# Purpose of the End-of-Year Report

The Federal Pell Grant End-of-Year Report presents primary aspects of Federal Pell Grant Program activity for the 2016-2017 award year.

This presentation is a compilation of quantitative program data assembled to offer insights into the changes to the Title IV applicant universe and the Federal Pell Grant Program. The Federal Pell Grant End-of-Year Report provides factual information and highlights important programmatic issues.

Since 1973, the Office of Postsecondary Education has compiled summary information on Title IV applicants and Federal Pell Grant Program activity. The information provides a basis for program planning and development. The Report can also be used by policy makers to estimate the potential impact of actual or proposed policies on Pell Grant recipients and federal aid applicants. In addition, the End-of-Year Report can assist researchers, students, higher education officials, and financial aid administrators to better understand current patterns of Federal Pell Grant disbursements and Title IV applicant activity.

The Title IV/Federal Pell Grant Program End-of-Year Report is produced by Vangent, Inc., under contract to the Office of Postsecondary Education of the U.S. Department of Education. Comments, questions, or request for copies should be addressed to:

Anthony Hales Jr.

U.S. Department of Education

Office of Postsecondary Education

400 Maryland Ave SW

Mail Stop 270-52

Washington, D.C. 20202

Or emailed to

[OPE\_Pelldata@ed.gov](mailto:OPE_Pelldata@ed.gov)

Copies of the End-of-Year Report can also be obtained on-line at:

<http://www.ed.gov/finaid/prof/resources/data/ope.html>

# Federal Pell Grant Program

Title IV programs are managed by the Office of Federal Student Aid (FSA) within the U.S. Department of Education. The programs are authorized by the Higher Education Act of 1965, as amended.

A formula established by Congress is used to calculate a student’s Expected Family Contribution (EFC). This is the amount that a family can be expected to contribute towards the student’s cost of attendance. For the Federal Pell Grant Program the EFC is used to determine the financial eligibility of the student.

The Federal Pell Grant Program is designed to help the neediest undergraduate students. For many students, Federal Pell Grants provide a foundation of financial aid, to which aid for other federal and non-federal sources may be added. The program provided grants ranging from $589-$5,815 to over 7.1 million students in 2016-2017, with awards totaling $34,526,404,000.

# Databases for the End-of-Year Report Tables

All tables in the 2016-2017 End-of-Year Report are derived from a merged file containing Title IV applicant and Federal Pell Grant recipient data through January 2017. The applicant data are from the student applications processed by the central processing system; recipient information is from the common origination and disbursement system. Since the Pell Grant recipient system continues to process data long after the end of the award year, some unreconciled student payment data may be included in the universe file. The potential number of students with this unreconciled payment data is very small, and would have minimal impact on the dollar figures and student distributions herein presented.

# Eligibility

The Federal Pell Grant is distinguished from other financial assistance in that all students meeting certain criteria are guaranteed aid, with the amount of aid determined by financial need, enrollment level, and educational cost. However, because of limited funding, the program is not a true entitlement, as benefits may be reduced from those anticipated under a fully-funded system. To be eligible for a grant, an individual must meet certain residency requirements, be enrolled in an eligible program at a school participating in the Federal Pell Grant Program, and be determined to have sufficient financial need.

As mentioned above, financial need for 2016-2017 is calculated using formulas mandated by Congress in the Higher Education Amendments of 1965, as amended. These formulas, applied consistently to all applicants, take into account such indicators of financial strength as income, assets, and family size. The EFC is combined with the cost of the student’s education and the student’s enrollment status (full-time, three-quarter-time, half-time, or less than half-time) to determine the amount of the Federal Pell Grant (although cost of education only affects the student’s award amount if the cost is less than $5,233). Tuition may also be a factor in calculating the amount of the award for students enrolled at low-tuition schools.

The lower the EFC, the greater the demonstration of a student’s financial need. Consequently, the amount of the grant increases as the EFC decreases, such that an applicant with the minimum EFC of zero may generally receive the maximum award equal to the applicant’s education cost for the year up to $5,815. Proportionally smaller awards are made to part-time students.