Student Aid Policy Analysis

Backgrounder: Athletic Scholarships

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Publisher of Fastweb.com and FinAid.org

May 5, 2011

Attention has recently been drawn to athletic scholarships by consumer advocate Ralph Nader and by US Secretary of Education Arne Duncan. Ralph Nader has called for the elimination of athletic scholarships to de-professionalize college sports and for replacing athletic scholarships with need-based financial aid.[1] Secretary Duncan has called on the NCAA to make ineligible any colleges and universities whose student-athletes have low graduation rates. He has proposed establishing a 40% minimum graduation rate requirement.[2] (A 2001 proposal from the Knight Commission on Intercollegiate Athletics called for a 50% minimum graduation rate.[3])

The purpose of this article is to provide background information on athletic scholarships to help inform discussions concerning athletic scholarships.

The tables in this report are based on data from the National Postsecondary Student Aid Study (NPSAS), analyzed using the data analysis system for the 1992-1993, 1995-1996, 1999-2000, 2003-2004 and 2007-2008 studies. The NPSAS is a large survey conducted every four years by the National Center for Education Statistics (NCES) at the US Department of Education. The 2007-08 NPSAS surveyed 114,000 undergraduate students. The NPSAS includes a variable that reports on institutional athletic scholarships, INATHAMT.[4]

The following analysis is restricted to students enrolled in Bachelor's degree programs.[5] Almost all institutional athletic scholarships are received by students in Bachelor's degree programs, with 95.2% of the $1.1 billion in athletic scholarships in 2007-2008 awarded to students in Bachelor's degree programs.

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[1] *League of Fans Proposes Eliminating Athletic Scholarships to Help Restore Integrity on College Campuses*, League of Fans, March 25, 2011. www.nader.org/index.php?/archives/2252-League-of-Fans-Proposes-Eliminating-Athletic-Scholarships-to-Help-Restore-Integrity-on-College-Campuses.html

[2] Arne Duncan, *What's missing from March Madness? Better academics,* Washington Post, March 16, 2011. www.washingtonpost.com/opinions/whats-missing-from-march-madness-better-academics/2011/03/16/ABY3P5g_story.html

[3] *A CALL TO ACTION: Reconnecting College Sports and Higher Education*, Knight Foundation Commission on Intercollegiate Athletics, June 2001. www.knightcommission.org/images/pdfs/2001_knight_report.pdf

[4] In 2007-2008 the variable description for INATHAMT includes the following note, which potentially affects the accuracy of analyses involving this variable: "For undergraduates, amounts greater than $20,000 were edited and set to $20,000." Other NPSAS years do not include a similar note.

[5] This restriction is based on the UGDEG variable in 2003-2004 and 2007-2008, DEGFIRST in 1995-1996 and 1999-2000, and PROGRAM in 1992-1993.

Growth in Athletic Scholarship Funding

The following table shows total athletic scholarship funding, the percentage of undergraduate students in Bachelor's degree programs who receive athletic scholarships and the average amount of those scholarships for each study year. Total athletic scholarship funding has grown at an annual rate of 4.5% over the fifteen years spanned by this table, from a recent low of 3.3% per year to a high of 5.1% per year.

NPSAS Year	Percentage Receiving Athletic Scholarships	Average Athletic Scholarship Amount	Total Athletic Scholarship Funding
2007-2008	1.4%	$7,855	$1.1 billion
2003-2004	1.6%	$6,252	$950 million
1999-2000	1.6%	$6,083	$796 million
1995-1996	1.8%	$4,781	$652 million
1992-1993	1.7%	$4,144	$570 million

The average total institutional grant (including athletic scholarships in addition to need-based and non-need-based institutional grants) was $10,257 for recipients of athletic scholarships in 2007-08, compared with $6,278 for non-recipients, a difference of $3,979. However, the average tuition and fees was $12,616 for recipients of athletic scholarships, $3,146 higher than the $9,470 average for non-recipients, and the average total cost of attendance for recipients of athletic scholarships was $24,335, $4,560 higher than the $19,775 average for non-recipients. This suggests that the athletic scholarships enabled the students to enroll in more expensive colleges, but also that the athletic scholarships might not represent a significant financial advantage for the students as compared with the institutional grants they might otherwise have received.[6] Individual student's experiences, of course, may vary from the averages.

On the other hand, cumulative debt at graduation is lower for athletic scholarship recipients than non-recipients. 56.7% of Bachelor's degree recipients who received athletic scholarships in 2007-08 graduated with debt, compared with 65.3% of students who did not receive an athletic scholarship in 2007-08. The average cumulative debt at graduation was $17,937 for students who received an athletic scholarship, $5,236 lower than the $23,173 average for non-recipients.

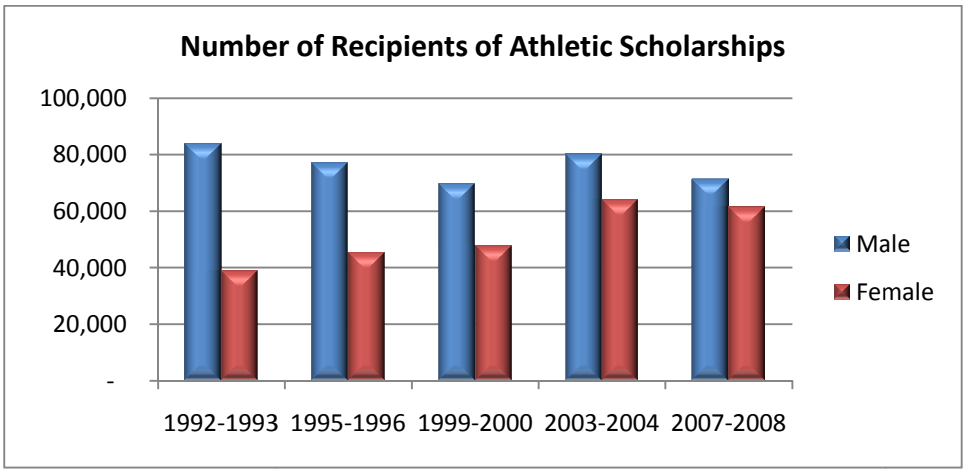
Distribution by Gender

While there have been improvements in gender equity in athletic scholarships, men continue to receive a disproportionate share of athletic scholarships despite the Patsy Mink Equal Opportunity in Education Act (Title IX of the Education Amendments of 1972). The distribution of dollars is similar to the distribution of the number of recipients.

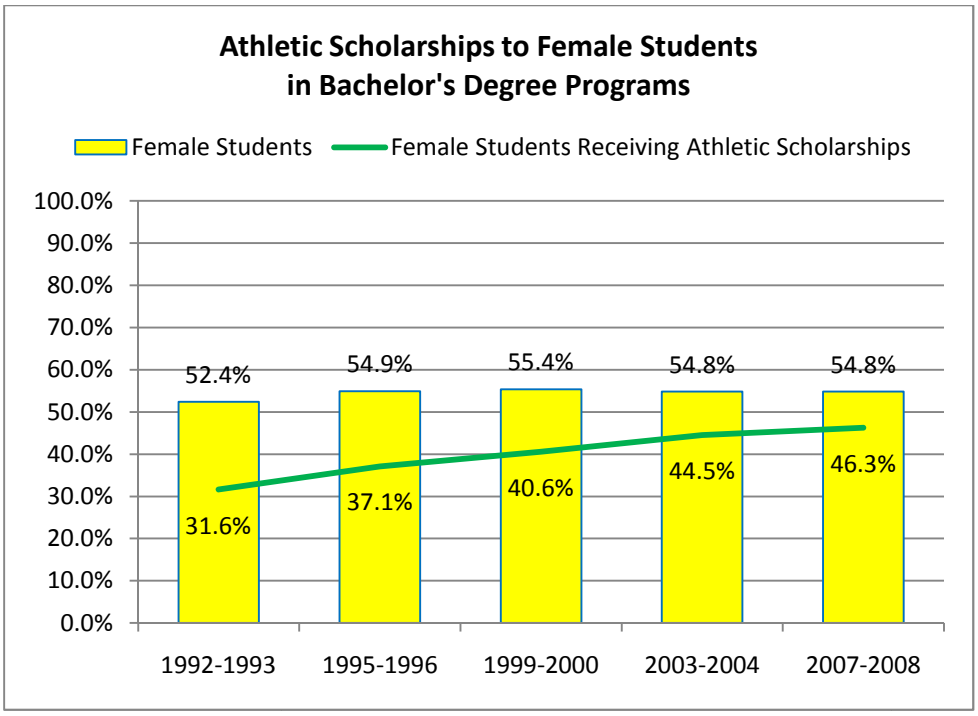
Gender Split / NPSAS Year	Among Recipients of Athletic Scholarships in Bachelor's Degree Programs		Among All Students in Bachelor's Degree Programs	
	Male	Female	Male	Female
2007-2008	53.7%	46.3%	45.2%	54.8%
2003-2004	55.5%	44.5%	45.2%	54.8%
1999-2000	59.4%	40.6%	44.6%	55.4%
1995-1996	62.9%	37.1%	45.1%	54.9%
1992-1993	68.4%	31.6%	47.6%	52.4%

[6] GPA and academic test scores suggest a slight admission advantage for athletic scholarship recipients, the equivalent of a 0.1 difference in GPA, a 56 point difference in SAT scores and a 1.4 point difference in ACT scores.

In 2007-2008, 1.6% of men and 1.1% of women received athletic scholarships, compared with 2.4% of men and 1.0% of women in 1992-1993. The improvements in gender equity appear to have occurred primarily through increases in the number of women receiving athletic scholarships, while the number of men receiving athletic scholarships has been more or less flat, as illustrated by the following chart.



The following chart shows the increases in the percentage of students receiving athletic scholarships who are female. The rate of increase has slowed considerably since 1992-1993, from 1.4% per year then to 0.5% per year now. If the improvements continue to occur at the current pace, it will take up to 17 more years before full gender equity is achieved.



The following table disaggregates the gender split data for 2007-2008 by institutional control and selectivity. This demonstrates that the failure to achieve gender equity persists across all college types and selectivity levels.

2007-2008 NPSAS College Type	Among Recipients of Athletic Scholarships in Bachelor's Degree Programs		Among All Students in Bachelor's Degree Programs	
	Male	Female	Male	Female
Public	55.3%	44.7%	46.3%	53.7%
Non-Profit	51.1%	48.9%	43.7%	56.3%
Very Selective	56.3%	43.7%	47.7%	52.3%
Moderately Selective	52.1%	47.9%	44.8%	55.2%
Minimally Selective	56.0%	44.0%	44.2%	55.8%
Open Admission	56.0%	44.0%	46.6%	53.4%

Distribution by Race

The following table disaggregates the distribution of athletic scholarships by race. Among minority students, African-American or Black students tend to get a greater share of athletic scholarships, but minority students as a whole now receive athletic scholarships roughly in proportion to their prevalence among students enrolled in Bachelor's degree programs. It is unclear why the percentage of Asian students receiving athletic scholarships dropped significantly in 2007-2008.

Race	Among Recipients of Athletic Scholarships				Among All Students			
NPSAS Year	White	Black	Hispanic	Asian	White	Black	Hispanic	Asian
2007-2008	65.2%	22.8%	8.7%	0.1%	66.2%	12.2%	11.5%	6.2%
2003-2004	73.7%	17.2%	5.8%	1.1%	67.7%	11.8%	10.4%	5.6%
1999-2000	73.4%	18.0%	5.1%	0.8%	70.3%	10.4%	9.5%	5.8%
1995-1996	68.5%	22.5%	5.0%	2.2%	72.8%	10.6%	8.1%	6.9%
1992-1993	71.4%	19.2%	3.7%	1.0%	75.8%	9.7%	6.3%	4.5%

Distribution by Income

The following table shows the distribution of athletic scholarships by income using the constant dollar equivalent of $50,000 in 2007-2008 dollars.[7] The income figures are based on the CAGI variable except for 1999-2000, when only the CINCOME variable was available. CINCOME is usually greater than CAGI, explaining the shift in the distribution for that year.

Income NPSAS Year	< $50,000 Constant Dollar	$50,000 to $100,000 Constant Dollar	≥ $100,000 Constant Dollar
2007-2008	39.1%	36.7%	24.1%
2003-2004	39.4%	38.2%	22.4%
1999-2000	34.0%	39.9%	26.1%
1995-1996	40.2%	43.2%	16.5%
1992-1993	47.8%	39.6%	12.6%

[7] The following are the equivalents of $50,000 in 2007-2008 dollars: $43,868 in 2003-2004, $39,990 in 1999-2000, $36,437 in 1995-1996 and $33,557 in 1992-1993.

The following table shows the percentage of students receiving athletic scholarships who also received a Pell Grant. This distribution is similar to the distribution of the Pell Grant among all students.

Among Recipients of Athletic Scholarships NPSAS Year	Percent Receiving Pell Grants
2007-2008	27.0%
2003-2004	25.8%
1999-2000	24.2%
1995-1996	26.7%
1992-1993	25.2%

The average family adjusted gross income (AGI) for athletic scholarship recipients in 2007-08 was $73,100, compared with $68,436 for non-recipients. The following table shows the percentile distribution of AGI for recipients and non-recipients.

Income (AGI) Athletic Scholarships	10th Percentile	25th Percentile	50th Percentile (Median)	75th Percentile	90th Percentile
Non-Recipient	$7,905	$22,603	$54,793	$95,844	$136,145
Recipient	$10,000	$27,413	$66,796	$99,357	$140,776

Thus recipients of athletic scholarships tend to be somewhat wealthier than non-recipients.

Distribution by GPA

The following table shows the distribution of recipients and non-recipients of athletic scholarships by undergraduate GPA for 2007-08. It demonstrates a shift from As to Bs and Cs for athletic scholarship recipients as compared with non-recipients. The average GPA was 2.88 for athletic scholarship recipients and 2.99 for non-recipients, a 0.11 difference in GPA.

Undergraduate Grade Point Average (GPA) for Students in Bachelor's Degree Programs							
Athletic Scholarships	0.5-0.9 (D- to D)	1.0-1.4 (D to C-)	1.5-1.9 (C- to C)	2.0-2.4 (C to B-)	2.5-2.9 (B- to B)	3.0-3.4 (B to A-)	3.5-4.0 (A- to A)
Non-Recipient	0.7%	2.0%	4.7%	13.9%	22.9%	28.8%	27.1%
Recipient	0.4%	1.8%	3.8%	21.1%	28.1%	26.7%	18.2%

The following table shows the distribution of recipients and non-recipients of athletic scholarships by high school GPA for 2007-08. It demonstrates a slight shift from As to Bs for athletic scholarship recipients as compared with non-recipients.

High School Grade Point Average (GPA) for Students in Bachelor's Degree Programs							
Athletic Scholarships	0.5-0.9 (D- to D)	1.0-1.4 (D to C-)	1.5-1.9 (C- to C)	2.0-2.4 (C to B-)	2.5-2.9 (B- to B)	3.0-3.4 (B to A-)	3.5-4.0 (A- to A)
Non-Recipient	0.1%	0.2%	0.9%	7.8%	10.9%	36.2%	43.9%
Recipient	0.2%	0.2%	0.8%	7.5%	10.4%	41.4%	39.6%

Distribution by Academic Test Scores

The average SAT score in 2007-08 for recipients of athletic scholarships was 989, compared with 1045 for non-recipients, a 56-point difference. The average ACT score in 2007-08 for recipients of athletic scholarships was 21.1, compared with 22.5 for non-recipients, a 1.4 point difference. Higher SAT and ACT test scores are an indication of better academic performance.

Distribution by Urbanization

The following tables show the distribution of athletic scholarship recipients and non-recipients in 2007-08 by degree of urbanization. The first table shows that athletic scholarship recipients are less likely to come from a city and more likely to come from a rural area than non-recipients.

Athletic Scholarships	City	Suburb	Town	Rural
Non-Recipient	30.7%	39.2%	7.8%	22.4%
Recipient	25.0%	38.8%	8.2%	27.9%

The second table shows that these differences are due mainly to differences in large cities and rural fringe areas. This result is not consistent with the widely held but unproven belief that athletic scholarships represent a path out of poverty for urban youth.

All Students	City			Suburb			Town			Rural		
Athletic Scholarships	Large	Midsize	Small	Large	Midsize	Small	Fringe	Distant	Remote	Fringe	Distant	Remote
Non-Recipient	16.2%	6.9%	7.6%	33.8%	3.4%	2%	2%	3.5%	2.3%	13.9%	6.6%	1.9%
Recipient	8.7%	7.1%	9.2%	34.2%	3.2%	1.4%	2.8%	3.2%	2.2%	17.3%	8.3%	2.3%

The results are similar when the data is restricted to Pell Grant recipients. Even if one compares Pell Grant recipients who received an athletic scholarship with all students who did not receive an athletic scholarship, the differences are mainly in large cities and rural fringe areas.

Pell Grant Recipients	City			Suburb			Town			Rural		
Athletic Scholarships	Large	Midsize	Small	Large	Midsize	Small	Fringe	Distant	Remote	Fringe	Distant	Remote
Non-Recipient	20.8%	7.2%	7.8%	28.4%	3.0%	2.0%	1.9%	4.2%	3.0%	11.9%	7.1%	2.6%
Recipient	13.2%	6.4%	10.7%	27.5%	2.2%	2.0%	4.2%	4.6%	2.6%	17.5%	7.1%	2.2%

Distribution by Institutional Control

The following table shows the distribution of athletic scholarship recipients and non-recipients by type of college in 2007-08. Recipients of athletic scholarships are significantly more likely to be enrolled at non-profit colleges than non-recipients, even if one omits students at for-profit colleges. The probability of receiving an athletic scholarship is 1.3% at a public college and 1.8% at a non-profit college.

Athletic Scholarships	Public	Non-Profit	For-Profit
Non-Recipients	66.2%	28.4%	5.3%
Recipients	61.9%	38.1%	0.0%

Distribution by Major

The following table shows the distribution of athletic scholarship recipients and non-recipients by major in 2007-08. Recipients of athletic scholarships are much less likely to major in computer science, engineering, humanities and healthcare than non-recipients, and much more likely to major in business and personal and consumer services.

Major	Athletic Scholarship Non-Recipients	Athletic Scholarship Recipients
Undeclared	6.0%	6.7%
Computer Science	3.4%	0.9%
Engineering	6.2%	4.5%
Science (Biology, Physics)	7.4%	8.1%
Mathematics	0.8%	1.0%
Agriculture	1.1%	1.4%
General Studies	4.7%	5.6%
Social Sciences	6.1%	6.8%
Psychology	4.8%	4.2%
Humanities	8.1%	3.5%
History	1.6%	1.1%
Personal and Consumer Services	1.5%	6.6%
Manufacturing, Construction, Transportation	0.6%	0.2%
Military Technology and Protective Services	2.5%	2.0%
Healthcare	8.1%	6.0%
Business	20.6%	25.2%
Education	7.8%	8.9%
Architecture	0.7%	0.5%
Communications	3.9%	5.3%
Public Administration and Human Services	1.7%	0.5%
Design and Applied Arts	1.5%	0.5%
Law	0.7%	0.3%
Theology	0.3%	0.1%

Graduation Rates

The following data is based on the 2009 Beginning Postsecondary Students longitudinal study (BPS:04/09). This study tracks outcomes for 16,700 undergraduate students who first enrolled in college in 2003-04.

Of students in Bachelor's degree programs who received athletic scholarships in 2003-04, 72.5% graduated with a Bachelor's degree by 2009 (i.e., within 6 years). This compares with 63.0% for non-recipients. For comparison, 74.4% of students who received private scholarships (which don't include institutional athletic scholarships) graduated with a Bachelor's degree in 6 years. The graduation rates for men and women were similar, 72.6% and 72.5%, respectively. The graduation rates for athletic scholarship recipients were 71.1% at public colleges and 73.7% at non-profit colleges.