

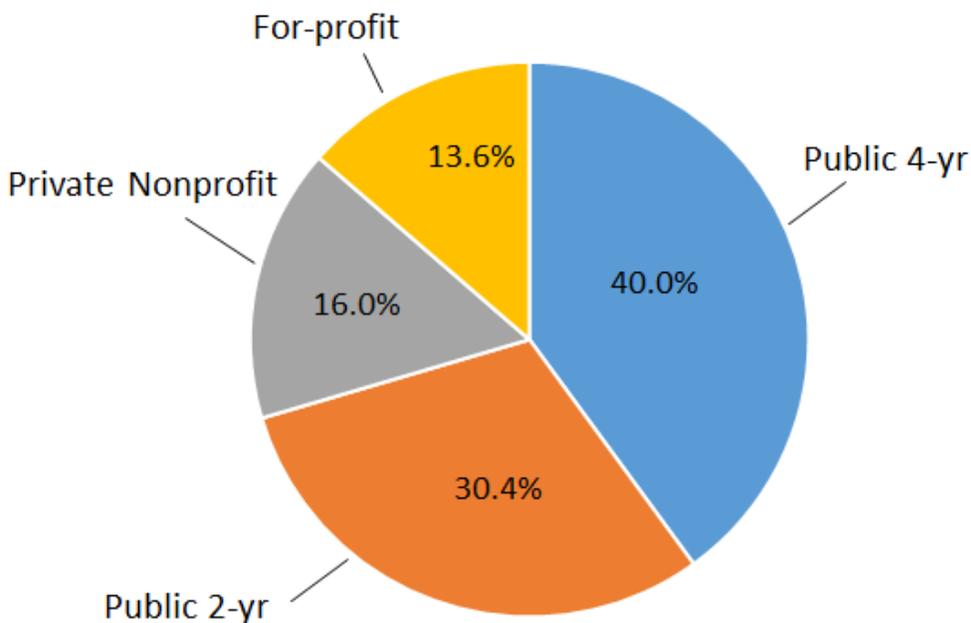
# #DOUBLEPELL

## The Federal Pell Grant Program

The Federal Pell Grant program is the “foundational” federal student aid program. The program provides grants to financially needy undergraduate students who have not yet earned a bachelor’s degree to help pay the costs of attending a postsecondary institution. (In very limited circumstances, post-baccalaureate students in teacher education programs may also qualify for Pell Grants.) Schools must determine a student’s Federal Pell Grant eligibility before calculating eligibility for other federal student aid programs. During the annual congressional appropriations process, the minimum and maximum Pell Grant award levels are established for the upcoming award year.

- In the academic year 2021-22, Pell Grants ranged from \$672 to \$6,495.<sup>1</sup>
- There were approximately 6.9 million recipients in 2019-20<sup>2</sup> and the average award was \$4,117.<sup>3</sup>
- More than 80% of recipients had family incomes below \$40,000.
- Federal spending on Pell Grants in 2019-20 was \$28.4 billion.<sup>4</sup>

**Figure 1. Distribution of Pell Grant Recipients by Type of Institution, Award Year 2017-18<sup>5</sup>**



<sup>1</sup>[Federal Pell Grant Program Payment Schedule for Determining, Full-Time Scheduled Awards in the 2021-2022 Award Year.](#)

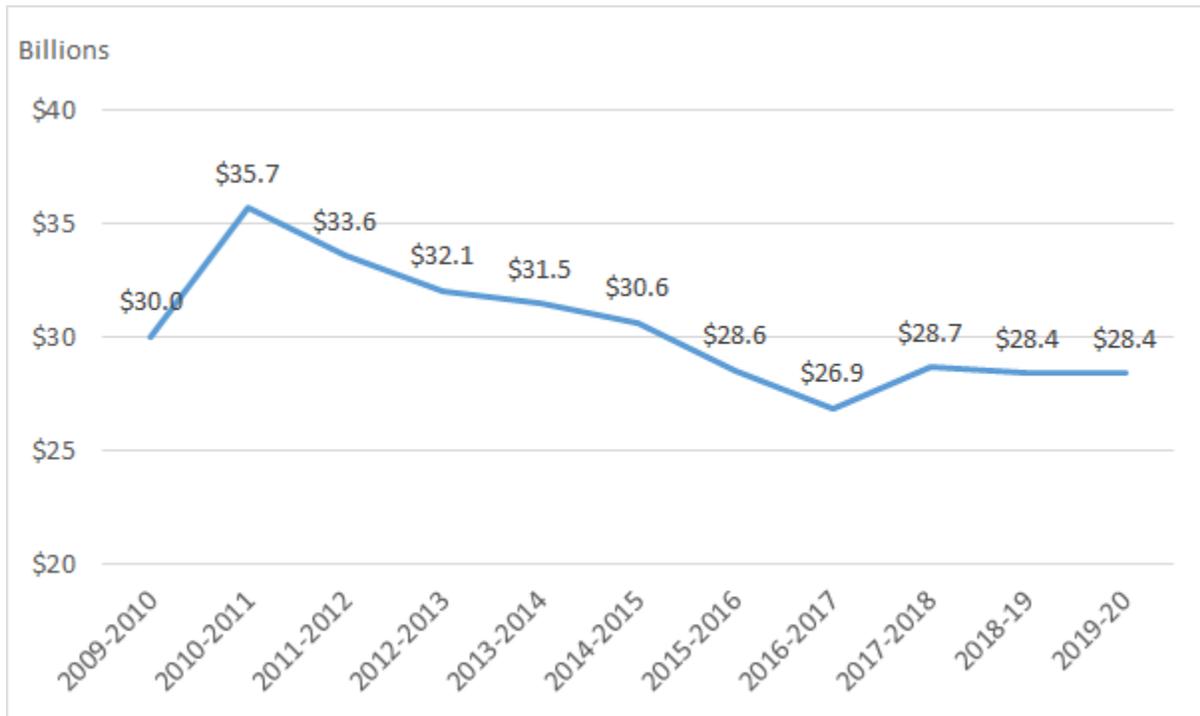
<sup>2</sup>U.S. Department of Education, Federal Student Aid Data Center, Title IV Program Volume Reports, 2019-2020 Award Year Grant Volume by School.

<sup>3</sup>U.S. Department of Education, Federal Student Aid Data Center, Title IV Program Volume Reports, 2019-2020 Award Year Grant Volume by School.

<sup>4</sup>U.S. Department of Education, Federal Student Aid Data Center, Title IV Program Volume Reports, 2019-2020 Award Year Grant Volume by School.

<sup>5</sup>U.S. Department of Education, Federal Pell Grant Program End-of-year Report, 2017-2018.

**Figure 2. Federal Spending on the Pell Grant Program, 2009-10 - 2019-20 Trends<sup>6</sup>**



Demand for Pell grants tends to run counter to general economic conditions. That is, as the economy contracts and job opportunities diminish, individuals turn to postsecondary education and training in order to enhance existing or acquire new skills that are more favored by employers. Concurrently, lower incomes due to diminished job opportunities increase the amount of Pell grants that individuals would otherwise qualify for. The increase in Pell expenditures during the Great Recession, and the subsequent decline as the general economy improved, demonstrates this phenomenon.

<sup>6</sup>U.S. Department of Education, *Federal Pell Grant Program End-of-year Report, 2017-2018*; FSA data from website, 2020.

**Table 3. Percentage of Undergraduate Students Who Receive Pell Grants by Sector, Academic Year 2015-16<sup>7</sup>**

<b>Sector</b>	<b>Percent Receiving a Pell Grant</b>
Public 4-yr	40%
Private NP 4-yr	38%
Public 2-yr	34%
For-profit 4-yr	64%

**Table 4. Where Pell Grant Students Enroll, Academic Year 2019-20<sup>8</sup>**

<b>School Type</b>	<b># of Students</b>	<b>School \$ Amount</b>	<b>\$ Percentage</b>
Public	5,000,000	\$19,800,000,000	69.7%
Private Non-profit	1,100,000	\$4,800,000,000	16.9%
For-profit	1,000,000	\$3,800,000,000	13.4%
Grand Total	7,100,000	\$28,400,000,000	100.0%

<sup>7</sup>U.S. Department of Education, National Center for Education Statistics, 2015-16 National Postsecondary Student Aid Study (NPSAS:16). Does not include foreign students. NPSAS is a nationally-represented survey done every four years, this is the best source for financial aid data by demographic characteristics; this is the most current cohort available.

<sup>8</sup>U.S. Department of Education, Federal Student Aid Data Center, Title IV Program Volume Reports, 2019-2020 Award Year Grant Volume by School.

**Table 5. Number and Distribution of Pell Grant Recipients by Family Income Level, Academic Year 2017-18<sup>9</sup>**

<b>Family Income Level</b>	<b>Number</b>	<b>Percentage</b>
\$6,000 or less	1,500,00	20.7%
\$6,001 to \$15,000	1,400,000	19.0%
\$15,001 to \$20,000	800,000	11.3%
\$20,001 to \$30,000	1,200,000	17.1%
\$30,001 to \$40,000	900,000	12.0%
\$40,001 to \$50,000	600,000	8.7%
\$50,001 to \$60,000	400,000	5.8%
\$60,001 and over	400,000	5.0%
Total	7,100,000	100%

**Table 6. Percentage of Students Who Receive Pell Grants by Demographic, Academic Year 2015-16<sup>10</sup>**

<b>Recipient Demographic Information</b>	<b>% Received Pell</b>
White	32%
African American	58%
Hispanic / Latinx	47%
American Indian / Alaska Native	51%
First Generation	48%
Student Parents	52%
Student Veterans	39%

<sup>9</sup>U.S. Department of Education, *Federal Pell Grant Program End-of-year Report, 2017-2018*.

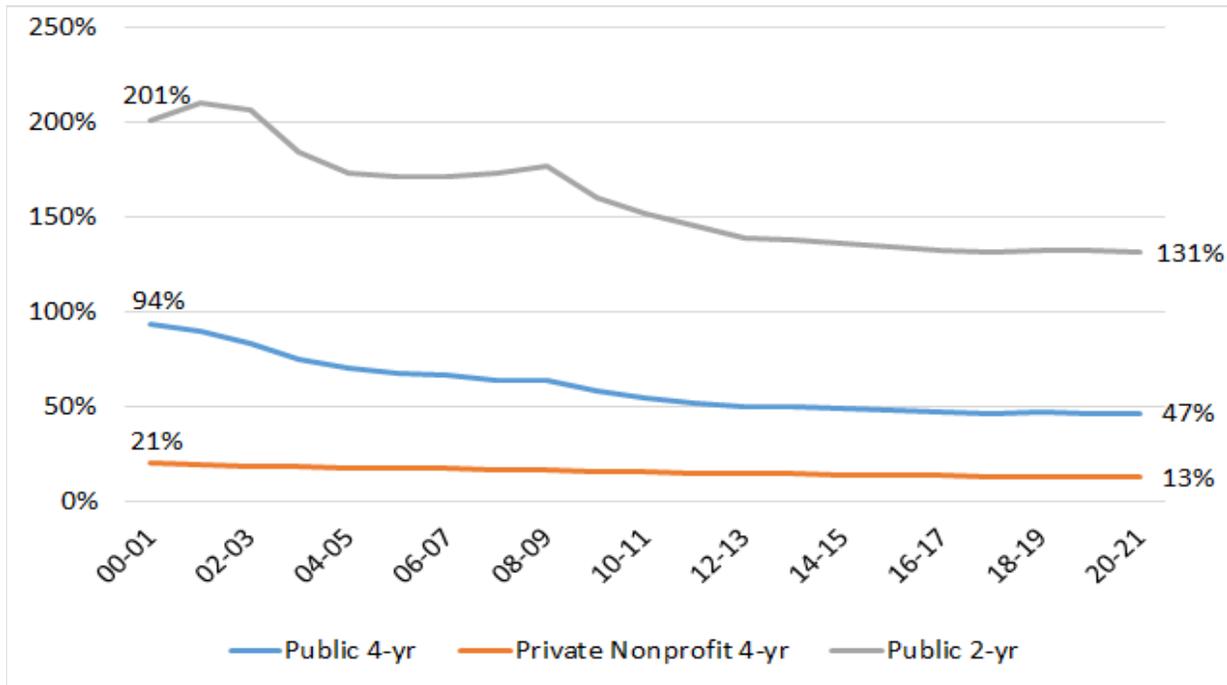
<sup>10</sup>U.S. Department of Education, National Center for Education Statistics, *2015-16 National Postsecondary Student Aid Study (NPSAS:16)*.

**Table 7. How Much Education Pell Grants Pay For, Academic Year 2019-20<sup>11</sup>**

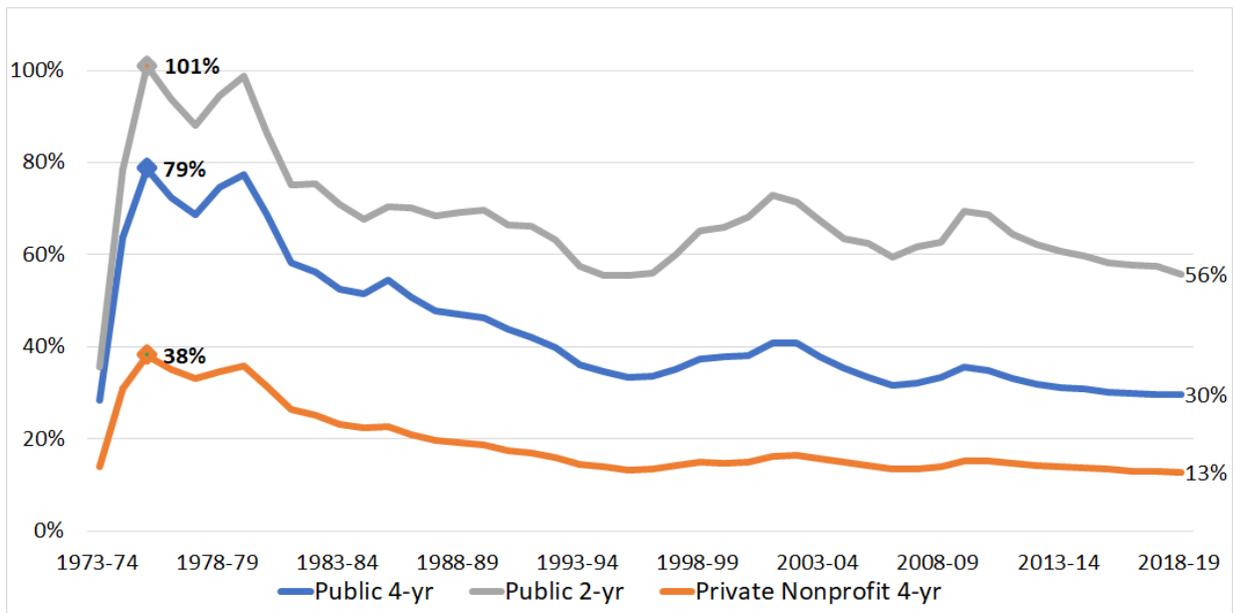
<b>Sector (&amp; living arrangements)</b>	<b>Tuition &amp; Fees (T&amp;F)</b>	<b>Room, Board, Books, &amp; Supplies</b>	<b>Total Cost of Attendance (COA)</b>	<b>Current Pell Grant Max Covers ___% of T&amp;F</b>	<b>If Pell Grant Max is Doubled, it Would Cover ___% of T&amp;F</b>	<b>Current Pell Grant Max Covers ___% of COA</b>	<b>If Pell Grant Max is Doubled, it Would Cover ___% of COA</b>
Public 2-year (independent)	\$4,205	\$16,598	\$20,803	154%	309%	31.2%	62.5%
Public 2-year (dependent)	\$4,205	\$7,115	\$11,320	154%	309%	57.4%	114.9%
Public 4-year (in-state, on campus)	\$9,534	\$15,514	\$25,048	68%	136%	25.9%	51.9%
Private 4-year (on campus)	\$28,888	\$14,986	\$43,873	22%	45%	14.8%	29.6%

<sup>11</sup> 2019-20 student charges data in IPEDS. Within IPEDS approximately 190 schools are classified as 4-year institutions even though they primarily award associate degrees. This table classifies those schools as two year institutions.

**Figure 8. Percentage of Tuition & Fees Covered by Maximum Pell Grant Amount (in 2020 dollars)<sup>12</sup>**



**Figure 9. Purchasing Power of Pell Grant Relative to Cost of Attendance, 1973-74 to 2018-19 Trends (current dollars)<sup>13</sup>**



<sup>12</sup> CollegeBoard, Trends in Student Aid 2020; CollegeBoard, Trends in College Pricing 2020

<sup>13</sup> 2019 Digest of Education Statistics; 2017-18 Pell Grant End of Year Report