Thankful4Pell: Understanding the Past, Present, and Future of Needs-Based Aid

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Welcome!

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Today’s Panel

Daniel Barkowitz
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Valencia College

Carrie Warick
Director of Policy and Advocacy
National College Access Network
Questions & Conversation

• Submit your questions

• Share on social media
  @FLCollegeAccess
  #FCAN
  #FAFSACHallenge
  #FormYourFuture
  #FAFSA

NCAN: @collegeaccess @formyourfuture_

Daniel Barkowitz: @barkowitz

This webinar is being recorded; all materials will be available within a week of recording
Florida College Access Network

**Our mission:** To create and strengthen a statewide network that catalyzes and supports communities to improve college and career readiness, access, and completion for all students

**Our vision:** At least 60% of working-age Floridians will hold a high-quality postsecondary degree or credential by the year 2025
Our Work

Local College Access Networks (LCANs)

Research & Policy

Statewide Initiatives

Register at www.floridacollegeaccess.org/initiatives
FAFSA Resources

http://floridacollegeaccess.org/initiatives/florida-fafsa-challenge/
http://www.futuremakerscoalition.com/fafsafirst/

- FAFSA Challenge Toolkit
- Top FAFSA Mistakes Students Make
- FAFSA Challenge Data Dashboard
- FAFSA Story Blog Posts
- FAFSA Verification Handout
Fast Facts About Florida Pell

• About 60% of Florida FAFSA filers are eligible for a Pell grant.
• Florida ranks #3 in the nation for proportion of Pell-eligible students.
• The maximum Pell grant amount is $6,095—just under the average tuition and fees cost of $6,464 at a state university.
• The average Pell grant awarded in Florida is $3,611—just over the average cost of $3,240 at a state college.
FAFSA in Florida

• By June 30, 2018, fewer than 50% of Florida public high school students had completed the FAFSA
• Florida ranks 31st in the nation for FAFSA completion
• Florida has the 4th highest FAFSA error rate in the country
FAFSA Stories

Florida: Contact Amy Bolick
abolick@floridacollegeaccess.org

National: Contact Jack Porter
porterj@collegeaccess.org
NCAN’s Thankful4Pell Campaign (Nov. 14-16)

- **Goal:** Advocate for the Pell Grant program by telling members of Congress why we’re all grateful for this crucial aid program.

- **How:** Visit NCAN’s [online action center](#) to seamlessly look up and write or tweet to your elected officials.

- **Social Media:** Share why you’re #Thankful4Pell on Twitter and Facebook; participate in a #Thankful4Pell Twitter chat on Nov. 15 at 2 p.m. EST.
Federal Pell Grant: Thankful4Pell
• A Little History ("The First Thanksgiving...")
• About the Pell Grant ("Appetizer")
• The Purchasing Power of Pell ("The Main Course")
• Valencia’s Story ("Dessert")
Higher Education in the US
A Little Perspective

– Harvard College founded in 1636
– Northwest Ordinance of 1787
  • Land grants for educational institutions
– First Morrill Act of 1862
  • Land grants for agricultural and mechanical colleges
Financial Aid

• Reserved for students who were deemed needy and deserving
• The awarding of scholarships was unorganized and non-standard
  – Donor influenced
  – Community driven
The Department of Education

• Established in 1867 under the Department of Education Act
  – Signed into law by President Andrew Johnson
  – Non-cabinet level
  – Existed for one year
  – Renamed Office of Education
Servicemen’s Readjustment Act of 1944 – GI Bill

- Provided assistance for education of veterans
- Created a large influx of students into higher education
The Early to Mid ’50’s

– Shrinking enrollments as servicemen graduated
– Increased competition for students
  • Bidding wars
  • Desire for systematic approach to awarding institutional monies
1957: SPUTNIK!
National Defense Education Act of 1958

– Signed into law by Dwight D. Eisenhower
– A national emergency
– Funded state and local schools to strengthen instruction in science, math, foreign languages
– Provided higher education student loans and fellowships – National Defense Student Loan
  • Later renamed National Direct Student Loan
  • Finally renamed Perkins Loan
Economic Opportunity Act of 1964

• Lyndon Baines Johnson’s continued war against poverty
• Followed Civil Rights Act of 1964
  – Support of higher education institutions and school districts to promote desegregation
• Funded the College Work-Study Programs
Higher Education Act of 1965

- Signed into law by Lyndon Baines Johnson
- Designed to “strengthen the educational resources of our colleges and universities and to provide financial assistance for students in postsecondary and higher education.”*

*Taken from the Higher Education Act of 1965
Higher Education Act of 1965

• Incorporated existing federal aid programs under Title IV of the Act
  – National Defense Student Loan Program
  – College Work Study Program
• Created Educational Opportunity Grant
  – Originally limited to students with family income under $9,000 and PC less than $625
Higher Education Amendments of 1972

– Created the Basic Education Opportunity Grant (BEOG)
  • Separate application
  • Separate need analysis methodology
  • Originally covered $1,400 per year minus EFC, limited to ½ of COA
  • Renamed Pell Grant in 1980 to honor Senator Claiborne Pell (D-RI) for his efforts in creating the program

– Affirmed nation’s commitment to providing equal educational opportunity

– Renamed the original EOG to the Supplemental Educational Opportunity Grant (SEOG) and removed income limits
Later Pell Changes

• 1994 – Pell Grant funding revoked for incarcerated students.
• July 1, 2009 - June 30, 2011 – Summer Pell Grant funding allowed.
• As of 2012-13 year, Pell Grant LEU (Lifetime Eligibility Used) is introduced.
• July 1, 2017 – Pell Grant year-round funding reintroduced.
Limits and Requirements

• Pell is limited to undergraduate enrollment only.
• Not eligible if you:
  – Have a Bachelor’s Degree
  – Are not US Citizen or Eligible Non-Citizen
  – Are in default on a Federal Student Loan or owe a Federal Student Grant repayment
  – Have a drug conviction while receiving Federal Aid*
  – Are male and have not registered for Selective Service
  – Are not degree-seeking (or certificate seeking)
  – Are not meeting SAP (Satisfactory Academic Progress) requirements
The Expected Family Contribution (EFC) determines the amount of the award.

- EFCs from $0 to $5,486 may be Pell Eligible (2018-19).
- Full-time, full-year award at $0 EFC is $6,095. If student is enrolled for one semester only, the amount is half ($3,048).
- If Cost of Attendance (COA) is less than $6,094, maximum Pell Grant is reduced.
- If the academic program is measured in clock-hours or is non-standard, other Pell Grant formulae are used.
Sample awards

• For a student who is less than full time with a $0 EFC (COA > $6,094), the award is pro-rated:
  – Full-time (12 credits or more) for one semester: $3,048
  – ¾ time (9 – 11 credits) for one semester: $2,286
  – ½ time (6 – 8 credits) for one semester: $1,524
  – Less than ½ time (1 – 5 credits) for one semester: $762

• For a student who is less than full time with a $5,486 EFC (COA > $6,094), the award is reduced to $0 at less than full-time enrollment:
  – Full-time (12 credits or more) for one semester: $326
  – ¾ time (9 – 11 credits) for one semester: $0
  – ½ time (6 – 8 credits) for one semester: $0
  – Less than ½ time (1 – 5 credits) for one semester: $0
Value of Pell over time

Source: College Board Trends in Higher Education
# Pell through the ages

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Total Awards (in Millions)</th>
<th>Actual Maximum Awards</th>
<th>Actual Minimum Awards</th>
<th>Number of Recipients (in Thousands)</th>
<th>Percent of Recipients Who Were Independent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current</td>
<td>Constant</td>
<td>Current</td>
<td>Constant</td>
<td>Current</td>
</tr>
<tr>
<td>1973-74</td>
<td>$48</td>
<td>$259</td>
<td>$452</td>
<td>$2,455</td>
<td>$50</td>
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<tr>
<td>1981-82</td>
<td>$2,300</td>
<td>$6,042</td>
<td>$1,670</td>
<td>$4,387</td>
<td>$120</td>
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<tr>
<td>1991-92</td>
<td>$5,793</td>
<td>$10,235</td>
<td>$2,400</td>
<td>$4,240</td>
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<td>2001-02</td>
<td>$9,975</td>
<td>$13,524</td>
<td>$3,750</td>
<td>$5,084</td>
<td>$400</td>
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<tr>
<td>2006-07</td>
<td>$12,817</td>
<td>$15,157</td>
<td>$4,050</td>
<td>$4,789</td>
<td>$400</td>
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<tr>
<td>2007-08</td>
<td>$14,676</td>
<td>$16,956</td>
<td>$4,310</td>
<td>$4,979</td>
<td>$400</td>
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<tr>
<td>2008-09</td>
<td>$18,291</td>
<td>$20,011</td>
<td>$4,731</td>
<td>$5,176</td>
<td>$890</td>
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<td>2009-10</td>
<td>$29,992</td>
<td>$33,515</td>
<td>$5,350</td>
<td>$5,978</td>
<td>$976</td>
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<td>2010-11</td>
<td>$35,677</td>
<td>$39,381</td>
<td>$5,550</td>
<td>$6,126</td>
<td>$555</td>
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<tr>
<td>2011-12</td>
<td>$33,575</td>
<td>$35,763</td>
<td>$5,550</td>
<td>$5,912</td>
<td>$555</td>
</tr>
<tr>
<td>2012-13</td>
<td>$32,061</td>
<td>$33,676</td>
<td>$5,550</td>
<td>$5,830</td>
<td>$602</td>
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<tr>
<td>2013-14</td>
<td>$31,477</td>
<td>$32,427</td>
<td>$5,645</td>
<td>$5,815</td>
<td>$582</td>
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<tr>
<td>2014-15</td>
<td>$30,626</td>
<td>$30,935</td>
<td>$5,730</td>
<td>$5,788</td>
<td>$587</td>
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<tr>
<td>2015-16</td>
<td>$28,559</td>
<td>$28,797</td>
<td>$5,775</td>
<td>$5,823</td>
<td>$581</td>
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<tr>
<td>2016-17</td>
<td>$26,562</td>
<td>$26,562</td>
<td>$5,815</td>
<td>$5,815</td>
<td>$590</td>
</tr>
</tbody>
</table>

Source: College Board Trends in Higher Education
How much does Pell cover?
Another view of Pell Purchasing Power

The Maximum Federal Pell Grant As a Percent of the Cost of College

Source: UNCF
Purchasing Power of Pell Grants has Dropped to its Lowest Level Ever
Pell LEU

- Signed into law in December 2011 as part of the Consolidated Appropriations Act 2012 (Public Law 112-74).
- Limits students to 12 semesters of full Pell Grant eligibility (or 600% of the annual maximum award).
- No appeals allowed.
- All years count, but measured by percentage of maximum award at the current year’s EFC level.
- Students could run out of Pell Grant before finishing Bachelor’s Degree
  - If they switch programs
  - If they obtain more than one Associate’s Degree (AA/AS)
- With year-round Pell, possible that a student could use 150% of the Pell in one Academic Year
Year-Round Pell: One College’s Experience

- About Valencia College
  - Orange and Osceola counties’ State College
  - 8 Campuses (soon to be 9)
  - In 2017-18, enrollment was 61,668. FTE was 31,383.
    - 34.7% FT / 65.3% PT
  - Received 72,519 FAFSAs in 2017-18
  - 21,920 Pell Grant Recipients in 2017-18
  - $76.9M in Pell Grant received by students in 2017-18
  - 62% of Pell Grant Recipients have a $0 EFC
Summer Pell (re)introduced in Spring 2017

- Summer Pell announced in GEN-17-06 (dated 6/19/2017)
- Begins with the 2017-18 award year
- Eligible for up to 150% of the scheduled Pell award
- Must be enrolled at least ½ time in the payment period in which the student receives the additional Pell in excess of 100%
- Crossover periods can be assigned as either headers or trailers, and can be different student by student
- Students who transfer can qualify for additional Pell in the payment period in which they transfer (½ time enrollment required)
- Students may access both the remainder of their 100% Pell and part of the extra 50% Pell in the same payment period.
The basic premise is that students can earn another term of Pell (up to 50% of the initial annual award) within the same award year.

Unlike the previous implementation, there are no requirements for “acceleration”.

Half-time attendance required in the third term as a way to encourage academic progress (?)..

In the third term, the student can have the GREATER OF the left over academic year Pell or the 50% (if eligible), of course limited to the Pell they would earn at that enrollment level.
Valencia College Outreach efforts

- **Student communication**
  - Fall – Letter to all enrolled students receiving Pell
  - Spring – Targeted letter to segmented Pell populations:
    - Enrolled Fall and Spring FT → encouraged FT summer enrollment
    - Enrolled Fall and Spring LTFT but might benefit from more Pell in Summer → encouraged greater summer enrollment (concept of 150% Pell)
    - Enrolled Fall and/or Spring, but not enough hours to benefit from new Pell, encouraged summer enrollment
Valencia College – Other outreach

• Advisor / Counselor Communication
• Faculty Communication
• Staff / Leadership Communication
• Public and Social Media Outreach
<table>
<thead>
<tr>
<th>AY</th>
<th>FAFSA (all applicants, including non-enrolling)</th>
<th>Undup Aid Recips (Head count)</th>
<th>Ttl Credit Enrollment (Head count)</th>
<th>% on aid</th>
<th>Pell Grant Recips (Head count)</th>
<th>Pell Grant ($M)</th>
<th>Student With Loans (Head count)</th>
<th>Total Stud Loan ($M)</th>
<th>Avg. Loan per Stud</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-12</td>
<td>75,187</td>
<td>30,483</td>
<td>58,992</td>
<td>51.67%</td>
<td>24,130</td>
<td>$73.2</td>
<td>15,215</td>
<td>$85.3</td>
<td>$5,610</td>
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<td>2012-13</td>
<td>81,518</td>
<td>29,876</td>
<td>59,211</td>
<td>50.46%</td>
<td>24,298</td>
<td>$76.6</td>
<td>13,420</td>
<td>$72.8</td>
<td>$5,425</td>
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<tr>
<td>2013-14</td>
<td>79,732</td>
<td>29,140</td>
<td>59,070</td>
<td>49.33%</td>
<td>23,730</td>
<td>$75.6</td>
<td>11,962</td>
<td>$57.1</td>
<td>$4,773</td>
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<tr>
<td>2014-15</td>
<td>76,883</td>
<td>28,370</td>
<td>59,509</td>
<td>47.67%</td>
<td>23,537</td>
<td>$75.6</td>
<td>10,826</td>
<td>$51.0</td>
<td>$4,709</td>
</tr>
<tr>
<td>2015-16</td>
<td>72,948</td>
<td>26,719</td>
<td>59,813</td>
<td>44.67%</td>
<td>21,952</td>
<td>$71.2</td>
<td>9,710</td>
<td>$49.0</td>
<td>$5,043</td>
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<tr>
<td>2016-17</td>
<td>68,489</td>
<td>25,693</td>
<td>59,670</td>
<td>43.06%</td>
<td>20,947</td>
<td>$68.0</td>
<td>9,082</td>
<td>$45.2</td>
<td>$4,975</td>
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<tr>
<td>2017-18</td>
<td>72,519</td>
<td>26,744</td>
<td>62,026</td>
<td>43.12%</td>
<td>21,920</td>
<td>$76.9</td>
<td>8,147</td>
<td>$41.8</td>
<td>$5,135</td>
</tr>
</tbody>
</table>
Impacts of Summer Pell at Valencia College

Pell Awards: # of Students and Total Hours

- Number of Pell Disbursed Students
- Total Credit Hours For Pell Disbursed Students
Pell Demographics at Valencia College

Number of Pell Disbursed Full-Time Students

- Fall 2015: 8,296
- Spring 2016: 7,043
- Summer 2016: 701
- Fall 2016: 7,705
- Spring 2017: 6,299
- Summer 2017: 685
- Fall 2017: 7,621
- Spring 2018: 6,320
- Summer 2018: 1,118
AEI at Valencia College

- Net result:
  - 3,040 students had Pell of greater than 100% (13.86% of our Pell population)
  - Average Pell used for these students was 126.14%
  - Average increased Pell Grant was $1,820.12.
  - Total increase for Year-Round Pell: $5.53M
Contact Information

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Join us for our next webinar

Meeting the College Access and Success Needs of Rural Students

Register at FloridaCollegeAccess.org/tag/upcoming-webinar/
Questions

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