



FLORIDA STATE UNIVERSITY
OFFICE OF THE PROVOST

To: Governor Cerio
From: Sally McRorie *Sally McRorie*
Provost and Executive Vice President
Date August 19, 2020
Subject: FSU Pell Discussion

Thank you for taking the time this week to discuss the factors affecting Pell Grant student enrollment at FSU and UF. I appreciate your recognition that FSU has been committed and creative in retaining and even improving its market share of Pell students in light of the marked decline in Pell students in Florida. Below, you will find some talking points I shared with Christy England last week. First, I would like to address some of your concerns directly.

The number of Florida Residents who are Pell recipients – FSU has maintained a relatively stable Pell student percentage over the past five years although the percentage of Florida residents who received Pell Grants has dropped 17.5% in the same time span. The SUS’s total Pell recipients in the same time frame has increased by 2%. So in a time of diminishing Pell numbers, FSU and the SUS have actually increased their market share of the enrolled Pell students in Florida.

FSU Access Rate History					
Fall Term	2014	2015	2016	2017	2018
Percent	28.4	27.7	28	28.3	27.8
Change		-0.7	0.3	0.3	-0.5

Access versus Graduation – Whereas FSU and UF are slightly below 30% on the Access variable, both institutions are national leaders in the graduation rates of Pell students. In spite of lower access rate, FSU and UF award more degrees per 1,000 students to Pell recipients than five of our SUS peers, and all other SUS institutions have a significantly higher number of Pell students who don’t complete their bachelor’s degree within six years (or at all).

Pell Access and Six-Year Graduation Rates

University	Access Rate	Grad Rate	Difference from FSU	Pell Graduates per 1000 enrolled students	Pell Non-Graduates per 1000 enrolled students
UF	27.2	86	5	234	38
FSU	27.8	81	0	225	53
USF	40	70	-11	280	120
UCF	39.2	69	-12	270	122
NCF	31.7	62	-19	197	120
FIU	50.5	60	-21	303	202
UNF	31.2	60	-21	187	125
FAMU	64.3	51	-30	328	315
FAU	42.4	51	-30	216	208
FGCU	32.2	47	-34	151	171
UWF	38.6	39	-42	151	235

Aligning the SUS Metric with the U.S. News Metric – This past year, *U.S. News & World Report* instituted two social justice measures – Pell Graduation Rate and Pell Graduation Rate Performance. Here is how they define them:

- **Pell Grant graduation rates** are the six-year graduation rates of Pell Grant students adjusted to give much more credit to schools with larger Pell student proportions.
- **Pell Grant graduation rate performance** is the factor that compares each school's six-year graduation rate among Pell recipients with its six-year graduation rate among non-Pell recipients by dividing the former into the latter, then adjusting to give much more credit to schools with larger Pell student proportions. The higher a school's Pell graduation rate relative to its non-Pell graduation rate up to the rates being equal, the better it scores.

The methodology is a bit dubious on the first measure as it is weighted according to the access rate. There appears to be an overweighing on access as an institution that enrolls more than 50% Pell students scores well even if few of them graduate. The second measure compares the graduation rates of Pell and non-Pell. An easier approach may be to combine the Access Rate and the Graduation Rate in a way that recognizes the large performance gap between UF and FSU and the other SUS institutions, rather than setting a low graduation bar as with the current four-year rate that both institutions beat by 20 percentage points.

How the BOG can increase Pell access within the SUS – It was noted that the SUS institutions are competing against each other for Pell students, but the goal should be to keep top Pell students in state and to encourage more Pell-eligible students to consider attending an SUS institution – or an FCS institution. We mentioned that the Cal Grant is a major driver of Pell enrollment in University of California system schools. Florida has a great Bright Futures program, but it does not have a need-based component. It may be worthwhile to see if a need component can be added to Bright Futures or if need-based financial aid can be increased. Either of these would open the door to more K-12 students by sending a signal that they can afford college if they undertake a college-prep curriculum in middle and high school.

Below is a summary of the unique challenges faced by FSU and UF in recruiting Pell students followed by a list of current and future strategies for retaining or increasing our Pell numbers. As you noted, FSU has a long-standing history of creative approaches to increasing enrollment of lower socioeconomic and first generation students. We referenced our CARE program and its 6-year graduation rates that consistently exceeds 80%. Its history dates back 50 years, and it stands as one of the most highly recognized programs of its kind in the country. However, it requires millions of dollars in financial aid annually, and can only serve around 1,500 of our roughly 8,800 Pell students.

Additional Information about FSU and Pell:

FSU has a lower percentage of Pell eligible students than the remainder of the SUS institutions, except UF and Florida Poly. However, at a rate of around 27 – 28% percent, FSU enrolls the **fifth highest percentage of Pell students of institutions in the U.S. News Top 20**. The four schools that beat us are all University of California system schools that benefit from Cal Grant, a program that awards up to \$12,570 per student per year, whereas the maximum FSAG is \$6,095. In addition, FSU enrolls a higher percentage of in-state Pell students than all but two Top 20 institutions.

FSU has a distinct disadvantage in the recruitment of Pell students based on four factors: **distance from large population centers, higher costs to live away from home than at home, ability to attend part-time, and academic eligibility**. FSU's largest student markets are Broward, Miami-Dade, and Palm Beach counties, 6 – 8 hours away. Other large markets in Tampa and Orlando are four hours away. The median distance students travel to attend colleges in the U.S. is 93 miles – or less than two hours. However, seventy-five percent of FSU's undergraduates come from at least four hours away. For students in South Florida, every SUS institution is closer to home except UWF.

Another disadvantage of distance is that only 1.2% of FSU's Pell students live at home with family. That is less than 1/10th of the number at UCF or USF and 1/50th of the number at FIU. The remaining 98.8% who attend FSU must incur additional expense to move to Tallahassee. The effect on student Cost of Attendance (COA) is roughly \$5,500 per year compared to students in Florida's metropolitan centers that attend school in their back yards. This creates two disadvantages for FSU: the sticker price students see

is considerably higher than the cost of attending their hometown university, and FSU would have to pay up to \$22,000 more for a four-year degree per FTIC Pell student it enrolls to offer an equal aid package. To raise FSU's Pell rate three percentage points would cost \$22M at that rate. Even considering that it may cost less than an additional \$5,500 per year to recruit a student away from their home institution, the additional costs to FSU would be in the tens of millions of dollars.

The national average of Pell students who attend college full-time is about 27%, so a significant number of Pell students are most likely working and going to school, which is why the numbers of part-time students are higher at many metropolitan universities. FSU is a largely residential campus and only 2% of FSU freshmen are part-time. Working transfer Pell students frequently have jobs that they are reluctant to leave and are unable to transfer to non-metropolitan areas with fewer work opportunities.

Many Pell students are high achievers with top high school credentials, and FSU enrolls many of them. However, Pell students are much more likely to be first generation students and attend weaker high schools. On average, Pell students score much lower on standardized test scores and have fewer academic courses in high school. To address these factors, our admissions process utilizes a holistic approach that maximizes the number of low socioeconomic eligible students who are offered admission. FSU was a pilot school in the use of a new national tool developed by the College Board that provides consistent data about an applicant's high school and neighborhood. The tool helps to identify students who may have a lower academic profile but have demonstrated the tenacity and resilience to be successful despite additional challenges they may have faced. This year the tool was expanded to include data from the CDC on Social Vulnerability and Internet availability.

FSU also has just been recognized as one of eleven national universities providing excellent models for working successfully with first generation in college students, most of whom are Pell eligible.

Strategies, Current and Potential

- FSU Established Initiatives
 - CARE – 50-year history of providing access to first generation Pell eligible students from underrepresented groups.
 - Unconquered Scholars-support and access program for students who have aged out of foster care, are homeless, and/or wards of the state. The national average for graduation for students who were foster children is 2-3%, for what may be only a 2 year degree. Our students graduate at the same or an even better rate than our overall average. They are truly resilient.
 - High School Partners Program – a partnership with 8 high schools across the I-10 corridor with majority minority populations and high numbers of low socioeconomic students. Schools receive constant attention from

- specialized admissions representatives and financial aid officers to increase college going rates and FAFSA completion.
- Admissions and Financial Aid outreach efforts to schools and communities throughout Florida with high populations of low socioeconomic students.
- Specialized mail and email campaigns to encourage applications from high achieving minority students and after admission, campaigns to enhance yield.
- An admissions process that utilizes a holistic approach that maximizes the number of low socioeconomic eligible students who are admitted.
- FSU Planned Initiatives
 - A \$3,000 Partner Promise guaranteed scholarship for all students from the High School Partner schools who are admitted to the university through regular admissions.
 - Additional personnel in Financial Aid to aid in FAFSA completion and Pell Verification (depending upon budget restrictions).
 - A pilot program with private industry partners to increase low socioeconomic enrollment at our Panama City campus from students in rural counties.
 - Possible purchase of a third-party service to increase FAFSA completion and Pell verification (depending upon budget restrictions).
- Possible State Initiatives
 - While FSAG funding was increased three years ago, it is significantly lower than the Cal Grant, which has been instrumental in a dramatic increase of Pell students in the Cal system. Increase FSAG to be more in line with the Cal Grant.
 - Bright Futures has never had a need component; that means all students get the same amount. Add a Need-based component to Bright Futures Scholarships that would give more money to our high achieving needy students.
 - Require FAFSA for high school graduation. In Louisiana, just one in three public high schools had completion rates of at least 65 percent before going mandatory. After, four in five schools had completion rates of at least 65 percent. It has been estimated that low-income college students leave \$2 billion or more in federal Pell Grant money on the table each year.

Thank you again for your interest in these important issues. We want to work with you in all ways possible to improve our opportunities for success for Pell students throughout Florida. Please contact me with any questions, concerns, or ideas!