



National College Access Network

Building Connections. Advancing Equity. Promoting Success.

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Kim Cook

Honorable Tom Cole
Chairman
Appropriations Subcommittee on
Labor, Health & Human Services,
Education
United States House of
Representatives
H-305, The Capitol
Washington, DC 20515

Honorable Rosa DeLauro
Ranking Member
Appropriations Subcommittee on
Labor, Health & Human Services,
Education
United States House of
Representatives
H-305, The Capitol
Washington, DC 20515

Dear Chairman Cole and Ranking Member DeLauro:

The National College Access Network (NCAN) writes to urge the subcommittee to fund fully the Pell Grant program, under the U.S. Department of Education Office of Federal Student Aid, for the fiscal year 2018 at a sufficient level to provide for an inflationary adjustment above the fiscal year 2017 level of \$5,920 as well as reinstating the year-round Pell Grant. This includes the discretionary funding of \$4,860 plus an appropriate adjustment above the mandatory funding of \$1,060.

Nearly 8 million students receive a Pell Grant annually¹, including 39 percent of first-time, full-time undergraduate students.² Of those undergraduates, 27 percent received the maximum Pell Grant award.³ NCAN is a

¹ U.S. Department of Education, 2014-15 Federal Pell Grant Program End of Year Report, Table 1. <https://www2.ed.gov/finaid/prof/resources/data/pell-2014-15/pell-eoy-2014-15.html>

² U.S. Department of Education, National Center for Education Statistics, Integrated Post-secondary Education Data System (IPEDS), Student Financial Aid component (provisional data) <https://nces.ed.gov/ipeds/trendgenerator/tganswer.aspx?sid=8&qid=35>

³ U.S. Department of Education, 2014-15 Federal Pell Grant Program End of Year Report, Table 3A. <https://www2.ed.gov/finaid/prof/resources/data/pell-2014-15/pell-eoy-2014-15.html>

membership network of non-profit organizations committed to college access and success for underrepresented students; almost all of our 2 million students served annually do or will qualify for a Pell Grant. Our members know that students who apply for financial aid and receive federal grants are much more likely to enroll in and graduate from college, especially the low-income students we support. In fact, the lowest-income students, those with expected family contributions toward college of \$1,000 or less, are more than twice as likely to complete a degree or certificate (54 percent in five years) than similarly low-income students who enroll but do not receive a Pell Grant (22.5 percent in five years).⁴

NCAN respectfully requests that the inflationary adjustment to the mandatory funding portion of the Pell Grant program be increased for fiscal year 2018 so that the cornerstone of need-based aid in this country does not fall further behind in covering the rising cost of college. Eighty-three percent of Pell Grant recipients come from families earning under \$40,000⁵ annually, approximately the bottom two income quintiles of earners in the United States.⁶ However, these families still struggle with the rising cost of college. Students from the bottom income quintile have a net price—the amount families owe after grant aid such as the Pell Grant is subtracted—

⁴ U.S. Department of Education, National Center for Education Statistics, 2003-04 Beginning Postsecondary Students Longitudinal Study, Second Follow-up (BPS:04/09). Computation by NCES PowerStats on 2/27/2017.

⁵ U.S. Department of Education, 2014-15 Federal Pell Grant Program End of Year Report, Table 2A. <https://www2.ed.gov/finaid/prof/resources/data/pell-2014-15/pell-eoy-2014-15.html>

⁶ Tax Policy Center, Household Income Quintiles: 1967-2014. <http://www.taxpolicycenter.org/statistics/household-income-quintiles>. 28 January 2016.

that equates to 84 percent of their family income.⁷ In 1975, the Pell Grant covered 67 percent of the average cost of attending college. By 2012, it only covered 27 percent.⁸ To prevent this gap from increasing, it is crucial that the federal government not only maintain its commitment to the Pell Grant program but also increase the grant annually.

In addition to increasing the Pell Grant, allowing students to access Pell dollars to study year-round will also increase the program's impact. This change will effectively target Pell Grant dollars to today's students, who do not have the luxury of pursuing higher education through the traditional academic calendar, while also helping them manage their debt. Pell Grant recipients who must take loans have a higher average debt than students who do not receive Pell Grants.⁹ Allowing grant recipients to access 150% of their Pell Grant award in the calendar year so they can take summer courses in addition to fall and spring semester classes, for example, will help students complete their credentials more quickly and with less debt.

It is true that lower-income students both enroll and graduate in higher education at lower rates than their higher-income peers. This fact is not a failure of the Pell Grant program but rather a symptom of the many significant challenges low-income individuals face as they move through

⁷ The Pell Institute and PennAhead, *Indicators of Higher Education Equity in the United States*, 2015 Revised Edition. http://www.pellinstitute.org/downloads/publications-Indicators_of_Higher_Education_Equity_in_the_US_45_Year_Trend_Report.pdf, pg 27.

⁸ Ibid, pg 20.

⁹ Ibid, pg 29.



our education pipeline. An inadequately funded Pell Grant that does not grow with inflation or fund students to study when they most need to will only exacerbate that reality. Without the Pell Grant, the ability for low-income students to access all types of higher education—from four-year degrees to career certifications—will be diminished greatly.

Sincerely,

A handwritten signature in black ink that reads "Kim Cook". The signature is written in a cursive, flowing style.

Kim Cook
Executive Director