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Baylor University is a private Christian university and a nationally ranked research institution—classified as “high research activity” by the Carnegie Foundation for the Advancement of Teaching.

Chartered in 1845 by the Republic of Texas, Baylor is the oldest continually operating institution of higher learning in Texas and the largest Baptist university in the world. More than 50% of Baylor undergraduates go on to pursue postgraduate degrees.

Of the 14,614 students enrolled for Fall 2009, over 80% call Texas home. This year our undergraduate enrollment totaled 12,149.

- 71% are from the top quartile of their graduating class (among those who reported high school ranking)
- 30% are from racial or ethnic minorities
- 21% are Pell eligible
- 89% received some form of financial aid

In this year’s incoming class of 3,089, over 15% are first generation college students.

With this diversity, the financial awarding piece is crucial to enroll and retain good students. The Be-On-Time (BOT) loan program is one of the tools that helps us retain good students. This program was established in 2003 as a strategy for moving students to graduation in four years—five years for those programs such as engineering that require the extra time. It was financed from two sources: 1) general revenue and 2) general revenue-dedicated or tuition set aside funds.

In the first year, 2003-2004, Baylor placed 55 students into the program. 82% of the first year's cohort graduated within four years, and 80% of those four year graduates had their loans forgiven because they did so with a 3.0 GPA or better.

The following two years showed similar results: small cohorts, better than 80% graduating within the four year period with a high rate of loan forgiveness.

In 2006-2007, we awarded the Be-On-Time (BOT) to 127 students. These students appear to be on track to perform well within the parameters of the program. This being the fourth year, we will see the outcome of this larger cohort in a few months.

During the next two years (2007-2008 and 2008-2009), no new awards were allocated. However, this year, around 150 new awards have been made, and next year's cohort should be even larger.

Even though the earlier cohorts were relatively small, the consistently strong graduation rates of BOT recipients were 30% higher than the average four-year grad rate, evidence that this strategy should be continued and expanded.

Over the years, the BOT loan processing greatly improved with the addition of online Master Promissory Notes (MPN). With improved messaging, we reduced earlier confusion surrounding the criteria used to forgive the loan after graduation. The one area that continues to hamper more effective utilization of this program is the timeliness of award notification.

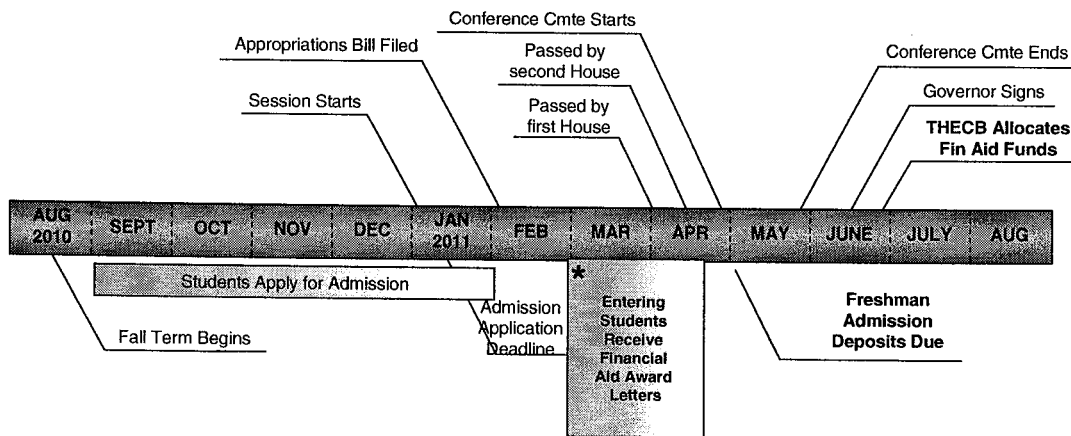
From the attached graph, you can see that most institutions are now receiving their admission applications from September to January prior to the start of the new academic year. Acceptance letters are mailed beginning in November, and the much awaited financial aid award letter is sent out beginning in late February. For most students, the financial aid award package is a crucial factor in deciding if-- and where-- they will attend college. That decision has to be made by May 1 if they are to receive a refund of the admissions deposit. If financial aid administrators knew of the coming year's allocation in early February, we could place the BOT awards more strategically, and proactively reach out to high-need, academically strong students as they are making these key decisions.

Overall, the data indicates that the Be-On-Time program can be an effective tool to incentivize students during their college careers to finish strong and finish on time.

Profile:

Jackie Diaz, Assistant Vice President for Student Financial Services came to Baylor University from Abilene Christian University where she supervised the student billing process. At Baylor, she began as Director of the Cashier's Office in 2004, and in 2006 was promoted to the AVP position in Student Financial Services, overseeing the Student Financial Aid Office, Cashier's Office and Registrar's Office.

The Appropriation Process Compared to College Admission and Financial Aid Cycle



Based on HB1, 80th Legislature, Regular Session