



2016 Status Report

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December 2016

The College Bound Scholarship Program was first conceived in 2006 and awarded 109 scholarships. Now in its eleventh year, College Bound made 581 awards in 2016. As it has since its inception, the program focuses on three key principles:

- Increase home ownership
- Make education a priority
- Improve the quality of life within the City

In order to receive the award, students must meet the program's academic and residence criteria. Academic requirements are:

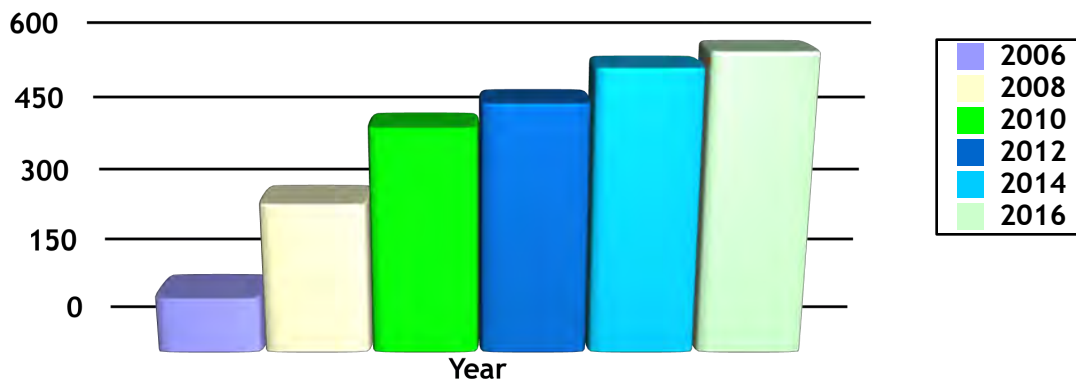
- A 3.0 cumulative grade point average (gpa), or
- A 2.5 cumulative gpa and a score of 1,000 on the Math and Critical Reading sections of the SAT, or
- A 2.5 cumulative gpa and a total score 1,400 on the SAT or
- A 2.5 cumulative gpa and a composite score of 21 on the ACT.

One of the more unique aspects of College Bound is that the program allows students who do not meet all conditions to file an exception, which is then reviewed (all exceptions are presented anonymously) by the Exceptions Committee.

Since its inception, 4,649 total awards (all awards are made on an annual basis) have been made. It also adds significant value to owning a home in Hammond, especially for families with more than one child. The average Hammond home is appraised at about \$100,000.00. Based on that value, a home with one child adds 41% to its value.

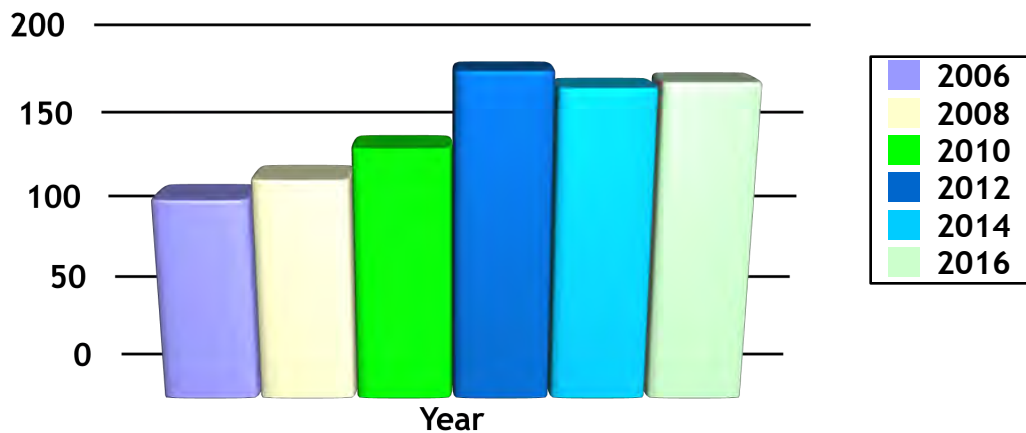
The overall results also indicate that the program is challenging more students to attend college. Using 2010 as a baseline (the first class that had a full four years to prepare for the scholarship), the number of recipients has increased by an average of 20% each year.

**Annual College Bound Scholarship Awards
(Total Awards)**



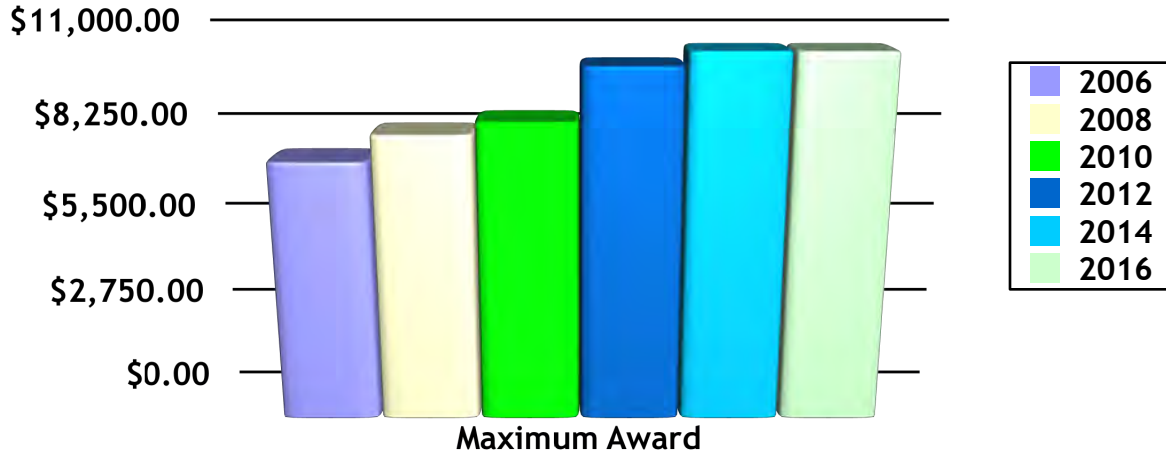
First year awards have grown since the program's inception from 114 to a high of 183 in 2012. In 2016, 177 first-year awards were given. The actual numbers fluctuate annually due in part to graduating class size. For example, in 2008, the School City of Hammond reported a 3% reduction in the overall number of students graduating from high school. Based on the history of the program, it is predicted that the number of first year students will average between 160 and 180.

Annual College Bound Scholarship Awards (First Year Awards)



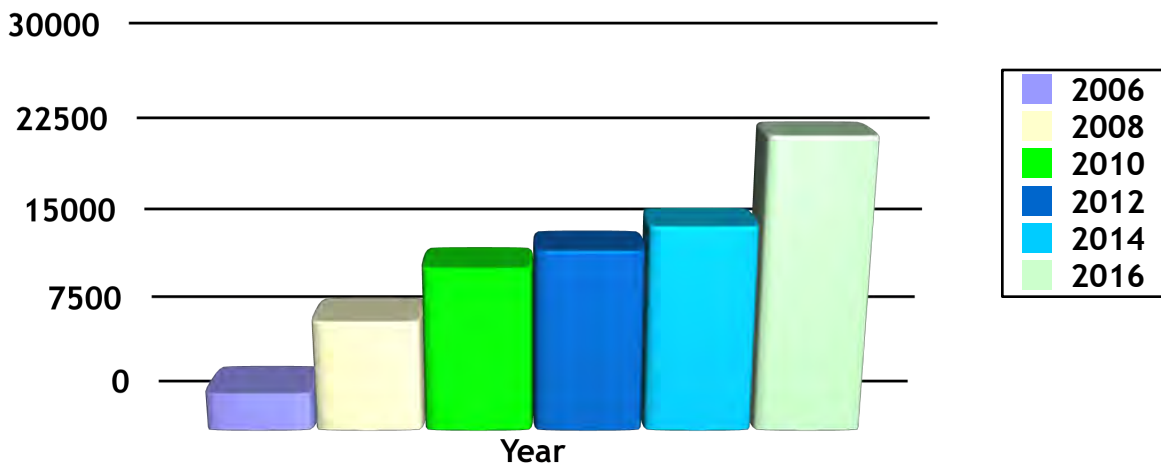
Before 2014, the size of the award was benchmarked against the annual tuition charged by Indiana University Bloomington. Over the past eight years, the maximum award has increased by a total of 36%. In 2014, the maximum award was set at \$10,500.00 per year, and the benchmark was changed to Purdue University Calumet (now Purdue University Northwest - PNW). Under the new policy, set by city ordinance, the award will not increase until the cost of tuition at PNW increases above the \$10,500.00 amount, which is not projected until 2021.

Increases In College Bound Award 2006-16



Community Service - In addition to creating stability among single family homes, and attracting new home buyers, College Bound generates thousands of hours of community service annually. The community service component, originally a last minute addition to the program, creates widespread benefit to the City of Hammond and its residents.

College Bound Community Service Hours



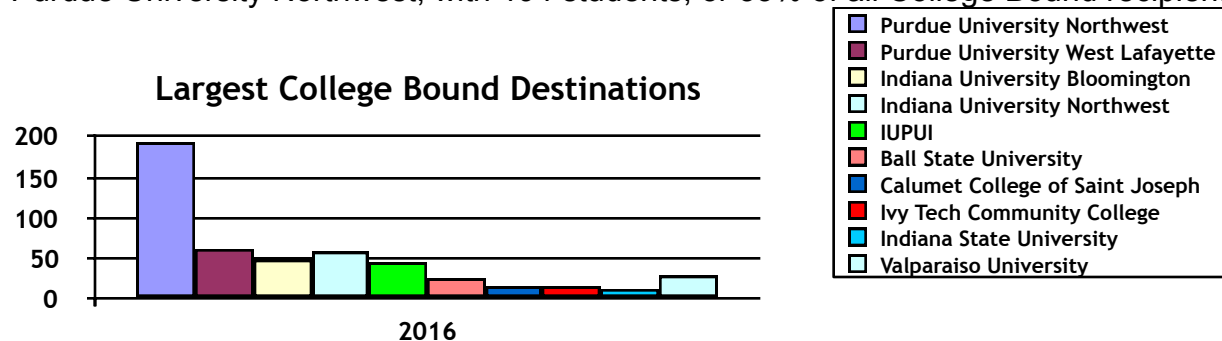
For the first nine years of the program, the amount of service hours was determined by a sliding scale. The renewal ordinance, adopted in May 2014, mandated all students who receive College Bound funding must complete 40 hours of community service per year, regardless of the size of the award. The renewal ordinance also requires students

to complete the hours prior to August 31st of the award year. First year students are required to complete the 40 hours prior to December 31st of the award year. This change eliminates issues with completing hours after college graduation.

During the first year, the program generated just more than 3,000 hours. In 2016, recipients performed more than 23,000 hours of community service. Such service is used throughout city government, providing students a firsthand perspective of local government and the City with much needed assistance. Students are assigned to a variety of functions from office duties, conducting traffic studies, assisting in the maintenance of city parks and properties, beautification projects, and working at special events and activities. To a certain extent, the program has also saved the City the cost of hiring additional help. Overall, the community service component has resulted in a significant impact to the City, its residents, and to the students themselves.

For most students, the community service component is a non-issue. However, for a small portion of students, completing community service hours is somewhat problematic. Students who fall behind in completing their hours are notified that failure to complete community service hours will result in the loss of their scholarship. In 2013, one student lost eligibility due to not completing community service hours.

Destination - Although the program does not cover room and board, in 2016, for only the third time since its inaugural year (2006), the majority of students participating in the College Bound Scholarship Program are attending school at away (residential) campuses. In 2016, students attended 34 different universities and colleges within the State of Indiana, with 284 students, or 48% attending a local university or college (Purdue University Northwest, Indiana University Northwest, Calumet College of St. Joseph, and Ivy Tech Community College). The largest percentage of recipients attend Purdue University Northwest, with 194 students, or 33% of all College Bound recipients.



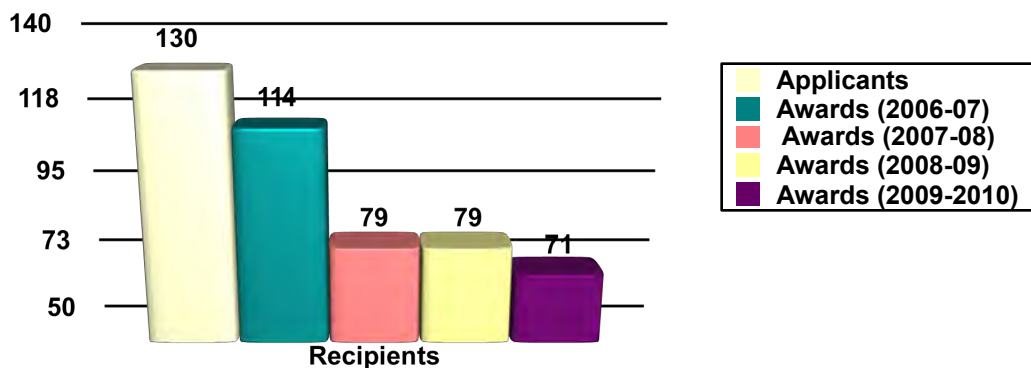
Class of 2006 - During the program's inaugural year, a total of 109 students were awarded the scholarship out of 130 applicants. In 2007, however, the Oversight and Exceptions Committee approved five additional applicants from the Class of 2006 for various reasons. Including these additional awards, total awards to the Class of 2006 was 114 or a percentage of recipients to applicants of 84%. The total number of awards was in line with the original estimate of 110 applicants during the first year. Four awards were honorary since the students received full funding from other sources for his/her college tuition.

Of the Class of 2006 recipients, 79 received the scholarship in 2007, which reflected a retention rate of 73%. There was no change in the number of 2006 students who received the scholarship in 2008. In 2009, 71 students remained in their fourth and final year of college, or 65% of original award recipients.

Of the 71 students who received the scholarship in 2006, 27 graduated in May 2010, while eleven more graduated by the end of 2010, for a graduation rate of 54% in less than five years. At first glance these numbers may seem low, but they actually exceed the six-year graduation standard used by most colleges and institutions. The goal set by the US Department of Education which calls for 60% of students to complete a baccalaureate within six years by 2025. According to the National Center for Higher Education Management Systems, which prepared a report for the Indiana Commission for Higher Education, local six-year graduation rates were 24.4% at Indiana University Northwest and 21.5% at Purdue University Calumet. Since the majority of students receiving the scholarship from the Class of 2006 attended local colleges, College Bound may have contributed to accelerating degree completion among those students.

It is also important to note that the results of the Class of 2006 may not be illustrative of overall program results and impact, as recipients had no time to prepare for or work

Class of 2006

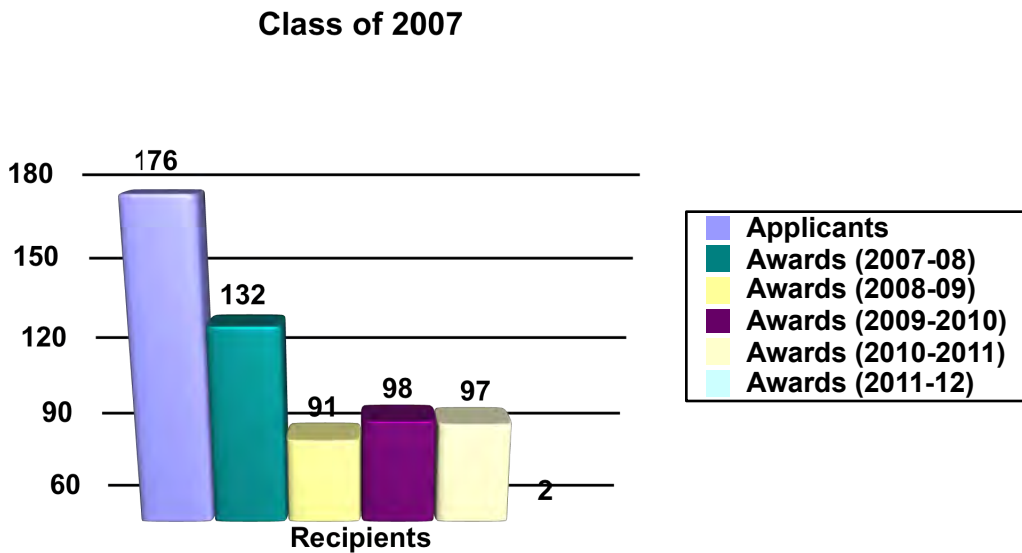


towards the scholarship, which was approved only two months before graduation.

Class of 2007 - The program grew to 176 applicants and 132 awards in 2007 while the number of honorary awards remained at four. In comparison to the Class of 2006, applicants from the Class of 2007 increased by almost 35%, while awards grew by 21%. The increase was probably due to increased awareness of applicants and families of the College Bound Scholarship Program and its benefits. By fall 2008, 91 students from the Class of 2007 continued in the scholarship program, a retention of 69%.

In 2009, however, 98 students received the scholarship from the Class of 2007 for the 2009 school year, showing an increase in students. The reason for the increase was due to a number of exceptions that were granted to students who either had previously been in the program but not met continuing eligibility standards, or to students who had not previously met enrollment standards only to later prove their ability to handle the rigors of a college education.

In 2011, 31 of the students graduated with another 30 students needing one additional semester to complete their college studies, meaning that 62% of students graduated in less than five years. Two students remained in the program during the 2011-12 school year due to granted

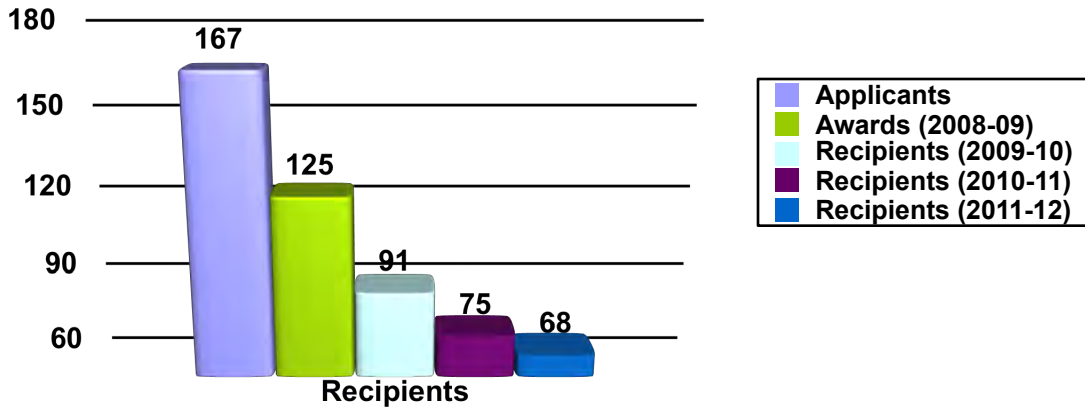


exceptions (the students began the program one year late). Both students graduated in May 2012.

Class of 2008 - The Class of 2008 received 125 awards out of 167 applications. At first glance the numbers appear to indicate a reduction, it must be noted that the graduating Class of 2008 was about 3% smaller (among Hammond high schools) than the Class of 2007. In 2009, 91 students remained in the program, dropping to 75 by 2010. By 2011, the number had dropped to 68 in the program.

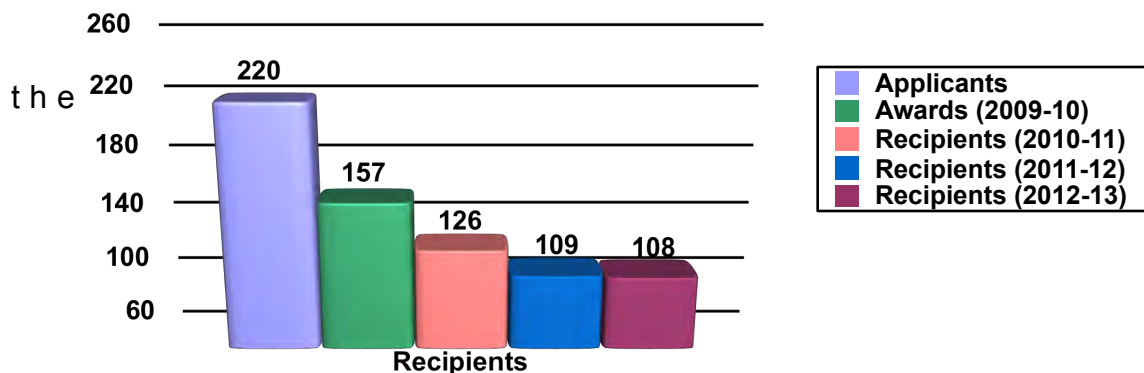
A total of 29 students from the Class of 2008 graduated in the spring of 2012, or 23%, which is indicative of the four-year graduation rate. As noted in the 2011 report, the National Center for Higher Education Management Systems, which prepared a report for the Indiana Commission for Higher Education, local six-year graduation rates were

Class of 2008



24.4% at Indiana University Northwest, and 21.5% at Purdue University Calumet.

Class of 2009



Since

majority of students receiving the scholarship from the Class of 2008 attended local colleges, College Bound may have contributed to accelerated degree completion among those students. Furthermore, colleges have made four-year graduation more difficult, making summer classes almost necessary. At the same time, the rising cost of college has made those classes unaffordable since most students need to work during the summer to help pay for their education.

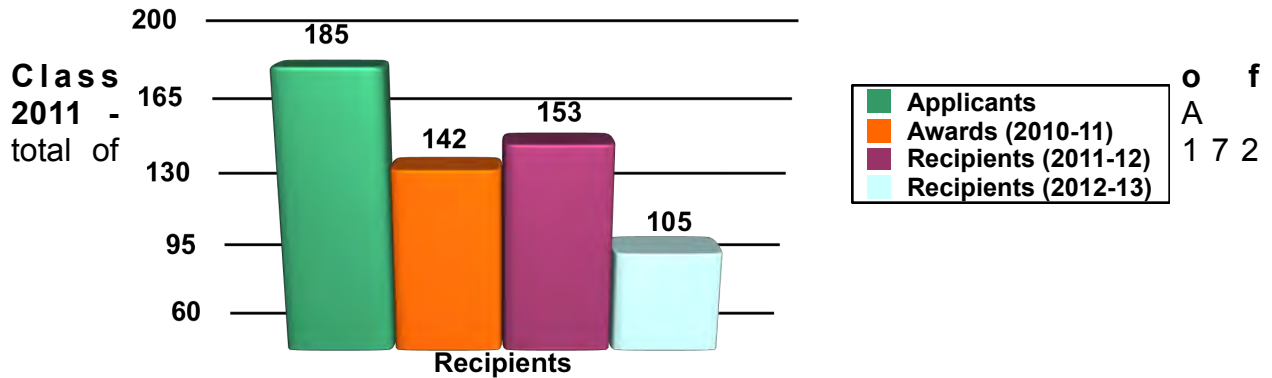
Class of 2009 - The program made a record number of awards as well as a record number of applicants. Of the 220 applicants, 159 received the award. It should be noted however, that many of the students applying for the scholarship failed to meet the program's minimum academic requirements.

So that the student might be eligible at a later date when their academic performance improved, The Program encouraged the students to still apply. One school also indicated that they did not feel comfortable in denying students who applied even if the student did not meet eligibility.

As of 2010, 126 students remained in the program. In 2011, 109 remained in the program, while in 2012, 108 students continued to receive the scholarship.

Class of 2010 - This was the first class since the program was announced to have all four years of high school to prepare for attaining the College Bound Scholarship. A total of 142 students from the Class of 2010 were accepted into the program. As of fall 2011, the number increased to 153 due to exceptions and students transferring back to Indiana from out of state schools. In addition, 75 students from the Class of 2008, and 126 from the Class of 2009 continued in the program. In 2012, the number of Class of 2010 participants dropped to 105, a decrease of 32%, which was uncharacteristically large in comparison to other years prior to or following the Class of 2010, and therefore appears to be an anomaly.

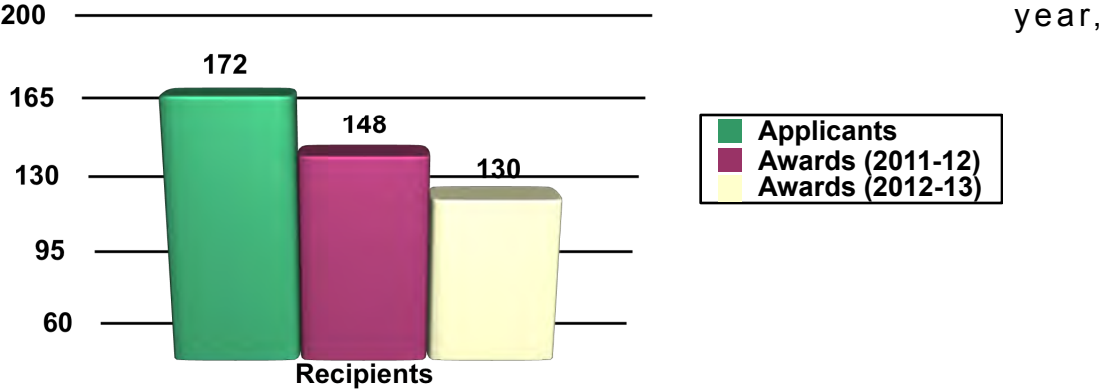
2010



students applied and 148 were accepted from the Class of 2011. In fall 2012, 130 students were

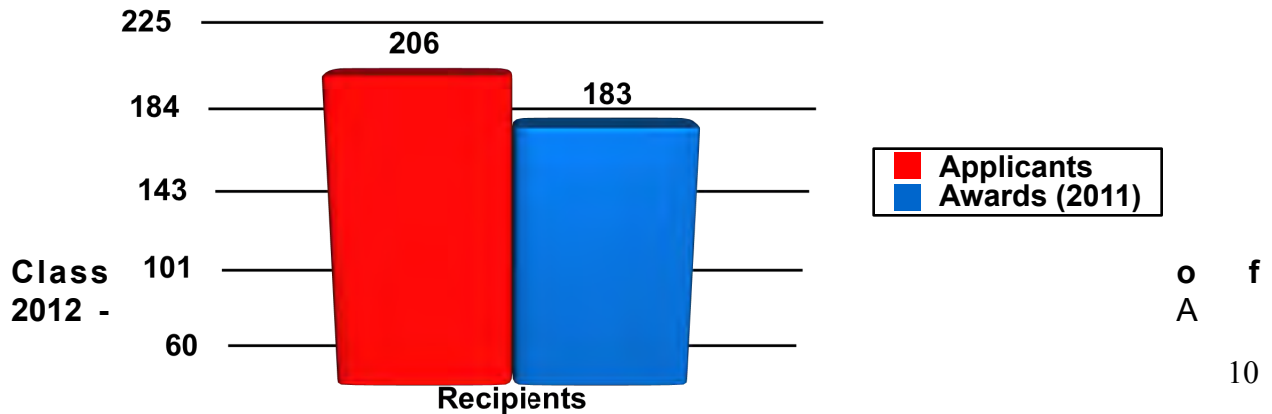
still in the program, decrease 23% the first year, which is

2011



comparable to other classes.

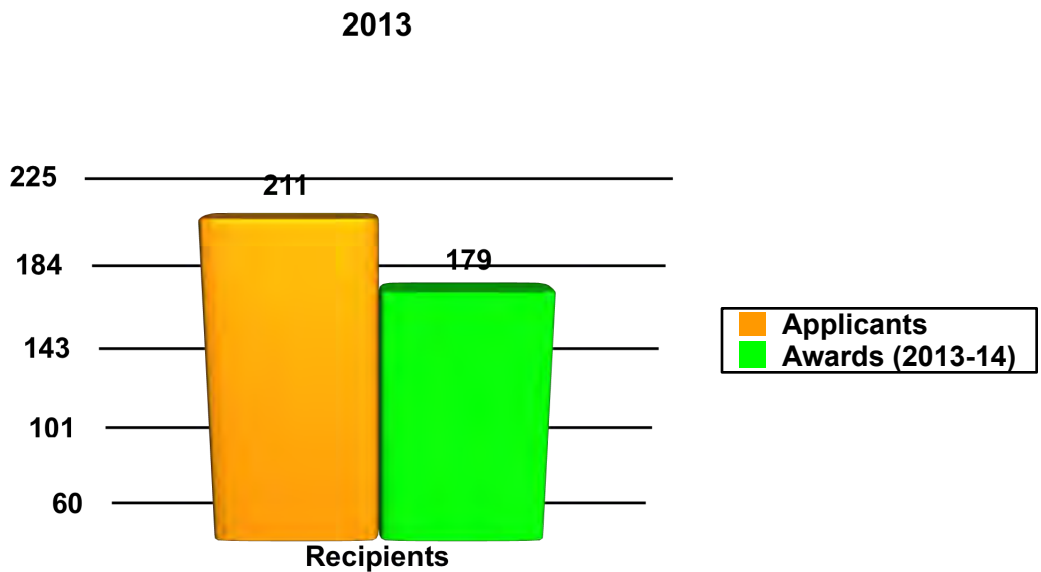
2012



total of 206 students applied and 183 students received the College Bound Scholarship, the largest number of recipients in the program's history. This was almost a 20% increase over the Class of 2011.

Class of 2013 - A total of 211 students applied and 179 students received the College Bound Scholarship. Students from the Class of 2013 joined 356 students from the Classes of 2010, 2011, and 2012, comprising a record number of total recipients (535). In 2016, there were 130 students receiving the fourth year of the College Bound Scholarship.

In December of 2016 a survey was mailed to the recipients in the Class of 2013 who were in the final year of the scholarship. Of the 130 surveys mailed, answers were received from 95 students (73%). Of the 95 responses, 64 students (67%) were graduating in four years and 31 students (33%) were taking additional time to complete their degrees, most needing only a



semester or two to finish. Of the 95 responses, 39 students (41%) stated they planned to pursue a post-graduate degree.

Class of 2014 - A total of 221 students applied and 174 students received the College Bound Scholarship. Students from the Class of 2014 joined 377 students from the Classes of 2011, 2012, and 2013, comprising a record number of total recipients (551).

Class of 2015 - A total of 225 students applied and 182 students received the College Bound Scholarship. Students from the Class of 2015 joined 390 students from the classes of 2012, 2013, and 2014, comprising total of 572 recipients.

Class of 2016 - A total of 208 students applied and with 177 students received the College Bound Scholarship. The Class of 2016 joined 404 students from the previous classes, comprising a total of 581 recipients.

The Exceptions Process - Unlike most scholarship programs, College Bound was developed with a process that allowed for special circumstances, including medical issues, family tragedies, academic performance and missed deadlines. Since its inception, 524 applicants have requested an exception with 224 of those requests granted. In keeping with the original intent of the program, all cases forwarded to the Exceptions Committee are provided **without** student identity, race, ethnicity, sex, address, or high school (unless absolutely necessary). Although the specific reasons vary, and each request is handled on a case-by-case basis, requests can be classified by certain general characteristics. The largest number of exceptions have been filed due to academic performance, followed by deadline issues.

Although the number of cases filed due to missing the deadline has dropped significantly in recent years, in 2013 the Exceptions Committee voted to automatically double the community service hours of any student who turns in their application past the July deadline – a move they hope will continue to deter the number of late applications.

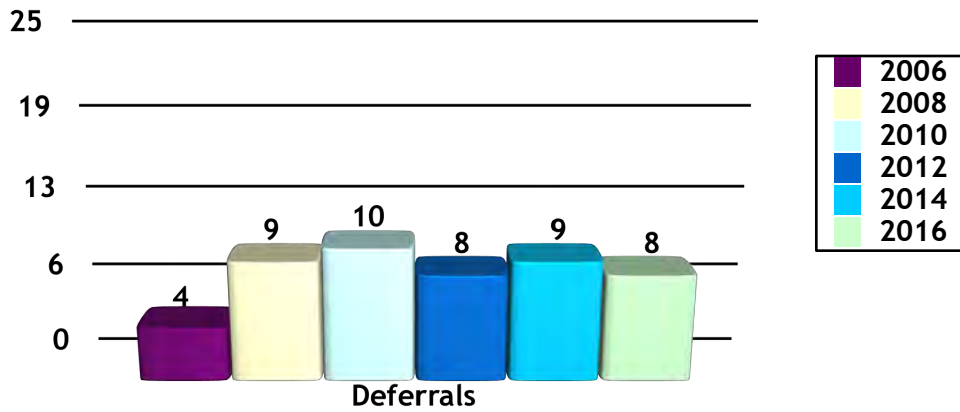
Exceptions By Reason	
Reason for Exception	Total Exceptions Filed

Residency issues/home ownership	35
Did not attend Indiana accredited college/high school	10
Attended an out of state college previously	17
Missed academic requirements	268
Missed deadline; given wrong deadline by school	62
Requested funds be used for other than tuition and fees	19
Custodial rights issues	9
Other issues (medical, were given incorrect information regarding eligibility by school, citizenship, etc.) or failing to respond to requests for additional information	104
Total	524

As noted, the primary reason for filing an exception is due to academic reasons; often the student missed the standard by a small margin. For example, many of the exceptions were granted when the student missed the SAT score by less than 5%. Another major factor for granting an exception has been due to legitimate health issues that impacted the student's performance. In these cases, detailed documentation was provided from both the school and the student's physician regarding the medical condition.

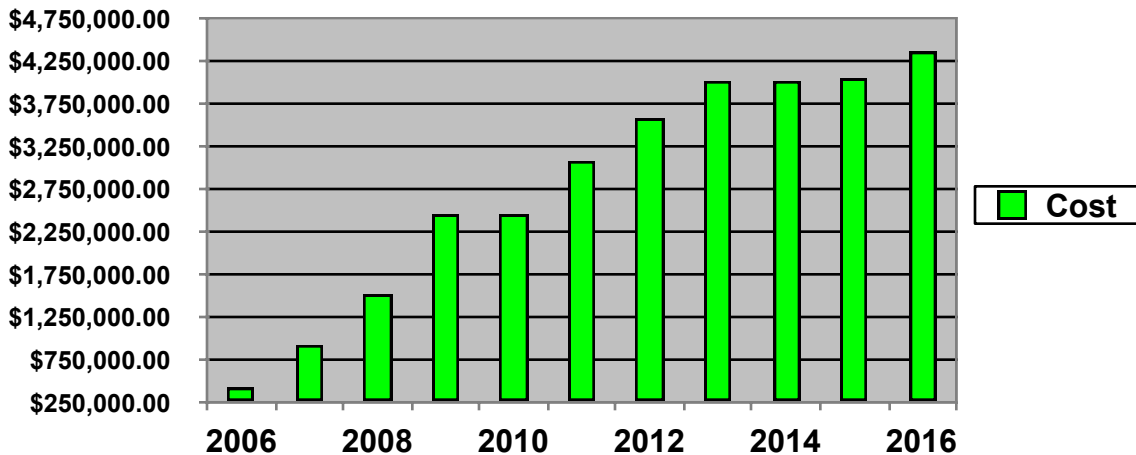
The Exceptions Committee continues the use of "approved deferrals" for those who do not meet the program's academic standards. A deferral allows a student to prove that they possess the ability to meet the challenges of a college education. In most cases, the student is asked to maintain a slightly higher grade point average (2.25 or 2.5 versus the required 2.0, depending on the student's academic performance) for the following year while not receiving the scholarship, in return for receiving the scholarship for the remaining years of eligibility. Essentially, it allows a student to "prove" themselves, and historically, the majority of students receiving that opportunity have met the requirement and have received the College Bound Scholarship the following year. Eight deferrals were given in 2016.

Deferrals Granted



Program Funding/Cost - For the first nine years, College Bound was funded through casino gaming revenue. In the renewal ordinance of 2014, the cost was shifted to funds derived from selling water to Illinois communities. As part of the acknowledgement of that change, the College Bound logo has been added to the Water Department storage tanks throughout the City.

Cost Comparison 2006-16



Impact on Home Sales - During the first two years of College Bound, data provided by the Greater Northwest Indiana Association of REALTORS (GNIAR) indicated that the time a single family home was on the market in Hammond was reduced; a trend attributed to College Bound (See: *Realtors signing onto College Bound, December 7, 2006 NWI Times*). As recently as mid-2008, GNIAR continued to see a correlation between College Bound and home sales. However, GNAIR also notes that several near catastrophic events affected the housing market over the past five years: a deep recession a near catastrophic financial crisis affecting banking institutions and in

particular mortgage lending and a massive rise in foreclosures, all having a significant impact on the housing market in Hammond. Due to the complexities and wide-ranging impact of these issues, it is almost impossible to identify and determine the specific impact of College Bound on the housing market.

Student Recognition - College Bound is an academic honor for those students receiving the scholarship, yet it is not recognized at graduation ceremonies. The reason is that the program requires final transcripts from high schools before an award is made. However, in discussion with local educators, most students meet the requirements of the program before their final semester of high school.

In 2013, many of the new students who were eligible and admitted into the College Bound Scholarship Program received a certificate of award along with an official acceptance letter. A goal in the coming year is to have the various schools announce which students have received the scholarship in their program books, or have a representative of the city or program present the students with a certificate of award at the graduation or award ceremonies. This effort will help make the scholarship a more rewarding experience for those who earn the scholarship, encourage early application, and promote College Bound.

College Bound Alumni Survey - A survey was mailed to former students in 2013 who received funds through College Bound and have completed four years of schooling. A total of 61 responses were received (a sample of 30 or more is considered statistically accurate and representative), providing the following information regarding program participants:

- 97% are employed or in school.
- 56% of students returned to Hammond after graduation, with several purchasing property in Hammond.
- 66% of students completed college in four years, with another 23% graduating or anticipating graduating in five years. This is a significant statistic since it significantly exceeds the national average.
- 42% of College Bound students are seeking graduate degrees, including seven MBA's, a Doctor of Osteopathy, a law degree, a Master's in engineering and a Master's in chemistry.

National and State Recognition – The College Bound Scholarship Program has twice been awarded the U.S. Conference of Mayors City Livability Outstanding Achievement Award. The College Bound Scholarship Program was given this award in 2007 and again in 2016. In 2008, the College Bound Scholarship Program received the Community Achievement Award from the Indiana Association of Cities and Towns.

List of Participating Colleges and Universities
2006-2016

Art Institute of Indianapolis
Ancilla College
Anderson University
Ball State University
Bethel College

Butler University
Calumet College of Saint Joseph
DePauw University
Earlham College
Franklin College
Goshen College
Grace College
Holy Cross College
Huntington University
Indiana Institute of Technology
Indiana State University
Indiana University (Bloomington)
Indiana University Northwest
Indiana University South Bend
Indiana University Purdue University Fort Wayne
Indiana University Purdue University Indianapolis
Indiana Wesleyan University
Ivy Tech Community College
Manchester University
Marian University
Oakland City University
Purdue University (West Lafayette)
Purdue University Northwest
combined Purdue University Calumet and
Purdue University North Central – 2016
Rose-Hulman Institute of Technology
Saint Elizabeth University
Saint Joseph's College
Saint Mary's College
Trine University
University of Evansville
University of Indianapolis
University of Notre Dame
University of Saint Francis
University of Southern Indiana
Valparaiso University
Vincennes University
Wabash College