>
<td>31</td>
<td>1</td>
<td>18</td>
<td>41.90%</td>
<td>25.70%</td>
<td></td>
</tr>
<tr>
<td>$1000-1999</td>
<td>56</td>
<td>35</td>
<td>4</td>
<td>21</td>
<td>46.10%</td>
<td>32.90%</td>
<td></td>
</tr>
<tr>
<td>&gt;=$2000</td>
<td>56</td>
<td>35</td>
<td>13</td>
<td>5</td>
<td>43.80%</td>
<td>22.50%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>255</td>
<td>151</td>
<td>23</td>
<td>65</td>
<td>42.30%</td>
<td>24.60%</td>
<td></td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>42.80%</td>
<td>25.40%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Office of Institutional Effectiveness and Research (OIER)

Retention and Graduation Rates of Institutional Scholarship Recipients, Transfer Students:

NMHU offers four institutional scholarships to transfer students (see list above). The retention and graduation rates for transfer-student scholarship recipients for the 2013 to fall 2016 cohorts presented in the table 7 and 8 indicate much higher percentages for students that transfer with an associate’s degree. The average (78.6%) fall-to-fall retention for students with an associate’s degree is 20.6% higher than the average (58%) of students without an associate's. Students with an associate’s degree are also graduating and or are still enrolled at 27.5% higher rates than transfers without an associate’s degree.

Table 7. Fall-to-fall retention and graduation rates for transfer students with associate’s degree (Fall 2013 to Fall 2016 Cohorts).

<table>
<thead>
<tr>
<th>Aid category</th>
<th>Count</th>
<th>Retain to spring</th>
<th>Retain to Fall</th>
<th>Graduated</th>
<th>Still Enrolled</th>
<th>% Retained Fall-to-Fall</th>
<th>% Graduated or Still Enrolled</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>976</td>
<td>823</td>
<td>758</td>
<td>592</td>
<td>124</td>
<td>77.70%</td>
<td>73.40%</td>
</tr>
<tr>
<td>$1-999</td>
<td>31</td>
<td>29</td>
<td>26</td>
<td>19</td>
<td>6</td>
<td>83.90%</td>
<td>80.60%</td>
</tr>
<tr>
<td>$1000-1999</td>
<td>26</td>
<td>23</td>
<td>20</td>
<td>18</td>
<td>1</td>
<td>76.90%</td>
<td>73.10%</td>
</tr>
<tr>
<td>&gt;=$2000</td>
<td>25</td>
<td>23</td>
<td>19</td>
<td>16</td>
<td>1</td>
<td>76.00%</td>
<td>68.00%</td>
</tr>
<tr>
<td>Total</td>
<td>1058</td>
<td>898</td>
<td>823</td>
<td>645</td>
<td>132</td>
<td>77.80%</td>
<td>73.40%</td>
</tr>
<tr>
<td>Average</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>78.60%</td>
<td>73.80%</td>
</tr>
</tbody>
</table>

Source: Office of Institutional Effectiveness and Research (OIER)

Table 8. Fall-to-fall retention and graduation rates for transfer students without an associate’s degree (Fall 2013 to Fall 2016 Cohorts).
Non-Retained Students with Debt:

An average of 150 students per year of the Fall 14 through Fall 16 first-time freshmen cohort were not retained from fall to fall. From these 150 students an average of 77 students left the institution with debt. The three-year average debt these students incurred is $203,844. From these same 150 students, an average of 64 students transferred to another institution and on average 16 of them transferred with a balance at NMHU.

Impact of Financial Aid and Scholarships on Retention:

To further analyze whether financial aid and scholarships are having an impact on retention a logistic regression analysis was conducted to determine which variables had a significant effect on predicting freshman and transfer student fall-to-fall retention. The sample consisted of first time freshmen and transfers enrolled at NMHU from the fall 2011 through fall 2017 cohorts. The variables include:

- Nontraditional (age 25+, coded yes/no)
- Female (coded yes/no)
- African American (coded yes/no)
- Native American (coded yes/no)
- Late Admit (coded yes/no)
- Commuter (coded yes/no)
- Athlete (coded yes/no)
- First Generation (coded yes/no)
- Received Pell (coded yes/no)
- Out of State (coded yes/no)
- Amount of Total Non-loan Financial Aid (coded in $1000 increments)
- Amount of Institutional Grant Aid (coded in $1000 increments)
- Unmet need of $10,000 or more (coded yes/no)
- San Miguel County resident (coded yes/no)
- Loan Recipient (coded yes/no)
- FAFSA Filer (coded yes/no)
- Part time (coded yes/no)
- High School GPA (coded continuously)
**Freshmen:** The initial analysis considered all the variables. The logistic regression model correctly classified 71.9% of cases with a Nagelkerke R square value of .309. This analysis indicated that the following variables were significantly (p<0.05) associated with a higher risk of not being retained from fall to fall: African American, Native American, athlete, Pell recipient, out of state, and unmet need of greater than $10,000.

The initial analysis was followed by a stepwise logistic regression to determine which variables were excluded based on their strength in predicting retention of freshmen from fall-to-fall. After the seventh step in the calculation, the model correctly classified 72% of cases with a Nagelkerke R square value of 3.00. This analysis indicated that the following variables, in order of strength, were all significant predictors of non-retention from fall-to-fall: students receiving Pell (B=-1.253); Native American students (B=-1.158), African American students (B=-1.020); student athletes (B=-.505); and students with an unmet need of at least $10,000 (B=-.399).

The model indicated that San Miguel county residency and amount of total non-loan aid were the strongest predictors of non-retention from fall-to-fall.

It should be noted that the logistic regression procedure evaluates the effect of a specific variable with reference to other variables that are in the model.

**Transfer:** A similar analysis was conducted to determine the variables that predict transfer student retention from fall-to-fall. For this analysis, the high school GPA variable was excluded and the associate’s degree variable (coded yes/no) was included.

The initial logistic regression model including all variables correctly classified 70.6% of cases with a Nagelkerke R square value of .300. In the case for transfer students, receiving Pell, attending part time, out-of-state residency, African American, athlete, and Native American were all variables significantly (P<0.05) predicting non-retention.

The stepwise logistic regression model correctly classified 76.5% of cases with a Nagelkerke R square value of .296. This analysis indicated that the following variables, in order of strength, were all significant predictors of non-retention from fall-to-fall: athlete (B=-1.04); African American (B=-.924); students receiving Pell (B=-.849), Native American (B=-.780); and part time (B=-.55).

For the transfer students the variables, in order of strength, associate’s degree, FAFSA filer, and total amount of non-loan aid were significant (P<.05) predictors of being retained from fall-to-fall.

Based on these analyses we can conclude that:

- Taking into account the effect of other predictor variables, the amount of non-athletic institutional aid (grants and scholarships offered by the institution) is not a significant predictor of fall-to-fall retention, regardless of whether it is a freshman or a transfer student.
- Taking into account the effect of other predictor variables, Pell grant recipients, African American students, Native American students, and athletes, whether freshmen or transfers, are at most risk for not being retained.
- For freshmen, the strongest predictors of retention are total amount of non-loan aid and San Miguel County residency, again taking into account the effect of other predictor variables.
- For transfer students the strongest predictor of retention is having an associate’s degree.

It is important to note that this type of analysis operates at a population level (in this case all new freshmen or all incoming transfer students). Results are not applicable to the level of individual students. For example, we have many Pell recipients, African-American students, Native American students, and athletes who are highly successful at Highlands. Similarly, while there is no relationship at the population level between amount of
institutional aid and fall-to-fall retention (controlling for other variables), this is not to say that individual students may not benefit from an increase in their institutional aid package.

**Retention and Graduation Rates of NMHU Students Based on Unmet Need:**

In an attempt to determine the type of student, based on unmet need, NMHU can leverage financial aid and scholarships to increase enrollment and retention of students, the enrollment and retention rates of students was determined based on unmet need for students from the fall 2014 through fall 2018 applicant pool.

Based on this data (see table 8 and 9 below) it was determined that the students with 0-9% of their need met are the largest number of students admitted to NMHU within 2014-2018. However, only 10.4% of these students actually enrolled at NMHU. Given that this population is so large compared to the others, offering this group of students a monetary incentive may increase enrollments. Similarly, if students in the 30-34% and 35-39% need met groups were offered a monetary incentive, perhaps enrollments and retention could be increased.

When considering students based on the percent (table 9) of unmet need, the students in the 7.5-10k range have a retention rate of 48.2%. If these students were incentivized with increased aid to match the 5-7.5 k range or less, perhaps enrollments and retention would increase. This group has relatively high enrollments (73.5%) and retention rates greater than 60.5%.

**Table 9. Enrollment rate for new, first-time, degree-seeking students grouped by percent of financial need met (based on FAFSA data) fall 2014 through fall 2018 applicant pools. Data only includes applicants completing the FAFSA for whom need can be calculated and excludes athletes.**

<table>
<thead>
<tr>
<th>% Need Met</th>
<th>Count</th>
<th>% Enrolled</th>
<th>% Pell</th>
<th>Avg HS GPA</th>
<th>Avg EFC</th>
<th>% Retained</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;0%</td>
<td>59</td>
<td>81.40%</td>
<td>0.00%</td>
<td>3.32</td>
<td>$32,254</td>
<td>60.50%</td>
</tr>
<tr>
<td>0-9%</td>
<td>492</td>
<td>10.40%</td>
<td>2.60%</td>
<td>3.1</td>
<td>$20,154</td>
<td>20.90%</td>
</tr>
<tr>
<td>10-19%</td>
<td>76</td>
<td>53.90%</td>
<td>53.90%</td>
<td>2.86</td>
<td>$5,574</td>
<td>15.80%</td>
</tr>
<tr>
<td>20-29%</td>
<td>297</td>
<td>29.60%</td>
<td>91.90%</td>
<td>2.84</td>
<td>$990</td>
<td>30.70%</td>
</tr>
<tr>
<td>30-34%</td>
<td>279</td>
<td>25.40%</td>
<td>95.70%</td>
<td>2.86</td>
<td>$441</td>
<td>18.30%</td>
</tr>
<tr>
<td>35-39%</td>
<td>139</td>
<td>56.10%</td>
<td>93.50%</td>
<td>2.89</td>
<td>$696</td>
<td>34.40%</td>
</tr>
<tr>
<td>40-49%</td>
<td>165</td>
<td>84.80%</td>
<td>89.70%</td>
<td>2.88</td>
<td>$1,605</td>
<td>48.70%</td>
</tr>
<tr>
<td>50-59%</td>
<td>126</td>
<td>92.10%</td>
<td>91.30%</td>
<td>3.06</td>
<td>$1,531</td>
<td>62.60%</td>
</tr>
<tr>
<td>&gt;60%</td>
<td>298</td>
<td>97.00%</td>
<td>74.80%</td>
<td>3.33</td>
<td>$3,569</td>
<td>75.00%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1931</td>
<td>47.70%</td>
<td>62.70%</td>
<td>3.02</td>
<td><strong>$7,394</strong></td>
<td><strong>50.90%</strong></td>
</tr>
</tbody>
</table>

Source: Office of Institutional Effectiveness and Research (OIER)

**Table 10. Enrollment rate for new, first-time degree-seeking students grouped by dollar amount of financial need unmet (based on FAFSA data) fall 2014 through fall 2018 applicant pools. Data only includes applicants completing the FAFSA for whom need can be calculated and excludes athletes.**

<table>
<thead>
<tr>
<th>Unmet Need</th>
<th>Count</th>
<th>% Enrolled</th>
<th>% Pell</th>
<th>Avg HS GPA</th>
<th>Avg EFC</th>
<th>% Retained</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-2.5K</td>
<td>375</td>
<td>50.10%</td>
<td>15.70%</td>
<td>3.29</td>
<td>$27,499</td>
<td>69.20%</td>
</tr>
<tr>
<td>2.5-5K</td>
<td>144</td>
<td>70.80%</td>
<td>56.90%</td>
<td>3.18</td>
<td>$5,903</td>
<td>69.70%</td>
</tr>
</tbody>
</table>
Conclusion:

Based on the above financial aid and scholarship data and analysis we can conclude the following:

- An average of 95% of Highlands students receive some type of aid.
- An average of 63% of Highlands’s undergraduate students receive federal government grant aid and of these an average of 60% receive Pell grants.
- Students coming from high income households pay a larger net price for their education however, student coming from households with incomes less than $48,000 have had to pay a 50% or greater cost for their education.
- Changes to the dollar amount for Highlands’s awards would probably not positively influence student enrollment unless the amounts are increased significantly.
- When comparing out of state awards, Ft. Lewis awards were significantly higher than Highlands’ awards. Highlands may want to consider increasing the amount offered to out of state students.
- On average, for the past three years, 111 scholarship recipients lose their scholarship award after their first fall semester.
- On an average savings of $84,959 per year for the institution due to students not retaining their scholarship award.
- About 68% of the Freshmen Success Scholarship recipients lose this award after their first semester, followed by the NM Success Scholarship and the NM Opportunity Grant recipients with a 58% and 57% loss respectively.
- The scholarships that are awarded to students with a lower high school GPA (i.e. the Freshman Success Scholarship and the NMOG, and their earlier analogues) do not show good outcomes, at least from a retention and graduation standpoint. Persistence for students receiving these scholarships is poor, and no different than the non-scholarship group.
- On average, 88% of the Freshman Success Scholarship recipients are not retaining their scholarship and on average 25% of the Presidential Gold Scholarship recipients are not retaining their

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Recipients</th>
<th>Retention Rate</th>
<th>GPA</th>
<th>Average Award</th>
<th>Graduation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-7.5K</td>
<td>245</td>
<td>73.50%</td>
<td>64.90%</td>
<td>3.07</td>
<td>$3,869</td>
</tr>
<tr>
<td>7.5-10K</td>
<td>218</td>
<td>70.20%</td>
<td>64.70%</td>
<td>2.92</td>
<td>$3,769</td>
</tr>
<tr>
<td>10-12.5</td>
<td>386</td>
<td>39.90%</td>
<td>80.60%</td>
<td>2.96</td>
<td>$1,882</td>
</tr>
<tr>
<td>12.5-15K</td>
<td>350</td>
<td>30.60%</td>
<td>89.10%</td>
<td>2.85</td>
<td>$1,071</td>
</tr>
<tr>
<td>&gt;15K</td>
<td>213</td>
<td>17.80%</td>
<td>68.50%</td>
<td>2.88</td>
<td>$1,147</td>
</tr>
<tr>
<td>Total</td>
<td>1931</td>
<td>47.70%</td>
<td>62.70%</td>
<td>3.02</td>
<td>$7,394</td>
</tr>
</tbody>
</table>

Source: Office of Institutional Effectiveness and Research (OIER)

<table>
<thead>
<tr>
<th>Income Range</th>
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<th>GPA</th>
<th>Average Award</th>
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<td>386</td>
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<tr>
<td>12.5-15K</td>
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<td>&gt;15K</td>
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<tr>
<td>Total</td>
<td>1931</td>
<td>47.70%</td>
<td>62.70%</td>
<td>3.02</td>
<td>$7,394</td>
</tr>
</tbody>
</table>
scholarship after one year. Students receiving scholarships with a GPA requirement ranging from 2.0 to 2.99 are losing their scholarship within one year.

- Students receiving the Dean's Scholarship have fairly good persistence. This scholarship appears to be offering good bang for the buck, at least in retention and graduation terms.

- Students receiving the gold and silver scholarships have good persistence as well, although perhaps not quite as good as might be hoped for these awards. These students are high achievers that at some point maybe getting a better offer at another institution and maybe the reason they do not persist at Highlands.

- The fall-to-fall retention rates for out of state students awarded a scholarship is on average of 42.8%. This average is 7% lower than the fall-to-fall retention of the general population. However, the average graduation rate/still enrolled (25.4%) is about the same as our general population. Outcomes for this group of students are not great, however this may be due to the fact that the amount of aid given to these students is not enough to make a difference in terms of their decision to stay at Highlands if financial problems are the reason they are leaving.

- The average (78.4%) fall-to-fall retention for students with an associate’s degree is 20.4% higher than the average (58%) of students without an associate’s. Students with an associate’s degree are also graduating and or are still enrolled at 30.3% higher rates than transfers without an associate’s degree. To increase enrollments of this student population Highlands needs to modify qualifying criteria to better fit this population and offer them more scholarships than we have in the past.

- Taking into account the effect of other predictor variables, the amount of non-athletic institutional aid (grants and scholarships) is not a significant predictor of fall-to-fall retention, regardless of whether it is a freshman or a transfer student.

- Students with 0-9% of their need met are the largest number of students admitted to NMHU within 2014-2018 offering this group of students a monetary incentive may increase enrollments especially because this group of students has an average GPA of 3.1.

- Students in the 35-39% need met groups have relatively high enrollment and retention rates, offering this group of students a monetary incentive may increase enrollments.

- Students who’s unmet need is between zero and 7.5k are being retained at a rate between 60.5% and 69.2%. However, students with an unmet need of 7.5 -10k are being retained at a rate of 48.2%, if these students were incentivized and their unmet need was reduced to less than 7.5k, perhaps this group would increase enrollments as well as retention because this group has relatively high enrollments (70.2%) overall despite the aid package.

Recommendations:

Based on the above conclusions it is recommended that Highlands review the current scholarship structure and consider restructuring to leverage student financial aid and scholarships to increase enrollment, retention and graduation of students.

General Recommendations:

1. Determine the actual number and titles of scholarships offered by the financial aid office and which fund they are from.
2. Determine the actual number and titles of scholarships offered by athletics and which fund they are from.
3. Meet with the athletics department and office of finance to discuss separation of funding and awards.
4. Use the $84,959 average savings after the first semester from lost scholarships to award new freshmen and transfer student spring applicants and to award high-credit students an incentive to return and complete their degree.
5. Allow dependent waiver to stack with merit-based education scholarships.
6. Keep DSS, PSS and PGS as is. Require in-coming freshmen with less than a 3.0 HS GPA to complete the enrollment success program for continued scholarship eligibility or additional one-off incentives.
7. Graduate Scholarships: No changes recommended.

<table>
<thead>
<tr>
<th>Current Scholarships</th>
<th>Recommended Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Freshmen Scholarships</strong></td>
<td><strong>Freshmen Scholarships</strong></td>
</tr>
</tbody>
</table>
| College Incentive Grant: $500 for first semester only  
  - 2.0-2.49 HS GPA  
  - Will convert to Lottery Scholarship for 7 semesters pending the completion of 15 credit hours per semester with a 2.5 GPA. | College Incentive Grant: $500 first semester*  
  - 2.0-2.49 HS GPA per high school transcript.  
  - Student is required to complete enrollment success program during first semester at NMHU  
  - Upon completion of enrollment success program with at least a 2.5 GPA and 15 credits, students will be awarded a one-time $250 bookstore scholarship  
  - Will convert to NM lottery scholarship pending the completion of 15 credit hours with a 2.5 GPA |
| Freshmen Success Scholarship: $1500 ($1000 first and $500 2nd Semester)  
  - 2.5-2.99  
  - Will convert to Lottery Scholarship plus $500 for 7 semester with the completion of 15 credits and 2.5 GPA | Freshmen Success Scholarship: $500 per semester*  
  - 2.5-2.9 HS GPA per high school transcript  
  - Student is required to complete enrollment success program during first semester at NMHU  
  - Must complete 15 credit hours per semester with a 2.5 GPA  
  - Will convert to NM lottery scholarship plus $500 for 7 semesters pending the completion of 15 credit hours per semester with a 2.5 GPA |
| **Out-of-State Freshmen Scholarships** | **Out-of-State Freshmen Scholarships** |
| NM Opportunity Grant: $500 per semester  
  - 2.5 HS GPA  
  - Renewable for 7 semester pending the completion of 15 credit hours with a 2.5 GPA per semester | In-State Tuition Scholarship*: Out-of-state tuition reduced to in-state tuition plus a $1000 scholarship  
  - 3.0 or higher HS GPA  
  - 22 or higher ACT score  
  - Must complete 15 credit hours per semester with a minimum 2.5 GPA  
  - Renewable for up to 7 semesters |
| NM Success Scholarship: $1000/semester with 3.0 HS GPA or $1500/semester with a 3.5 HS GPA  
  - 3.0 or 3.5 HS GPA  
  - Renewable for up to 7 semesters pending the completion of 15 credit hours with a 3.0 GPA per Semester | In-state Transfer Scholarship:  
  - $500 per semester with a 3.0-3.49 transfer GPA  
  - $750 per semester with a 3.0-3.49 transfer GPA and an Associate's Degree  
  - Must complete 12 credit hours per semester and maintain a 3.0 GPA  
  - Renewable for up 6 semesters based on credits transferred and subject to the |
| **In-state Transfer Students** | **In-state Transfer Students** |
| Dean's Transfer Scholarship: $500/semester  
  - 3.0-3.49 cumulative GPA per college transcript  
  - Renewable for up to 6 semesters based on credits transferred and subject to the completion of 15 credit hours with a 3.0 GPA per semester |
### Presidential Transfer Scholarship: $750/semester
- 3.5 or better cumulative GPA per college transcript
- Renewable for up 6 semesters based on credits transferred and subject to the completion of 15 credit hours with a 3.0 GPA per semester
- $750 per semester with 3.5 or higher transfer GPA
- $1000 per semester with a 3.5 or higher GPA and an Associate’s Degree
- Must complete 12 credit hours per semester and maintain 3.0 or higher GPA
- Renewable for up 6 semesters based on credits transferred and subject to the completion of 12 credit hours with a 3.0 GPA per semester

### Out-of-State Transfer Students
**New Mexico Success Transfer Scholarship:** $1000/semester with a 3.0 GPA or $1500/semester with a 3.5 GPA per college transcript
- 3.0 or 3.5 transfer GPA
- Renewable for up 6 semesters based on credits transferred and subject to the completion of 15 credit hours with a 3.0 GPA per semester
- New Mexico Success Transfer Scholarship: In-state tuition plus $1000 for students with a 3.0 transfer GPA and an AA, $1500 for transfer students with a 3.0 or better GPA and no AA
  - 3.0 or higher transfer GPA with AA: Out-of-state tuition reduced to in-state plus $500 per semester
  - 3.0 or higher transfer GPA without AA: $750 per semester
  - Renewable for up 6 semesters
  - Must complete 12 credit hours per semester with a minimum 3.0 GPA
  - Excludes online only students
  - Must maintain satisfactory academic progress (pace of progression, must not exceed max time frame).

### Funding
Currently there is $943,000 available:
- ~$340,000 is spent on continuing students
- $200,000 goes to athletics
- ~$24,000 is spent on Tribal MOU scholarships
- ~$18,000 is designated to grad scholarships
- ~$361,000 remains to offer to new students

**Funding**
New Freshmen—85% of fund = $306,850
New Transfer—15% of fund = $54,150