Where Are The Low-Income Students At Highly Selective Colleges?

Opportunities and Levers For Change

Brittany K. Carlson
Senior Fellow

S. Caroline Kerr
Chief Executive Officer
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Research by Caroline Hoxby and Christopher Avery finds that up to 35,000 low-income students are capable of the academic rigor at the nation’s best colleges and universities, yet they do not apply.

Where Are The Low-Income, High-Achieving Students At Highly Selective Colleges?

SECTION 1:

Executive Summary

The long-standing belief that many low-income students do not apply – or are not admitted – to highly selective colleges due to lack of academic preparation and competitive standardized test scores has been effectively challenged by recent research. It is estimated that up to 35,000 low-income students are capable of work at the nation’s best colleges and universities, yet do not apply. In recent years, colleges and universities across the United States have implemented programs to recruit and admit a more socioeconomically diverse student body. One method of tracking this change over time is examining the number of students receiving Pell Grants enrolled at particular colleges. While some colleges have made progress, many of the most selective institutions – those that have the largest university endowments and generous financial aid programs – are notably absent.

This paper examines this recent progress and highlights five levers to enact further change:

1. Counseling and recruitment;
2. Pre-college programming;
3. Financial aid literacy;
4. Colleges’ institutional priorities;
5. Undergraduate class size.

To utilize these levers, the Joyce Ivy Foundation recommends six actions:

1. Enroll more low-income students in pre-college summer academic programs;
2. Expand undergraduate enrollments;
3. Reallocate some spaces historically used to fulfill other institutional priorities;
4. Further diversifying other “institutional priority” segments of the student body;
5. Increase transparency and comparability of financial costs of attending selective institutions;
6. Focus admissions recruitment on lower income areas.

Note: For the purposes of this whitepaper, ‘low-income’ refers to families within the bottom income quartile. Various research cited herein defines low-income using a composite measure of family income, parents highest level of educational attainment, and parents’ occupational status. ‘High-achieving’ refers to students scoring in the top 10% on standardized testing.
SECTION 2:

Current Application and Enrollment Trends

As the United States continues to experience demographic changes, the definition of diversity on college and university campuses is expanding. No longer do the most selective colleges and universities solely enroll the sons and daughters of America’s most wealthy and well-connected families, but rather they seek to build a student body that reflects greater diversity in gender, race, ethnicity, religion, nationality, and socioeconomic status, among other dimensions. While the diversity of the student body at the most selective institutions in the United States has changed in some ways in the past twenty-five years, in other ways, particularly socioeconomically, it has remained alarmingly stagnant.

A long-standing belief in the field of college admissions is that many low-income students do not have the academic preparation or credentials to make them successful applicants in highly selective admissions processes. Research by Caroline Hoxby and Christopher Avery has shown this to be an incorrect assumption; in fact, their research suggests that there are between 25,000-35,000 low-income students with the academic credentials to be very successful in highly selective applicant pools. However, these students are not applying to highly selective institutions at the same rate as their higher income peers.

Only 23% of high-achieving*, low-income students even apply to a selective school, in stark contrast to 48% of their high-achieving, higher income peers. For those students who are admitted to highly selective institutions, the high-

Exhibit 1

Application Rates to Highly Selective Colleges by High-Achieving Students

<table>
<thead>
<tr>
<th></th>
<th>Higher-income</th>
<th>Lower-Income</th>
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<tbody>
<tr>
<td>Application Rate</td>
<td>48%</td>
<td>23%</td>
</tr>
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</table>

achieving students from the wealthiest families are three times as likely to enroll as the high-achieving students from the lowest income families. In fact, the majority of students in America’s most selective institutions – 72% – come from the wealthiest 25% of the population, whereas only 3% come from the lowest income quartile. Despite the disparity of enrollment rates of high-income and low-income students at highly selective institutions, when low-income students do make it to highly selective institutions, they often do very well: students in the bottom two income quartiles earn similar grades and graduate at the same rate as those students from families in the top two income quartiles.

Exhibit 2

Seats In The Class: Distribution Of Students By Income

- Top U.S. income quartile (72%)
- Middle fifty percent (25%)
- Bottom quartile (3%)
Some colleges and universities have made progress in attracting and matriculating this population of talented students. An examination of Pell Grant allotment, federal grants given to low-income students to help defray some, but not all, of the costs of attending college, is perhaps the best available measure of a college or university’s commitment to access and socioeconomic diversity. Generally, the number of Pell grant recipients is increasing in American higher education. Exhibit 3: Figure 1 and Figure 2 show visualizations of Pell Grant allotment from 2008 and 2012 by Third Coast Analytics. Warmer colors, such as red, orange, and yellow, correspond to a greater number of Pell recipients on campus. Within this four-year time span, colleges and universities increased the number of low-income students on campus.

In fact, Pell Grant allotment, as per the Integrated Postsecondary Educational Data System, from 2007 through 2012, indicates that some institutions are doing an especially noteworthy job of increasing their number of Pell Grant recipients on campus. Per Exhibit 4: Figure 1, Vassar, Franklin & Marshall, and Denison are compelling examples of colleges that have greatly increased their Pell allotment within this six-year time span; Figure 2 indicates New York University, University of Southern California, and Boston University leading Pell allotment progress among private universities.

As for public universities, University of Missouri – Columbia, University of California – Los Angeles, and University of Florida have the greatest increase in Pell distribution within their student bodies (Exhibit 4: Figure 3).

Missing from these lists of schools are some of the most highly selective, well-resourced colleges and universities in the country. A closer look at the blue “tail” on the far left of Exhibit 3: Figure 2 shows colleges and universities with low numbers of Pell recipients on campus, low admit rates, and high graduation rates – many of whom are Ivy League institutions or highly selective, private liberal arts colleges.

Exhibit 3: Figure 3 shows a compelling example of this: Harvard University is one of the
darkest blue circles, with only 18% of students on campus receiving a Pell Grant, but 97% graduating. Harvard’s high graduation rate reveals the extensive resources and support on campus, resources and support that would be particularly transformational for low-income students.

Exhibit 3

Figure 1 – Pell Allotment, 2008

Figure 2 – Pell Allotment, 2012

Figure 3 – Harvard Pell Allotment, 2012

Source: Third Coast Analytics, NACAC, 2014.
Figure 1 – Pell Change: Small Institutions, 2007 to 2012

Figure 2 – Pell Change: Private Universities, 2007 to 2012
Figure 3 – Pell Change: Large Institutions, 2007 to 2012
Highly selective colleges and universities, which often have significant endowments and well-funded financial aid programs, have an opportunity to support greater numbers of high-achieving, low-income students by providing them with a top-notch education without the burden of debt. Beyond just these financial considerations, increased access for low-income populations represents highly selective institutions’ participation in the expansion of opportunity for a broader and deeper sector of the population and often resonates with institutional missions and strategic plans. As the most selective institutions in the country consider their role in increasing access and assisting in upward mobility, research shows that admission to a highly selective institution pays off considerably for all individuals, but particularly those from low-income backgrounds. 

Additionally, the human capital that students acquire by attending a high quality institution often leads to significant economic returns are even more significant for students coming from low-income backgrounds. If the talent, resources, alignment with institutional mission, and opportunity for great return is there, why are there not more high-achieving, low-income students at the country’s most selective colleges and universities? Enrollment of low-income students at highly selective colleges and universities has changed very little over the past twenty years. 

Research indicates that high-achieving, low-income students typically do not apply to highly selective institutions to which they are qualified for two main reasons: they do not believe they can afford it and they do not receive thorough, accurate, and individualized guidance through the college application process. However, after more than a decade of working successfully with low-income students, the Joyce Ivy Foundation has identified actions that can help overcome the barriers high-achieving, low-income students face when applying to college.
The following six levers offer ways to recruit and enroll greater numbers of high-achieving, low-income students to highly selective institutions, often through collaboration with other organizations.

1. **Counseling and Recruitment**

   Many low-income students do not receive accurate, individualized counseling throughout the college application process, and the lack of such guidance impedes their chances of applying to a highly selective institution, even when they are qualified. Shifting recruitment practices as well as investing more in college counseling resources are two levers to overcome this barrier.

   Recruitment travel for all colleges, including the most selective, often centers around metropolitan areas and high schools that provide colleges with the greatest number of applicants. With an established presence, continued travel to these places often reproduces advantages for local students. The high schools and students who are most frequently visited by some of the most selective institutions are often the ones who could benefit the least – many of these students already have the means to make individual trips to campuses themselves or are already familiar with highly selective institutions and the preparation necessary to apply. Instead, colleges should continue to expand their presence through visits to under-resourced, public, urban or rural high schools where students are not familiar with highly selective colleges and are less likely to be receiving individualized college advising. The format of a college’s presentation should emphasize affordability, particularly in comparison to other local, seemingly less expensive options, and provide broad information about the returns on a high-quality education.

   The Joyce Ivy Foundation sends low-income students to pre-college programs at highly selective colleges each summer. Alumnae of the Joyce Ivy Foundation Summer Scholars program frequently counsel younger peers in their local communities the following year. They are frequently cited as relatable, authentic sources of information.
Distance programming can also be effective. Virtual sessions online, and targeted print communications can also expand a college’s reach when the limits of in-person travel are reached.

States and school districts also have a role to play. In school counselor surveys conducted by the Joyce Ivy Foundation in Midwestern states, counselors consistently report that their caseloads are too high, they are regularly burdened with other administrative duties – often unrelated to counseling or college guidance – and offered very little professional development to learn more about highly selective admissions and financial aid practices. State and local leaders must do more to invest in making quality college counseling available to their students.

The Joyce Ivy College Admissions Symposium, held annually in Michigan, is an example of collaboration between the Foundation, local counselors, and admissions and financial aid professionals from highly selective colleges. These individuals work together to offer workshops on highly selective admissions and financial aid at no cost to participants, who include educators and families.

2. Pre-college Programming

Many colleges hold summer academic programs on their campuses that offer a chance to experience life on a college campus. These pre-college programs could be better leveraged to break down barriers that low-income populations face. Rarely are these summer programs designed to be “feeder programs” for the undergraduate admissions process; in fact, many operate as a revenue and profit source for the host institution. These programs can be some of the most valuable levers for broadening a low-income student and family’s awareness of the full range of college options. To do so, the program must offer need-based financial aid to a broad range of students – not just those in close proximity to campus who can be offered a discounted rate or participate as commuters. The programs should also consider partnering with secondary schools and community-based organizations that serve low-income students.

Overall, selective colleges and universities need to embrace the fact that their campuses during the summer months represent one of the most powerful levers at their disposal for attracting and exposing low-income individuals to their institution. Too often,
summer dormitory and academic capacity at selective colleges are viewed more as an incremental revenue source, from summer sports camps or wealthy international and domestic families who want to expose their children to life on a selective college, and from other programs that do not directly address the need to help low-income students in the U.S. with that critical step of experiencing life on a selective college campus.

The Joyce Ivy Foundation Summer Scholars program serves as a model for how campuses and academic programs can be leveraged during the summer months to serve low-income students. Each year, the Foundation recruits high-achieving, low-income students via its network of counselors and via direct recruitment using students’ standardized test scores. These students are then supported financially in their quest to spend part of their summer, typically after sophomore or junior year of high school, on the campus of a highly selective college or university. The Joyce Ivy Foundation currently partners with programs at Barnard, Brown, Cornell, Emory, Harvard, Johns Hopkins, MIT, Smith, Stanford, Washington University in St. Louis, and Yale. These eleven colleges and universities have done what many other institutions have not: opened their coffers and summer programs to support high-achieving, low-income students throughout the U.S. in spending important time experiencing life on the campus of a highly selective college. These summer program partners share the scholarship

### Exhibit 5

**Impact of Pre-college Summer Program Participation**

- **88%** Reported increased academic confidence
- **96%** Raised their college aspirations
- **89%** Applied to the college where they participated in the summer program

Source: Joyce Ivy Foundation Scholar Survey (2015).
costs with the Joyce Ivy Foundation, thus extending the reach of both the Foundation and summer program’s budgets.

According to the Foundation’s 2015 surveys of Summer Scholars, 96% reported that the experience changed their college plans, making them more ambitious and geographically diverse. 88% reported an increase in academic confidence and 89% ultimately applied to the college or university that hosted their summer program.

The infrastructure for these programs already exists, and with further investment in financial aid budgets, advisor support for participants, and secondary school and community-based organization partnerships, these programs can serve a greater number of low-income students – while still serving other institutional priorities.

3. Financial Aid Literacy

While many of the most selective colleges and universities in the country have sticker prices that are unmanageable for the majority of applicants, generous need-based – and often need-blind – financial aid practices make attendance a reality for students coming from the lowest income levels. Over the last decade, “free tuition” programs have been introduced at highly selective institutions such as Harvard, Stanford, and Amherst for students coming from families whose incomes fall below a certain level. Beyond institutional aid, the number of students receiving Pell Grants has also increased.

Knowledge of the availability of Pell Grants and institutional financial aid packages go a long way in informing high-achieving, low-income students that attending a highly selective institution is within their reach. In fact, costs are often lowest to attend a selective institution for a low-income student – on average, yearly tuition for a low-income student at the most competitive institutions rounds out to $6,754, while yearly tuition for a low-income student at a less competitive institution is $26,335. By having an in-depth understanding of the financial aid practices at individual highly selective institutions, high-achieving, low-income students are more likely to view their attendance at a highly selective, competitive school as being financially feasible.

Promising research by Caroline Hoxby shows that personalized mailings help to give high-achieving, low-income students the financial aid literacy they need in order to
consider applying to highly selective institutions. By mailing personalized letters inviting students to apply to a group of colleges based upon their grades and test scores, along with graphs and charts comparing the cost to go to these schools versus local community colleges and state universities nearby, and eight vouchers for students to apply to schools free of charge, the number of high-achieving, low-income students who applied and were admitted to highly selective institutions increased by 31%.¹⁰

Hoxby’s research also suggests that there is an important role for a “matchmaker” in the process; this includes third party organizations that encourage a student to consider a highly selective college. The Joyce Ivy Foundation has found value in the role of “matchmaker” when recruiting students to the Summer Scholars program. Many students are skeptical when they receive direct recruitment messages from a college or university, but trust a third party source that serves students like them.

4. Institutional Priorities

As the enrollment of high-achieving, low-income students increases at highly selective institutions with the interventions described above, institutions have to be cognizant of the financial sustainability of such efforts. With limited spots in first-year classes at the country’s most highly selective institutions, as one population of students increases – in this case, high-achieving, low-income students – another population must invariably decrease, if class size is to remain constant. As such, institutions should consider shifting institutional preferences in the admission process away from athletes and legacy students, who traditionally receive considerable benefit, to low-income students. The preference that athletes and legacy students receive is significant: more than 80% of the nation’s most selective institutions give preference to students of alumni, and athletes are often four times as likely to be admitted as other similarly qualified applicants, but once admitted, underperform in comparison to other students with similar academic profiles.¹¹ Shifting priorities and preferences away from these traditionally favored student populations to high-achieving, low-income U.S. citizens is controversial within higher education. The most selective colleges and universities can afford to do so. It remains for them to engage in a more serious debate with their constituencies – alumni, donors, government, faculty, and society at large – about the relative priorities in the admissions process.
Are we as a society committed to a socioeconomic diversity, or are we not? And, in those circumstances when such a commitment is also consistent with academic meritocracy, what debate is engaged to challenge the assumptions that would simultaneously reject investments that simultaneously improve diversity and academic meritocracy.

5. Class Size

Another, perhaps more viable, option would be to increase overall class size, a tactic that many of the institutions with the greatest increases in Pell allotment have employed over the past six years.

In fact, of the colleges and private and public universities with the greatest increase in Pell allotments between 2007 and 2012, only three – Vassar, Boston University, and University of Florida – increased their Pell allotments without increasing their freshmen class size.

On the flip side, three institutions – Bates, Claremont McKenna, and Mount Holyoke – stand out for their increases in freshmen class size, but their decrease in Pell allotment, evidencing perhaps an especially opportune moment to increase the number of high-achieving, low-income students on campus. Of course, increasing class size is an important strategic decision, but one that should be inextricably linked to increasing socioeconomic diversity above all else.
SECTION 6: Conclusion

While we like to view education as an equalizer among races and classes, the reality is students from the poorest families in the country have a significantly reduced chance, compared to their wealthy peers, of attending highly selective institutions. Research shows that there are thousands of low-income students with the capability of being successful at highly selective institutions who simply do not apply, eliminating their access to generous financial aid and powerful networks that would benefit them tremendously later in life.

As institutions consider their missions and role in increasing access, something needs to change. There is no one-size-fits-all solution, but colleges should carefully consider the set of levers previously outlined and determine the combination that best matches their resources and aspirations to better serve low-income students.

Additionally, greater partnerships with community-based organizations, and leveraging existing programs, such as pre-college summer programs, will help realize gains more rapidly.

Finally, states and school districts also have a role in investing in quality college counseling and partnering with colleges and community-based organizations to serve their students.

While colleges and universities may view their increased commitment to the enrollment of low-income, high-achieving students from a social justice perspective, in this present moment in higher education, it may also stem from a purely practical one. Affirmative action in college admissions, although still legal, will undoubtedly remain a controversial topic in years to come. While not a perfect proxy, a consideration of socioeconomic diversity could become more important, again making the recommendations listed above all that more relevant. Regardless, it is clear that with all the pieces in place - the talent, resources, alignment with institutional mission, and opportunity for great return - highly selective institutions can and should do more to enroll the large number of low-income, high-achieving students in this country.
SECTION 7: Sources


6. Carrie Alexander, Pell Grants & Freshman Class Sizes At Selective American Schools (March 27, 2015)


