

The Distribution of Grants and Scholarships by Race

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This paper presents data concerning the distribution of grants and scholarships by race. It debunks the race myth, which claims that minority students receive more than their fair share of scholarships. The reality is that minority students are less likely to win private scholarships or receive merit-based institutional grants than Caucasian¹ students. Among undergraduate students enrolled full-time/full-year in Bachelor's degree programs at four-year colleges and universities, minority students represent about a third of applicants but slightly more than a quarter of private scholarship recipients. Caucasian students receive more than three-quarters (76%) of all institutional merit-based scholarship and grant funding, even though they represent less than two-thirds (62%) of the student population. Caucasian students are 40% more likely to win private scholarships than minority students.

SCHOLARSHIPS RESTRICTED TO CAUCASIAN STUDENTS

Every few years someone creates a "Whites Only" scholarship and justifies it by claiming that there aren't any scholarships for Caucasian students. For example, Colby Bohannon, one of the founders of the Former Majority Association for Equality (FMAE), was quoted in an article on the web site of a Texas television station² as saying "It just got really frustrating when every other scholarship you happen to find online you need not apply to based on your ethnicity or gender." Similar scholarships are also created to protest affirmative action policies and race-based scholarships.

While there are very few private scholarships that are explicitly targeted at Caucasian students as a category,³ Caucasian students receive a disproportionately greater share of private scholarships and merit-based grants. Caucasian students receive more than three times as much in merit-based grant and private scholarship funding as minority students.

These "Whites Only" scholarships are usually created by students who are frustrated at their own inability to find and win scholarships. Nationwide, only about 1 in 20 (5.5%) of undergraduate students and about 1 in 8 (12.1%) of full-time Bachelor's degree students at 4-year colleges and universities pay for college with private scholarships. The average amount per recipient used per year is only about \$2,500 to \$3,000. While the odds of winning a private scholarship are somewhat higher for Caucasian students, most families tend to overestimate their eligibility for merit-based scholarships. For example, graduating with high class rank does not guarantee that the student will win a scholarship, since there are more than 85,000 high school valedictorians and salutatorians nationwide each year.⁴ Private scholarships are

¹ The terms 'White' and 'Caucasian' are used interchangeably and synonymously in this paper, as are the terms 'Black' and 'African-American' and the terms 'Latino' and 'Hispanic'.

² Jason Whitely, *African-American hands out a 'whites-only' scholarship*, WFAA-TV (Dallas/Fort Worth), June 30, 2011. www.wfaa.com/news/national/African-American-hands-out-a-whites-only-scholarship-124822514.html

³ There are, however, many scholarship programs restricted to particular Caucasian ethnicities, such as scholarships for students of German, Greek, Italian, Irish, Norwegian, Polish, Scottish, Swedish or Welsh heritage.

⁴ This estimate is derived from the number of public and private secondary schools in the US by assuming one valedictorian and one salutatorian per school.

competitive enough that the majority of students will not win a scholarship. When they don't win a scholarship, some students express their disappointment by blaming racial or gender preferences and restrictions, implying that minority students would not otherwise qualify for a scholarship.

Most such Caucasian-restricted scholarship programs do not survive for more than a few years, typically ending soon after the founders graduate. Examples of these race-restricted private scholarships include:

- Former Majority Association for Equality (FMAE), founded by a student (and veteran) from Texas State University (San Marcos, Texas) in 2011.⁵ Restricted to male college students who are at least ¼ Caucasian with a 3.0 or higher GPA.
- United Caucasian College Fund (UNCCF), founded by a veteran in 2008.⁶ Restricted to Caucasian students.
- The BUCR Caucasian Achievement and Recognition Scholarship (CARS), founded by the College Republicans at Boston University (Boston, Massachusetts) in 2006.⁷ Restricted to full-time BU undergraduate students who are at least ¼ Caucasian with a 3.2 or higher GPA. Defunct.
- Average Joe Scholarship Fund in 2006, founded by the mother of a college student.⁸ Restricted to Caucasian male undergraduate students. Defunct.
- Kerr-Otis Partnership for Socio-Economic Scholarships (KOPSES) by students at the University of Missouri (Columbia, Missouri), in 2004.⁹ Later renamed American-Coalition for Socio-Economic Scholarships (ACSES). Restricted to undergraduate students who are at least 1/8 European-American descent. Defunct.
- RWUCR White Scholarship Award, founded by the Roger Williams University chapter of the College Republicans (Bristol, Rhode Island) in 2004. Defunct.
- United White Persons College Fund, founded by a student at Texas Tech University (Lubbock, Texas) in 2003. Defunct.

State initiatives banning the use of racial preferences in college admissions and financial aid at public colleges, such as the Michigan Civil Rights Initiative (Proposal 2), the Washington Civil Rights Act (Initiative 200) and California's Proposition 209 also claim that they are motivated in part by concern over the inequitable distribution of funds. They argue that granting of racial preferences unfairly discriminates against non-minorities. They say that they believe that scholarships and financial aid should be awarded solely on the basis of need and ability, not race.

There are also several college-specific endowed scholarships that are restricted to Caucasian students. These scholarships and their restrictions were established by testamentary bequests to the colleges or associated college foundations.

⁵ www.fmafe.org

⁶ www.unccfonline.com

⁷ The web site at <http://people.bu.edu/colrepub> has not been updated since 2006.

⁸ The web site at averagejoescholarshipfund.org has been defunct since 2007. A press release announcing the scholarship can be found at www.prweb.com/releases/2006/01/prweb330108.htm.

⁹ www.columbiamissourian.com/stories/2004/04/15/duo-creates-white-scholarship-as-protest/

- Bequest from Marguerite Hornbeck to the University of California’s Board of Regents for scholarships for “very poor, American, Caucasian scholars” in 1992.
- Mr. and Mrs. Skip Bean Scholarship at the University of Southern Mississippi. Restricted to dependents of a single parent with financial need. “Preference is to be given to a Caucasian, out-of-state student with a minimum 2.5 GPA.”
- Stefan Allan Zweig Memorial Scholarship at State University of New York, Binghamton. Restricted to male Caucasian students in urban planning and development or a related field.
- Francis C. Arthur Scholarship at the University of South Carolina. Restricted to unmarried Caucasian freshmen who are residents of South Carolina.
- Werner Scott Scholarship at the University of California, Los Angeles in 1945. Restricted to Caucasian students from Hawaii who are not of Polynesian blood.

Others scholarships for Caucasian students were created for integration and race-relations purposes.

- Oregon League of Minority Voters in 2010, for Caucasian students studying race relations.¹⁰
- Diversity Scholarship programs at Alcorn State University, Jackson State University and Mississippi Valley State University, funded by the Mississippi state legislature in 1997, ordered by US District Judge Neal Biggers Jr. to award at least 65% of the scholarships from the trust fund to white students, not just nonblack students.¹¹ These scholarships were designed to attract Caucasian students to the three historically-black institutions.
- Diversity Scholarship programs at Alabama State University and Alabama A&M University, created by federal court order in 1995.¹² These scholarships were designed to attract Caucasian students to the two historically-black institutions.

METHODOLOGY

The tables presented in this report are based on data from the National Postsecondary Student Aid Study (NPSAS), analyzed using the data analysis system for the 2003-04 and 2007-08 studies. The NPSAS is a large, statistically significant survey of undergraduate and graduate students to determine how they paid for college. The NPSAS is conducted every four years by the National Center for Education Statistics (NCES) at the US Department of Education. The 2007-08 NPSAS was based on a nationally-representative stratified sample of more than 114,000 undergraduate students and 14,000 graduate and professional students. The 2003-04 NPSAS was based on a nationally-representative stratified sample of more than 80,000 undergraduate students and 11,000 graduate and professional students.

The statistics in this report concern the distribution of financial aid according to race, without regard to whether racial preferences were used in the awarding of the financial aid funds. Most scholarships do not use explicit racial preferences. There may, however, be implicit racial preferences. For example, scholarship search background profile data demonstrates that minority students are less likely to

¹⁰ www.oregonlive.com/education/index.ssf/2010/02/oregon_minority_group_to_offer.html

¹¹ www.chronicle.com/article/Judge-Tells-Black-Colleges-in/20522/

¹² *Ayers v. Fordice*, 879 F. Supp. 1419, 1477 (N.D. Miss. 1995), *aff'd in part, rev'd in part, remanded*, 111 F.3d 1183 (5th Cir. 1997), *cert. denied*, 118 S. Ct. 871 (1998).

participate in equestrian sports, so rodeo scholarships and scholarships for horseback riding tend to be disproportionately awarded to Caucasian students. Similarly, scholarships for students majoring in Black Studies tend to be disproportionately awarded to African-American students. Additional examples of implicit racial preferences are discussed in the analysis section at the end of this paper.

PRIVATE SCHOLARSHIPS

Overall, 5.5% of undergraduate students received private sector scholarships in 2007-08, and the average amount received by those students was \$2,523.

The following table provides information about the distribution of private scholarships to students from each race, including the probability of winning a scholarship, the number of recipients, the total scholarship funding and a comparison of the percentage of recipients, the percentage of funding and the percentage of the student population. As this table demonstrates, Caucasian students are more likely to win private scholarships than African-American, Latino or Asian students. While there are very few private scholarships that are explicitly restricted to Caucasian students, Caucasian students receive a disproportionately greater share of private scholarship funding. Caucasian students represent 69.3% of private scholarship recipients but only 61.8% of the undergraduate student population. This is in contrast with minority students, who represent 30.5% of scholarship recipients and 38.0% of the undergraduate student population. Caucasian students are 40% more likely to win private scholarships than minority students.

To put minority students on an equal footing would require increasing annual private scholarship awards for African-American students by \$83 million and Latino students by \$197 million. These figures are based on equalizing the mean grant, the ratio of total funding to total student enrollment, so that all racial groups have the same mean grant. Equalizing just the probability of receiving a private scholarship without changing the average scholarship amount per recipient would require increasing total private scholarship funding by \$138 million for African-American students and \$179 million for Latino students.

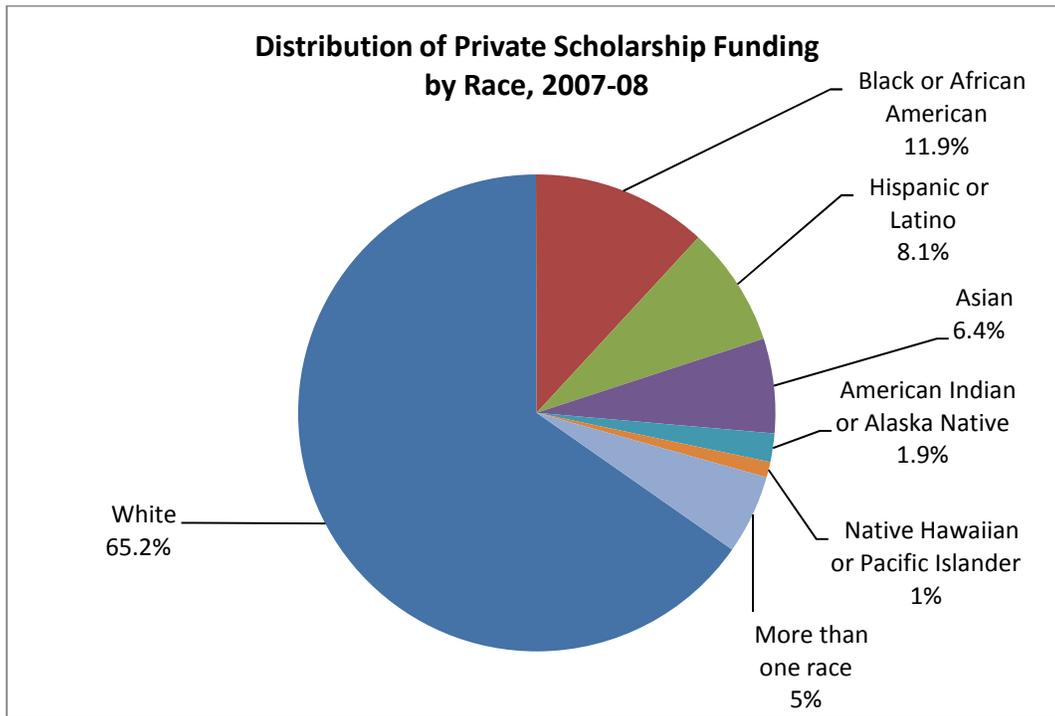
Private Scholarships All Students	Percentage Receiving Private Scholarships	Average Scholarship Amount Received	Total Private Scholarship Funding	Number of Scholarship Recipients	Percentage of Scholarship Recipients	Percentage of Total Funding	Percentage of Student Population
Total	5.5%	\$2,523	\$2,908 million	1,152,300	100.0%	100.0%	100.0%
White	6.2%	\$2,368	\$1,891 million	798,400	69.3%	65.0%	61.8%
All Minority Students	4.4%	\$2,871	\$1,008 million	351,100	30.5%	34.7%	38.0%
Black or African-American	4.4%	\$2,671	\$345 million	129,000	11.2%	11.9%	14.0%
Hispanic or Latino	3.5%	\$2,269	\$236 million	103,900	9.0%	8.1%	14.1%
Asian	4.3%	\$3,516	\$186 million	52,800	4.6%	6.4%	5.9%
American Indian or Alaska Native¹³	10.8%	\$2,935	\$56 million	19,000	1.6%	1.9%	0.8%
Native Hawaiian or Pacific Islander¹⁴	4.1%	\$4,900	\$30 million	6,200	0.5%	1.0%	0.7%
More Than One Race	8.1%	\$3,878	\$156 million	40,200	3.5%	5.4%	2.4%

This table reports the percentage of students receiving scholarships by race and not the percentage of scholarships that are restricted to students of each race. Minority students can and do win many scholarships that are not race-exclusive. Less than 5% of all scholarship programs and less than 10% of the total number of individual scholarships consider the student's race among their eligibility criteria. Most race-restricted scholarships also include additional criteria based on academic performance, extracurricular activities and community service.

¹³ The figures for American Indian or Alaska Native students may be unreliable due to small sample size.

¹⁴ The figures for Native Hawaiian or Pacific Islander students may be unreliable due to small sample size.

The following pie chart shows the distribution of total private scholarship funding by race, demonstrating that Caucasian students receive the majority of private scholarship funding.



The next table provides information on the distribution of private scholarships by race, but only for students who are enrolled full-time/full-year in Bachelor's degree programs at 4-year colleges and universities.¹⁵ Caucasian students receive a disproportionately greater share of these scholarships. Minority students represent 31.0% of the student population but only 27.5% of the scholarship recipients, while Caucasian students represent 68.2% of the student population and 71.7% of the scholarship recipients.

Private Scholarships Bachelor's Degree Programs 4-year, Full-Time/Full-Year Race	Percentage Receiving Private Scholarships	Average Scholarship Amount Received	Total Private Scholarship Funding	Number of Scholarship Recipients	Percentage of Scholarship Recipients	Percentage of Total Funding	Percentage of Student Population
Total	12.1%	\$2,789	\$1,799 million	644,800	100.0%	100.0%	100.0%
White	12.7%	\$2,651	\$1,226 million	462,400	71.7%	68.1%	68.2%
All Minority Students	10.7%	\$3,073	\$544 million	177,000	27.5%	30.2%	31.0%
Black or African-American	11.7%	\$2,949	\$196 million	66,400	10.3%	10.9%	10.7%
Hispanic or Latino	9.1%	\$2,330	\$123 million	52,600	8.2%	6.8%	10.9%
Asian	8.4%	\$3,158	\$90 million	28,500	4.4%	5.0%	6.4%
American Indian or Alaska Native¹⁶	30.0%	\$4,153	\$35 million	8,500	1.3%	2.0%	0.5%
Native Hawaiian or Pacific Islander¹⁷	13.1%	NA	NA	NA	NA	NA	NA
More Than One Race	15.4%	\$4,773	\$100 million	21,000	3.3%	5.6%	2.6%

¹⁵ The table on page 17 of the *Secrets to Winning a Scholarship* (2011) book reports that minority students represent 33.8% of applicants but only 28.5% of scholarship recipients, compared with the 31.0% and 27.5% figures from this table. The book's table differs from this table because that table adds a restriction to students who applied for financial aid and this table adds a restriction to students in Bachelor's degree programs (some undergraduate students at 4-year colleges are enrolled in Associate's degree or Certificate programs).

¹⁶ The figures for American Indian or Alaska Native students may be unreliable due to small sample size.

¹⁷ The figures for Native Hawaiian or Pacific Islander students may be unreliable due to small sample size.

The following table provides information on the distribution of private scholarships by race, but only for students who received a Pell Grant. This demonstrates that Caucasian students are still more likely to win private scholarships than African-American, Latino or Asian students even when adjusted for differences in financial need. Minority students represent 52.7% of Pell Grant recipients but receive only 46.6% of private scholarships, while Caucasian students represent 46.3% of Pell Grant recipients but receive 52.5% of private scholarships.

Private Scholarships Pell Grant Recipients	Percentage Receiving Private Scholarships	Average Scholarship Amount Received	Total Private Scholarship Funding	Number of Scholarship Recipients	Percentage of Scholarship Recipients	Percentage of Total Funding	Percentage of Student Population
Total	6.0%	\$2,658	\$919 million	345,800	100.0%	100.0%	100.0%
White	6.9%	\$2,446	\$444 million	181,700	52.5%	48.3%	46.3%
All Minority Students	5.3%	\$2,872	\$463 million	161,100	46.6%	50.3%	52.7%
Black or African-American	5.2%	\$2,716	\$192 million	70,800	20.5%	20.9%	23.7%
Hispanic or Latino	4.1%	\$2,366	\$112 million	47,400	13.7%	12.2%	20.4%
Asian	6.8%	\$3,832	\$72 million	18,900	5.5%	7.9%	4.8%
American Indian or Alaska Native	10.0%	\$3,235	\$21 million	6,400	1.9%	2.3%	1.1%
Native Hawaiian or Pacific Islander	4.0%	NA	NA	NA	NA	NA	NA
More Than One Race	11.5%	\$3,703	\$65 million	17,600	5.1%	7.1%	2.7%

The following table provides information on the distribution of private scholarships by race, but only for students with a high school GPA of 3.5 or better on a 4.0 scale (A- to A). Even among these high GPA students, Caucasian students are more likely to win private scholarships than African-American, Latino or Asian students. Minority students represent 29.2% of high GPA students but receive only 22.4% of private scholarships, while Caucasian students represent 70.0% of high GPA students but receive 76.8% of private scholarships.

Private Scholarships H.S. GPA ≥ 3.5 (A- to A)	Percentage Receiving Private Scholarships	Average Scholarship Amount Received	Total Private Scholarship Funding	Number of Scholarship Recipients	Percentage of Scholarship Recipients	Percentage of Total Funding	Percentage of Student Population ¹⁸
Total	10.4%	\$2,731	\$1,531 million	560,400	100.0%	100.0%	100.0%
White	11.4%	\$2,570	\$1,106 million	430,600	76.8%	72.3%	70.0%
All Minority Students	8.0%	\$3,228	\$405 million	125,400	22.4%	26.5%	29.2%
Black or African-American	9.1%	\$3,235	\$112 million	34,600	6.2%	7.3%	7.1%
Hispanic or Latino	6.2%	\$2,665	\$103 million	38,600	6.9%	6.7%	11.6%
Asian	6.9%	\$3,160	\$88 million	27,800	5.0%	5.7%	7.5%
American Indian or Alaska Native	20.3%	\$4,890	\$33 million	6,800	1.2%	2.2%	0.6%
Native Hawaiian or Pacific Islander	9.4%	NA	NA	NA	NA	NA	NA
More Than One Race	14.0%	\$3,917	\$69 million	17,600	3.1%	4.5%	2.3%

The following table provides information on the distribution of private scholarships by race, but only for students with a college GPA of 3.5 or better on a 4.0 scale (A- to A). Even among these high GPA students, Caucasian students are more likely to win private scholarships than African-American, Latino or Asian students. Minority students represent 29.9% of high GPA students but receive only 22.2% of private scholarships, while Caucasian students represent 69.3% of high GPA students but receive 76.9% of private scholarships.

¹⁸ The percentage of student population column in both the high school and college GPA tables is restricted to the percentage of just high GPA students. A subsequent table illustrates how the percentage of students in the high GPA group varies according to race. Note that 14.0% of Caucasian students and 13.3% of Asian students with an SAT combined score (or ACT equivalent) of 1300/1600 received private scholarships, compared with 8.9% of African-American students and 5.7% of Latino students.

Private Scholarships College GPA ≥ 3.5 (A- to A)	Percentage Receiving Private Scholarships	Average Scholarship Amount Received	Total Private Scholarship Funding	Number of Scholarship Recipients	Percentage of Scholarship Recipients	Percentage of Total Funding	Percentage of Student Population
Race							
Total	7.3%	\$2,623	\$1,152 million	439,100	100.0%	100.0%	100.0%
White	8.1%	\$2,444	\$825 million	337,600	76.9%	71.6%	69.3%
All Minority Students	5.4%	\$3,181	\$310 million	97,400	22.2%	26.9%	29.9%
Black or African-American	5.1%	\$2,654	\$75 million	28,200	6.4%	6.5%	9.2%
Hispanic or Latino	3.8%	\$2,583	\$67 million	25,900	5.9%	5.8%	11.3%
Asian	6.8%	\$3,363	\$88 million	26,200	6.0%	7.7%	6.4%
American Indian or Alaska Native	11.5%	\$2,897	\$13 million	4,500	1.0%	1.1%	0.7%
Native Hawaiian or Pacific Islander	7.4%	NA	NA	NA	NA	NA	NA
More Than One Race	8.9%	\$5,311	\$67 million	12,600	2.9%	5.8%	2.4%

The following table shows how the number of private scholarship recipients in the high GPA group varies as a percentage of total student enrollments according to race. Almost a third of Caucasian students and Asian students who received private scholarships are in the high college GPA group, but only about a fifth of African-American, Latino, American Indian or Alaska Native, and Native Hawaiian or Pacific Islander students. This difference is the equivalent of about a 0.25 difference in the GPA on a 4.0 scale overall, and a 0.40 GPA difference for African-American students.

GPA ≥ 3.5 (A- to A)	Percentage with High GPA (College)	Percentage with High GPA (High School)
Race		
Total	28.8%	25.7%
White	32.3%	29.2%
All Minority Students	23.1%	20.2%
Black or African-American	18.8%	13.0%
Hispanic or Latino	22.9%	21.2%
Asian	31.3%	32.7%
American Indian or Alaska Native	22.4%	19.0%
Native Hawaiian or Pacific Islander	23.8%	22.7%
More Than One Race	28.6%	25.4%

The next table shows the distribution of high school GPA for all students, not just private scholarship recipients. Caucasian students are more likely to have higher grades than African-American, Latino and other minority students except for Asian students.

High School GPA	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)
Race							
Total	0.1%	0.4%	1.9%	12.9%	14.0%	37.3%	33.4%
White	0.1%	0.3%	1.8%	11.1%	13.0%	36.5%	37.3%
All Minority Students	0.2%	0.5%	2.2%	16.0%	15.6%	38.6%	27.0%
Black or African-American	0.1%	0.8%	3.3%	20.2%	19.2%	36.8%	19.7%
Hispanic or Latino	0.2%	0.3%	1.9%	15.4%	15.4%	40.4%	26.4%
Asian	0.2%	0.2%	1.1%	9.8%	10.9%	37.6%	40.2%
American Indian or Alaska Native	0.8%	1.3%	2.8%	16.1%	10.6%	40.3%	28.2%
Native Hawaiian or Pacific Islander	0.0%	0.2%	2.9%	17.0%	15.5%	36.7%	27.7%
More Than One Race	0.1%	0.4%	1.6%	14.8%	11.8%	39.0%	32.4%

The next table shows the distribution of college GPA for all students, not just private scholarship recipients. Caucasian students are much more likely to have higher grades than African-American, Latino and other minority students except for Asian students.

College GPA Race	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)
Total	1.1%	3.4%	5.4%	13.2%	19.1%	25.6%	32.3%
White	0.9%	2.8%	4.3%	11.7%	17.8%	26.2%	36.3%
All Minority Students	1.4%	4.3%	7.0%	15.6%	21.3%	24.6%	25.8%
Black or African-American	2.0%	5.1%	8.2%	18.0%	22.1%	23.5%	21.0%
Hispanic or Latino	1.3%	4.2%	7.0%	15.3%	21.1%	25.4%	25.6%
Asian	0.7%	2.8%	4.1%	12.1%	19.0%	26.0%	35.3%
American Indian or Alaska Native	1.2%	4.1%	10.2%	13.7%	25.8%	20.4%	24.6%
Native Hawaiian or Pacific Islander	1.1%	5.0%	5.9%	18.0%	18.4%	25.9%	25.7%
More Than One Race	0.8%	3.2%	6.1%	12.3%	22.0%	23.5%	32.1%

PELL GRANT

The Federal Pell Grant is the largest need-based federal grant program. The following table illustrates the distribution of the Pell Grant according to race. While minority students are more likely to receive such need-based grants than Caucasian students, the distribution is largely consistent with the prevalence of minority students in the low-income student population.¹⁹ Minority students receive more need-based grants because minority students are more likely to be low income than Caucasian students. Of students who submitted the Free Application for Federal Student Aid (FAFSA), 83.0% of African-American students, 79.6% of Latino students and 69.5% of Asian students are low-income, compared with only 55.3% of Caucasian students.

There are slight differences between the distribution of Pell Grant recipients by race and the distribution of low-income students by race. These differences are due primarily to minority students having family income skewed lower than Caucasian students even within the low-income population. For example, the average family AGI for low-income Caucasian students is \$22,217, compared with \$20,053 for low-income minority students.

Pell Grant Race	Percentage Receiving Pell Grants	Average Pell Grant Amount Received	Total Pell Grant Funding	Number of Pell Grant Recipients	Percentage of Pell Grant Recipients	Percentage of Total Pell Grant Funding	Percentage of Low-Income Student Population
Total	27.3%	\$2,559	\$14,634 million	5,719,800	100.0%	100.0%	100.0%
White	20.5%	\$2,441	\$6,463 million	2,648,300	46.3%	44.2%	48.7%
All Minority Students	38.4%	\$2,661	\$8,121 million	3,051,400	53.3%	55.5%	51.0%
Black or African-American	46.3%	\$2,598	\$3,515 million	1,352,800	23.7%	24.0%	22.3%
Hispanic or Latino	39.4%	\$2,700	\$3,147 million	1,165,600	20.4%	21.5%	19.3%
Asian	22.4%	\$2,886	\$800 million	277,300	4.8%	5.5%	5.0%
American Indian or Alaska Native	36.1%	\$2,544	\$162 million	63,600	1.1%	1.1%	1.1%
Native Hawaiian or Pacific Islander	26.2%	\$2,424	\$96 million	39,500	0.7%	0.7%	0.7%
More Than One Race	30.8%	\$2,631	\$401 million	152,600	2.7%	2.7%	2.7%

INSTITUTIONAL GRANTS

Institutional grants are awarded by colleges and universities from their own student aid funds. These funds are derived from endowment income and tuition revenue. The major types of institutional grants are need-based and merit-based. Merit-based aid is awarded to attract academically talented and wealthier students to the college as a form of financial aid leveraging.²⁰ A full-pay student – even with a significant discount in the form of a merit-based grant – still yields more net revenue to the college than low or

¹⁹ Low income is defined as family AGI less than \$50,000. Almost all (95.9%) Pell Grant recipients have family AGI less than \$50,000.

²⁰ Leveraging is defined as using student financial aid funding as a recruiting tool.

moderate-income students. This helps the college control its discount rate, the ratio of institutional grant aid to tuition revenue. There are also institutional grants that are based on neither financial need nor merit, such as tuition waivers for children of college faculty and staff and tuition waivers for resident assistants in the dormitories, but these grants represent less than 8% of total institutional grant funding. As the following tables demonstrate, there are significant differences in the distribution of need-based and merit-based institutional grants by race.

The first table illustrates the distribution of total institutional grants according to race. Caucasian students receive a total of \$14.3 billion in institutional grant funding, compared with \$6.4 billion in institutional grant funding to minority students. Overall, the distribution of total institutional grants by race is largely consistent with the prevalence of Caucasian and minority students within the student population. That suggests that differences in the distribution of need-based grants tend to be balanced by differences in the distribution of merit-based grants and other non-need-based grants.

Institutional Grants All Grants	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Total	19.9%	\$4,972	\$20,689 million	4,161,100	100.0%	100.0%	100.0%
White	20.0%	\$5,533	\$14,288 million	2,582,200	62.1%	69.1%	61.8%
All Minority Students	19.7%	\$4,058	\$6,366 million	1,568,500	37.7%	30.8%	38.0%
Black or African-American	16.5%	\$4,354	\$2,097 million	481,600	11.6%	10.1%	14.0%
Hispanic or Latino	21.3%	\$3,208	\$2,021 million	630,000	15.1%	9.8%	14.1%
Asian	22.4%	\$5,279	\$1,464 million	277,400	6.7%	7.1%	5.9%
American Indian or Alaska Native	15.3%	\$3,359	\$90 million	26,900	0.6%	0.4%	0.8%
Native Hawaiian or Pacific Islander	23.3%	\$2,948	\$104 million	35,200	0.8%	0.5%	0.7%
More Than One Race	23.7%	\$5,018	\$589 million	117,400	2.8%	2.8%	2.4%

The next table shows the distribution of merit-based institutional grants according to race. Caucasian students receive a disproportionately greater share of merit-based institutional grants, with Caucasian students receiving 75.5% of merit-based institutional grants despite representing only 61.8% of the student population. Minority students, on the other hand, receive 24.4% of merit-based institutional grants, even though they represent 38.0% of the student population. Caucasian students are almost twice as likely to receive institutional merit-based grants as minority students.²¹

Institutional Grants Merit-Based Grants	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Total	8.8%	\$5,347	\$9,801 million	1,833,100	100.0%	100.0%	100.0%
White	10.7%	\$5,375	\$7,438 million	1,383,900	75.5%	75.9%	61.8%
All Minority Students	5.6%	\$5,259	\$2,352 million	447,300	24.4%	24.0%	38.0%
Black or African-American	5.9%	\$5,238	\$896 million	171,100	9.3%	9.1%	14.0%
Hispanic or Latino	4.8%	\$4,839	\$686 million	141,800	7.7%	7.0%	14.1%
Asian	5.8%	\$6,543	\$472 million	72,100	3.9%	4.8%	5.9%
American Indian or Alaska Native	7.0%	\$3,909	\$48 million	12,300	0.7%	0.5%	0.8%
Native Hawaiian or Pacific Islander	4.5%	\$4,587	\$31 million	6,800	0.4%	0.3%	0.7%
More Than One Race	8.7%	\$5,066	\$219 million	43,200	2.4%	2.2%	2.4%

A 1994 study of race-exclusive scholarships by the U.S. Government Accountability Office (GAO) found that only 5% of college-controlled scholarships awarded in 1991-92 were restricted to minority students,

²¹ 29.9% of Caucasian students with a combined SAT score (or equivalent ACT score) of 1400/1600 received institutional merit grants, compared with 8.2% of African-American students, 19.8% of Latino students, and 17.7% of Asian students.

representing 4% of college-controlled scholarship funding.²² Accordingly, minority-targeted grants represent a very small share of institutional grants. The study was based on a nationally-representative survey of 300 4-year colleges and universities.

The next table shows the distribution of need-based institutional grants according to race. Minority students receive a higher share of need-based institutional grants (45.0% of need-based institutional grants vs. 38.0% of the student population) because they are more likely to have lower income than Caucasian students.

Institutional Grants Need-Based Grants	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Total	12.6%	\$3,539	\$9,297 million	2,626,800	100.0%	100.0%	100.0%
White	11.1%	\$3,924	\$5,642 million	1,437,700	54.7%	60.7%	61.8%
All Minority Students	14.9%	\$3,082	\$3,640 million	1,180,900	45.0%	39.1%	38.0%
Black or African-American	10.8%	\$3,295	\$1,043 million	316,600	12.1%	11.2%	14.0%
Hispanic or Latino	17.3%	\$2,375	\$1,220 million	513,500	19.5%	13.1%	14.1%
Asian	17.9%	\$4,226	\$936 million	221,500	8.4%	10.1%	5.9%
American Indian or Alaska Native	9.1%	\$2,512	\$40 million	16,100	0.6%	0.4%	0.8%
Native Hawaiian or Pacific Islander	19.7%	\$2,200	\$66 million	29,800	1.1%	0.7%	0.7%
More Than One Race	16.8%	\$4,016	\$335 million	83,400	3.2%	3.6%	2.4%

Opponents of affirmative action have targeted affirmative action policies at public colleges through lawsuits in state courts and ballot initiatives. The next several tables explore differences in institutional grants by control of institution for public, non-profit and for-profit colleges.

Public Colleges

The first table shows the distribution of institutional grants according to race at public colleges. Minority students receive a higher share of institutional grant funding at public colleges, 43.3% of the institutional grants vs. 37.0% of the student population. But this is largely due to differences in the distribution of need-based and merit-based institutional grants at public colleges. Since public colleges are often the lowest-cost option available to low-income students, they tend to attract a greater share of low-income students than non-profit colleges. Minority students are more likely to be in the low-income group than Caucasian students.

Institutional Grants Public Colleges All Grants	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Total	15.6%	\$2,445	\$6,060 million	2,478,600	100.0%	100.0%	100.0%
White	14.0%	\$2,674	\$3,735 million	1,396,800	56.4%	61.6%	62.7%
All Minority Students	18.3%	\$2,154	\$2,314 million	1,074,200	43.3%	38.2%	37.0%
Black or African-American	14.8%	\$2,900	\$894 million	308,100	12.4%	14.7%	13.1%
Hispanic or Latino	21.2%	\$1,559	\$717 million	459,900	18.6%	11.8%	13.7%
Asian	18.8%	\$2,342	\$442 million	188,600	7.6%	7.3%	6.3%
American Indian or Alaska Native	13.0%	\$2,184	\$40 million	18,300	0.7%	0.7%	0.9%
Native Hawaiian or Pacific Islander	21.6%	\$1,429	\$36 million	25,000	1.0%	0.6%	0.7%
More Than One Race	19.8%	\$2,499	\$185 million	74,200	3.0%	3.1%	2.4%

²² Linda G. Morra, *Higher Education: Information on Minority-Targeted Scholarships*, U.S. Government Accountability Office (GAO), HEHS-94-77, January 14, 1994.

Summary: <http://www.gao.gov/products/HEHS-94-77>

Full Report: <http://archive.gao.gov/t2pbat4/150617.pdf>

The next table shows the distribution of institutional merit-based grants at public colleges. Caucasian students receive a disproportionately greater share of these grants. Caucasian students represent 73.1% of merit-based grant recipients, but only 62.7% of the student population at public colleges. Caucasian students are more than one-and-a-half times as likely as minority students to receive a merit-based scholarship at a public college. Caucasian students receive \$2.0 billion in institutional merit-based grant funding, more than double the \$937 million received by minority students.

Institutional Grants Public Colleges Merit-Based Grants Race	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Total	5.3%	\$3,503	\$2,965 million	846,400	100.0%	100.0%	100.0%
White	6.2%	\$3,269	\$2,022 million	618,700	73.1%	68.2%	62.7%
All Minority Students	3.9%	\$4,133	\$937 million	226,800	26.8%	16.6%	37.0%
Black or African-American	4.7%	\$5,075	\$491 million	96,800	11.4%	7.2%	13.1%
Hispanic or Latino	3.0%	\$3,234	\$212 million	65,700	7.8%	4.3%	13.7%
Asian	3.2%	\$4,032	\$129 million	31,900	3.8%	0.7%	6.3%
American Indian or Alaska Native	5.5%	\$2,528	\$20 million	7,800	0.9%	NA	0.9%
Native Hawaiian or Pacific Islander	1.8%	NA	NA	NA	NA	NA	0.7%
More Than One Race	6.0%	\$3,552	\$80 million	22,500	2.7%	2.7%	2.4%

The next table shows the distribution of institutional need-based grants at public colleges. Minority students are more likely to receive these grants than Caucasian students. Minority students represent 52.4% of institutional need-based grant recipients, but only 37.0% of the student population.

Institutional Grants Public Colleges Need-Based Grants Race	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Total	10.1%	\$1,526	\$2,453 million	1,607,000	100.0%	100.0%	100.0%
White	7.6%	\$1,662	\$1,261 million	758,400	47.2%	51.4%	62.7%
All Minority Students	14.3%	\$1,408	\$1,186 million	842,000	52.4%	48.3%	37.0%
Black or African-American	9.8%	\$1,584	\$321 million	202,800	12.6%	13.1%	13.1%
Hispanic or Latino	18.2%	\$1,157	\$458 million	395,800	24.6%	18.7%	13.7%
Asian	16.0%	\$1,792	\$286 million	159,600	9.9%	11.7%	6.3%
American Indian or Alaska Native	7.9%	\$1,651	\$18 million	11,100	0.7%	0.7%	0.9%
Native Hawaiian or Pacific Islander	18.5%	\$1,087	\$23 million	21,400	1.3%	0.9%	0.7%
More Than One Race	13.6%	\$1,544	\$79 million	51,200	3.2%	3.2%	2.4%

Non-Profit Colleges

The next table shows the distribution of institutional grants by race at non-profit colleges. Caucasian students receive a disproportionately greater share of institutional grants at non-profit colleges. Caucasian students receive almost three-quarters (72.7%) of institutional grants at non-profit colleges, but represent only two-thirds (66.8%) of the student population.

Institutional Grants Non-Profit Colleges All Grants Race	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Total	50.7%	\$9,345	\$14,397 million	1,540,600	100.0%	100.0%	100.0%
White	55.2%	\$9,344	\$10,466 million	1,120,100	72.7%	72.7%	66.8%
All Minority Students	41.9%	\$9,350	\$3,909 million	418,100	27.1%	27.2%	32.9%
Black or African-American	37.4%	\$8,618	\$1,140 million	132,300	8.6%	7.9%	11.7%
Hispanic or Latino	39.2%	\$8,592	\$1,242 million	144,500	9.4%	8.6%	12.1%
Asian	50.4%	\$11,877	\$1,017 million	85,600	5.6%	7.1%	5.6%
American Indian or Alaska Native	38.9%	\$6,594	\$42 million	6,300	0.4%	0.3%	0.5%
Native Hawaiian or Pacific Islander	45.2%	\$6,863	\$68 million	9,900	0.6%	0.5%	0.7%
More Than One Race	58.1%	\$10,154	\$401 million	39,500	2.6%	2.8%	2.2%

The next table shows the distribution of institutional merit-based grants by race at non-profit colleges. Caucasian students receive an even greater share of these institutional grants, about four-fifths (79.4%) of the total despite representing only two-thirds of the student population.

Institutional Grants Non-Profit Colleges Merit-Based Grants Race	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Total	30.3%	\$7,305	\$6,734 million	921,900	100.0%	100.0%	100.0%
White	36.0%	\$7,343	\$5,375 million	732,000	79.4%	79.8%	66.8%
All Minority Students	18.9%	\$7,168	\$1,355 million	189,000	20.5%	20.1%	32.9%
Black or African-American	16.4%	\$6,650	\$386 million	58,000	6.3%	5.7%	11.7%
Hispanic or Latino	17.5%	\$6,855	\$444 million	64,700	7.0%	6.6%	12.1%
Asian	23.2%	\$8,700	\$342 million	39,300	4.3%	5.1%	5.6%
American Indian or Alaska Native	15.8%	NA	NA	NA	NA	NA	0.5%
Native Hawaiian or Pacific Islander	20.9%	\$5,623	\$26 million	4,600	0.5%	0.4%	0.7%
More Than One Race	29.2%	\$6,958	\$138 million	19,900	2.2%	2.1%	2.2%

The next table shows the distribution of institutional need-based grants by race at non-profit colleges. The distribution of institutional need-based grants by race is proportional to the student population. Perhaps the higher cost of the colleges means that both Caucasian and minority students demonstrate financial need at non-profit colleges.

Institutional Grants Non-Profit Colleges Need-Based Grants Race	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Total	31.2%	\$7,134	\$6,763 million	948,000	100.0%	100.0%	100.0%
White	31.9%	\$6,719	\$4,348 million	647,200	68.3%	64.3%	66.8%
All Minority Students	30.0%	\$8,031	\$2,404 million	299,400	31.6%	35.6%	32.9%
Black or African-American	26.6%	\$7,412	\$697 million	94,100	9.9%	10.3%	11.7%
Hispanic or Latino	28.0%	\$7,179	\$742 million	103,300	10.9%	11.0%	12.1%
Asian	35.2%	\$10,830	\$648 million	59,800	6.3%	9.6%	5.6%
American Indian or Alaska Native	27.9%	\$4,782	\$22 million	4,500	0.5%	0.3%	0.5%
Native Hawaiian or Pacific Islander	37.2%	\$5,157	\$42 million	8,100	0.9%	0.6%	0.7%
More Than One Race	43.5%	\$8,604	\$255 million	29,600	3.1%	3.8%	2.2%

For-Profit Colleges

The next table shows the distribution of institutional grants by race at for-profit colleges. The distribution of institutional grants by race is proportional to the student population at for-profit colleges. Note that minority students are in the majority at for-profit colleges.

Institutional Grants For-Profit Colleges All Grants Race	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Total	7.1%	\$1,630	\$231 million	142,000	100.0%	100.0%	100.0%
White	7.0%	\$1,344	\$88 million	65,300	46.0%	37.9%	46.5%
All Minority Students	7.2%	\$1,877	\$143 million	76,300	53.7%	61.9%	53.2%
Black or African-American	8.3%	\$1,524	\$63 million	41,100	28.9%	27.1%	24.7%
Hispanic or Latino	6.1%	\$2,451	\$63 million	25,600	18.0%	27.1%	21.0%
Asian	4.9%	\$1,832	\$6 million	3,200	2.3%	2.5%	3.3%
American Indian or Alaska Native	12.2%	NA	NA	NA	NA	NA	1.0%
Native Hawaiian or Pacific Islander	2.4%	NA	NA	NA	NA	NA	0.7%
More Than One Race	7.1%	\$695	\$3 million	3,700	2.6%	1.1%	2.6%

The next table shows the distribution of institutional merit-based grants by race at for-profit colleges. Caucasian students receive a disproportionately greater share of merit-based grants at for-profit colleges. Caucasian students receive 51.2% of institutional merit-based grants at for-profit colleges, but represent only 46.5% of the student population.

Institutional Grants For-Profit Colleges Merit-Based Grants Race	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Total	3.2%	\$1,565	\$101 million	64,800	100.0%	100.0%	100.0%
White	3.6%	\$1,230	\$41 million	33,200	51.2%	40.3%	46.5%
All Minority Students	3.0%	\$1,918	\$61 million	31,600	48.8%	59.8%	53.2%
Black or African-American	3.3%	\$1,194	\$20 million	16,400	25.3%	19.3%	24.7%
Hispanic or Latino	2.7%	\$2,645	\$30 million	11,400	17.6%	29.7%	21.0%
Asian	1.4%	NA	NA	NA	NA	NA	3.3%
American Indian or Alaska Native	10.1%	NA	NA	NA	NA	NA	1.0%
Native Hawaiian or Pacific Islander	1.0%	NA	NA	NA	NA	NA	0.7%
More Than One Race	1.7%	NA	NA	NA	NA	NA	2.6%

The next table shows the distribution of institutional need-based grants by race at for-profit colleges. The distribution of institutional need-based grants by race is proportional to the student population at for-profit colleges.

Institutional Grants For-Profit Colleges Need-Based Grants Race	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Total	3.6%	\$1,146	\$82 million	71,800	100.0%	100.0%	100.0%
White	3.5%	\$1,027	\$33 million	32,100	44.7%	40.1%	46.5%
All Minority Students	3.7%	\$1,243	\$49 million	39,400	54.9%	59.5%	53.2%
Black or African-American	4.0%	\$1,227	\$24 million	19,700	27.4%	29.4%	24.7%
Hispanic or Latino	3.4%	\$1,402	\$20 million	14,400	20.1%	24.5%	21.0%
Asian	3.3%	\$1,314	\$3 million	2,100	2.9%	3.4%	3.3%
American Indian or Alaska Native	2.2%	NA	NA	NA	NA	NA	1.0%
Native Hawaiian or Pacific Islander	1.4%	NA	NA	NA	NA	NA	0.7%
More Than One Race	5.0%	NA	NA	NA	NA	NA	2.6%

Differences in Enrollment Patterns by Race

Differences in the distribution of need-based grants to minority students may be due in part to differences in the distribution of minority students at public, non-profit and for-profit colleges. Minority students and Caucasian students tend to be disproportionately enrolled at lower-cost colleges.²³ Financial aid at higher-cost colleges is necessarily higher, perhaps accounting for part of the reason why Caucasian students tend to get more need-based aid overall.

The table to the right shows the distribution of students by race and institutional control. This

Distribution of Students by Control Race	Public	Non-Profit	For-Profit
Total	75.9%	14.5%	9.5%
White	77.1%	15.7%	7.2%
All Minority Students	74.1%	12.6%	13.4%
Black or African-American	71.0%	12.1%	16.9%
Hispanic or Latino	73.4%	12.5%	14.1%
Asian	81.0%	13.7%	5.3%
American Indian or Alaska Native	80.0%	9.2%	10.8%
Native Hawaiian or Pacific Islander	76.8%	14.5%	8.7%
More Than One Race	75.8%	13.7%	10.4%

²³ Higher cost colleges tend to have more selective admissions policies. Both the higher sticker price and the greater selectivity lead to lower enrollment by low-income students.

seems to indicate a similar share of minority students at public colleges and nearly double the share of minority students at for-profit colleges.

However, the next table disaggregates this data by degree program, demonstrating that minority students are more likely to be enrolled in Certificate and Associate's degree programs at public and non-profit colleges, and less likely to be enrolled in Bachelor's degree programs.

Distribution of Students By Control and Degree Program Race	Public			Non-Profit			For-Profit		
	Certificate	Assoc.	Bach.	Certificate	Assoc.	Bach.	Certificate	Assoc.	Bach.
Total	3.8%	38.2%	32.8%	0.3%	0.7%	14.2%	3.5%	3.9%	2.6%
White	3.6%	36.3%	34.9%	0.1%	0.5%	14.5%	3.1%	4.2%	2.7%
All Minority Students	4.3%	41.3%	29.3%	0.6%	1.1%	13.4%	3.8%	3.6%	2.6%
Black or African-American	5.3%	41.2%	28.4%	0.3%	1.1%	13.8%	3.1%	4.1%	2.9%
Hispanic or Latino	4.0%	43.9%	26.9%	1.1%	1.1%	13.0%	5.0%	2.9%	2.1%
Asian	3.2%	35.8%	35.8%	0.4%	0.6%	14.2%	3.3%	3.2%	3.5%
American Indian or Alaska Native	4.5%	43.2%	27.2%	0.5%	7.5%	7.2%	2.0%	6.8%	1.2%
Native Hawaiian or Pacific Islander	4.4%	47.7%	22.8%	0.2%	3.0%	12.0%	3.7%	3.7%	2.6%
More Than One Race	2.6%	38.2%	34.0%	0.2%	0.8%	14.1%	2.9%	4.0%	3.0%

The next table shows the distribution of students according to selectivity.

Selectivity Race	For-Profit or Less than 4-Year	Open Admission	Minimally Selective	Moderately Selective	Very Selective
Total	53.9%	4.8%	6.1%	24.1%	11.1%
White	50.1%	4.2%	6.6%	27.0%	12.1%
All Minority Students	60.2%	5.8%	5.3%	19.3%	9.5%
Black or African-American	62.1%	5.2%	6.7%	19.5%	6.5%
Hispanic or Latino	61.4%	8.1%	5.0%	17.3%	8.1%
Asian	52.7%	2.1%	3.3%	22.2%	19.7%
American Indian or Alaska Native	65.1%	9.5%	7.0%	15.5%	3.0%
Native Hawaiian or Pacific Islander	68.4%	2.1%	2.1%	17.8%	9.6%
More Than One Race	55.1%	4.3%	4.4%	24.6%	11.6%

Minority students are 11.7% more likely to be enrolled at for-profit, less-than-4-year or open admission colleges, 1.3% less likely to be enrolled at minimally selective colleges, 7.7% less likely to be enrolled at moderately selective colleges and 2.6% less likely to be enrolled at very selective colleges. The main exception is Asian students, who seem to enroll at selective colleges at much greater rates.

TOTAL GRANTS

The next several tables report on total grants from all sources except for the education tax benefits, including federal grants, state grants, institutional grants, employer tuition reimbursement and private scholarships. The subsequent tables disaggregate the data into merit-based and need-based grants.

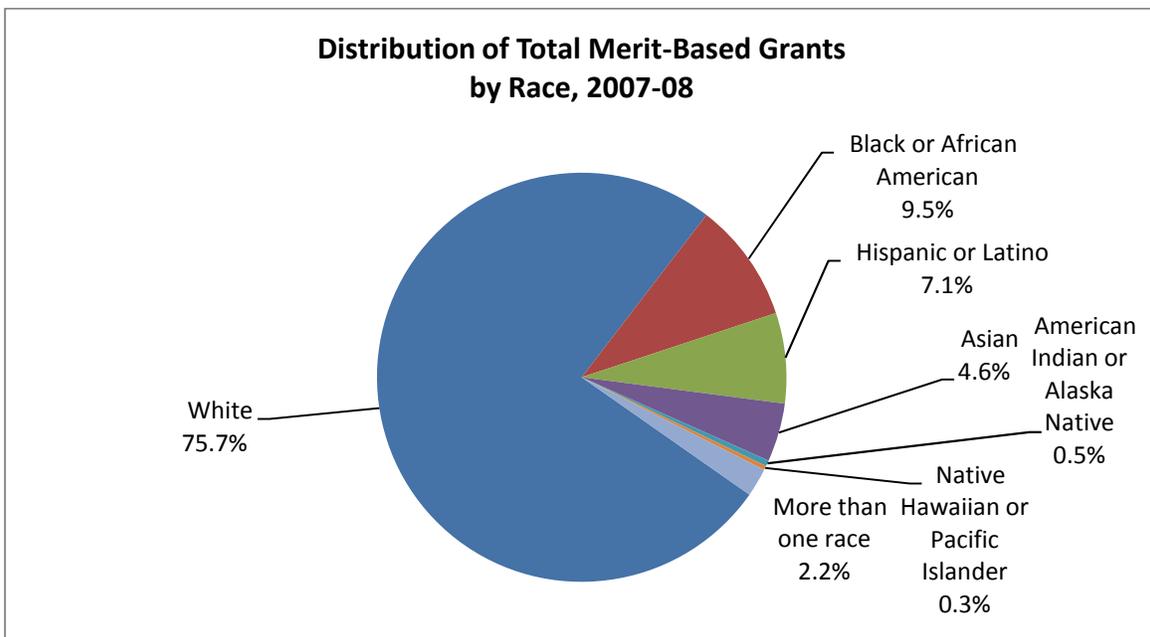
The first table shows the distribution of total grants by race. The distribution of grant recipients and total grant funding tends to track the prevalence in the student population, with only a few percentage points difference. As with the institutional grants, however, there are significant differences in the distribution of merit-based and need-based grants.

Total Grants All Grants	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Race							
Total	51.7%	\$4,864	\$52,646 million	10,822,900	100.0%	100.0%	100.0%
White	48.2%	\$5,008	\$31,230 million	6,235,700	57.6%	59.3%	61.8%
All Minority Students	57.4%	\$4,672	\$21,287 million	4,556,300	42.1%	40.4%	38.0%
Black or African-American	63.5%	\$4,372	\$8,113 million	1,855,800	17.1%	15.4%	14.0%
Hispanic or Latino	58.1%	\$4,314	\$7,425 million	1,720,900	15.9%	14.1%	14.1%
Asian	43.1%	\$6,444	\$3,430 million	532,200	4.9%	6.5%	5.9%
American Indian or Alaska Native	60.4%	\$4,327	\$461 million	106,600	1.0%	0.9%	0.8%
Native Hawaiian or Pacific Islander	49.3%	\$4,097	\$305 million	74,500	0.7%	0.6%	0.7%
More Than One Race	53.8%	\$5,831	\$1,553 million	266,300	2.5%	2.9%	2.4%

The next table shows the distribution of total merit-based grants by race. Caucasian students receive a disproportionately greater share of total merit-based grants. Caucasian students represent 73.6% of merit-based grant recipients but only 61.8% of the student population. Minority students represent 26.2% of merit-based grant recipients, but only 38.0% of the student population.

Total Grants Merit-Based Grants	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Race							
Total	12.0%	\$4,646	\$11,698 million	2,517,700	100.0%	100.0%	100.0%
White	14.3%	\$4,774	\$8,845 million	1,853,000	73.6%	75.6%	61.8%
All Minority Students	8.3%	\$4,296	\$2,838 million	660,700	26.2%	24.3%	38.0%
Black or African-American	9.5%	\$3,982	\$1,107 million	278,100	11.0%	9.5%	14.0%
Hispanic or Latino	6.9%	\$4,092	\$835 million	204,100	8.1%	7.1%	14.1%
Asian	7.8%	\$5,613	\$542 million	96,500	3.8%	4.6%	5.9%
American Indian or Alaska Native	8.9%	\$3,375	\$53 million	15,600	0.6%	0.5%	0.8%
Native Hawaiian or Pacific Islander	5.6%	\$4,636	\$39 million	8,400	0.3%	0.3%	0.7%
More Than One Race	11.7%	\$4,525	\$262 million	58,000	2.3%	2.2%	2.4%

The following pie chart shows the distribution of total merit-based grants by race, demonstrating that Caucasian students receive a disproportionately greater share of all merit-based grant funding, about three-quarters of merit-based grant funding.



The next table shows the distribution of total need-based grants by race. Minority students receive a higher share of need-based grants, representing 48.5% of grant recipients and only 38.0% of the student population, but they are more likely to be low-income.

Total Grants Need-Based Grants	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Race							
Total	36.6%	\$4,030	\$30,887 million	7,644,300	100.0%	100.0%	100.0%
White	30.3%	\$4,041	\$15,836 million	3,918,600	51.1%	51.3%	61.8%
All Minority Students	46.8%	\$4,022	\$14,964 million	3,720,400	48.5%	48.4%	38.0%
Black or African-American	52.4%	\$3,734	\$5,726 million	1,533,300	20.0%	18.5%	14.0%
Hispanic or Latino	49.0%	\$3,818	\$5,542 million	1,451,800	18.9%	17.9%	14.1%
Asian	32.3%	\$5,755	\$2,300 million	399,700	5.2%	7.4%	5.9%
American Indian or Alaska Native	42.0%	\$3,388	\$251 million	74,000	1.0%	0.8%	0.8%
Native Hawaiian or Pacific Islander	38.4%	\$3,463	\$201 million	58,000	0.8%	0.7%	0.7%
More Than One Race	41.1%	\$4,638	\$944 million	203,600	2.7%	3.1%	2.4%

EDUCATION TAX BENEFITS

Education tax benefits include the Hope Scholarship tax credit, the Lifetime Learning tax credit and the Tuition & Fees deduction. The following table shows that Caucasian students receive a higher share of the education tax benefits, perhaps because Caucasian students tend to come from higher income families. The education tax benefits provide a greater financial benefit to middle and upper income families.

Education Tax Benefits	Percentage Receiving Benefits	Average Benefit Amount Received	Total Benefit Funding	Number of Benefit Recipients	Percentage of Benefit Recipients	Percentage of Total Benefit Funding	Percentage of Student Population
Race							
Total	46.7%	\$695	\$6,252 million	8,995,600	100.0%	100.0%	100.0%
White	50.7%	\$722	\$4,353 million	6,032,200	67.1%	69.6%	61.8%
All Minority Students	40.2%	\$641	\$1,884 million	2,937,400	32.7%	30.1%	38.0%
Black or African-American	39.3%	\$668	\$714 million	1,069,200	11.9%	11.4%	14.0%
Hispanic or Latino	40.7%	\$592	\$655 million	1,106,500	12.3%	10.5%	14.1%
Asian	40.4%	\$659	\$295 million	447,500	5.0%	4.7%	5.9%
American Indian or Alaska Native	36.3%	\$642	\$39 million	60,000	0.7%	0.6%	0.8%
Native Hawaiian or Pacific Islander	45.4%	\$655	\$41 million	62,500	0.7%	0.7%	0.7%
More Than One Race	42.8%	\$731	\$140 million	191,700	2.1%	2.2%	2.4%

This difference in the distribution correlates well with income. This data predates the American Recovery and Reinvestment Act of 2009, which made the Hope Scholarship tax credit partially refundable. Even so, Caucasian students are likely to still receive a disproportionately greater share of the Hope Scholarship tax credit funding. The partial refundability is limited to \$1,000, only 40% of the maximum tax credit of \$2,500. The following table shows the distribution of the education tax benefits by income, with a disproportionately greater share received by middle-income families.

Education Tax Benefits	Percentage Receiving Benefits	Average Benefit Amount Received	Total Benefit Funding	Number of Benefit Recipients	Percentage of Benefit Recipients	Percentage of Total Benefit Funding	Percentage of Student Population
AGI							
Less than \$50,000	40.5%	\$603	\$2,692 million	4,464,200	49.6%	43.1%	57.3%
\$50,000 to \$100,000	57.5%	\$878	\$2,687 million	3,061,000	34.0%	43.0%	27.6%
\$100,000 or more	50.6%	\$594	\$874 million	1,470,400	16.3%	14.0%	15.1%

The next table shows the percentage of students who are low, middle and upper income by race. This table demonstrates that minority students are much more likely to be low income than Caucasian students.

Distribution of Students By Adjusted Gross Income	Percentage with AGI Less than \$50,000	Percentage with AGI \$50,000 to \$100,000	Percentage with AGI \$100,000 or More
Race			
Total	56.9%	27.7%	15.4%
White	48.2%	32.0%	19.9%
All Minority Students	71.2%	20.8%	8.0%
Black or African-American	77.4%	17.5%	5.2%
Hispanic or Latino	71.2%	20.9%	7.9%
Asian	61.3%	25.7%	12.9%
American Indian or Alaska Native	67.2%	24.4%	8.3%
Native Hawaiian or Pacific Islander	64.3%	25.0%	10.7%
More Than One Race	62.2%	25.0%	12.9%

GRADUATE AND PROFESSIONAL STUDENTS

Funding for graduate and professional students tends to be distributed in proportion to the student population, in part because most graduate and professional students demonstrate financial need and in part because graduate and professional students have also demonstrated academic merit to satisfy the admissions criteria.

The first table shows the distribution of private fellowships to graduate and professional students by race.

Private Grants	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Race							
Total	3.7%	\$5,797	\$736 million	127,000	100.0%	100.0%	100.0%
White	3.3%	\$4,989	\$382 million	76,600	60.3%	51.9%	66.6%
All Minority Students	4.4%	\$7,065	\$353 million	49,900	39.3%	47.9%	33.1%
Black or African-American	4.0%	\$5,828	\$96 million	16,400	12.9%	13.0%	11.7%
Hispanic or Latino	4.9%	\$7,601	\$103 million	13,600	10.7%	14.0%	8.0%
Asian	3.9%	\$7,593	\$112 million	14,700	11.6%	15.2%	10.8%
American Indian or Alaska Native	18.7%	NA	NA	NA	NA	NA	0.3%
Native Hawaiian or Pacific Islander	1.2%	NA	NA	NA	NA	NA	0.3%
More Than One Race	4.6%	NA	NA	NA	NA	NA	2.1%

The next table shows the distribution of institutional grants to graduate and professional students by race.

Institutional Grants	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Race							
Total	19.2%	\$8,835	\$5,866 million	664,000	100.0%	100.0%	100.0%
White	18.5%	\$8,311	\$3,537 million	425,600	64.1%	60.3%	66.6%
All Minority Students	20.7%	\$9,761	\$2,312 million	236,900	35.7%	39.4%	33.1%
Black or African-American	12.8%	\$7,520	\$389 million	51,700	7.8%	6.6%	11.7%
Hispanic or Latino	20.9%	\$10,528	\$607 million	57,700	8.7%	10.4%	8.0%
Asian	29.0%	\$10,502	\$1,140 million	108,600	16.4%	19.4%	10.8%
American Indian or Alaska Native	22.9%	NA	NA	NA	NA	NA	0.3%
Native Hawaiian or Pacific Islander	27.3%	NA	NA	NA	NA	NA	0.3%
More Than One Race	20.1%	\$9,440	\$136 million	14,400	2.2%	2.3%	2.1%

The next table shows the distribution of total grants to graduate and professional students by race.

Total Grants	Percentage Receiving Grants	Average Grant Amount Received	Total Grant Funding	Number of Grant Recipients	Percentage of Grant Recipients	Percentage of Total Grant Funding	Percentage of Student Population
Race							
Total	41.1%	\$7,518	\$10,687 million	1,421,500	100.0%	100.0%	100.0%
White	41.4%	\$6,896	\$6,580 million	954,100	67.1%	61.6%	66.6%
All Minority Students	40.6%	\$8,790	\$4,085 million	464,700	32.7%	38.2%	33.1%
Black or African-American	32.8%	\$7,458	\$991 million	132,900	9.3%	9.3%	11.7%
Hispanic or Latino	41.9%	\$8,577	\$991 million	115,500	8.1%	9.3%	8.0%
Asian	47.9%	\$9,999	\$1,796 million	179,600	12.6%	16.8%	10.8%
American Indian or Alaska Native	36.1%	NA	NA	NA	NA	NA	0.3%
Native Hawaiian or Pacific Islander	52.2%	NA	NA	NA	NA	NA	0.3%
More Than One Race	40.0%	\$7,917	\$226 million	28,600	2.0%	2.1%	2.1%

Notice that in each of the three tables there was a close correlation between the distribution of grants and the prevalence of each race in the student population.

GROWTH IN FUNDING BY RACE

The following table shows the growth in mean grants for private scholarships, institutional grants and total grants by race from 2003-04 to 2007-08. Mean grants are the ratio of total grant funding divided by the total student enrollments. There has been more growth in mean private scholarships among Caucasian students than minority students during this four year period. Mean institutional grants have also grown faster among minority students. However, mean total grants have grown faster among Caucasian students than minority students, causing the disparity in grant funding by race to widen.

Growth in Mean Grants 2003-04 to 2007-08 Race	Private Scholarships			Institutional Grants			Total Grants		
	2003-04	2007-08	Change	2003-04	2007-08	Change	2003-04	2007-08	Change
Total	\$133	\$139	4.6%	\$750	\$989	31.8%	\$2,047	\$2,516	22.9%
White	\$138	\$146	6.0%	\$841	\$1,106	31.4%	\$1,938	\$2,416	24.7%
All Minority Students	\$124	\$127	2.6%	\$596	\$801	34.4%	\$2,238	\$2,680	19.8%
Black or African-American	\$122	\$118	-3.3%	\$596	\$717	20.3%	\$2,478	\$2,774	11.9%
Hispanic or Latino	\$101	\$80	-20.8%	\$476	\$683	43.5%	\$2,046	\$2,508	22.6%
Asian	\$122	\$150	23.5%	\$853	\$1,185	38.9%	\$2,201	\$2,776	26.1%
American Indian or Alaska Native	\$307	\$317	3.2%	\$471	\$513	8.9%	\$2,116	\$2,615	23.6%
Native Hawaiian or Pacific Islander	\$77	\$200	159.5%	\$527	\$688	30.5%	\$1,541	\$2,020	31.1%
More Than One Race	\$218	\$315	44.6%	\$755	\$1,190	57.8%	\$2,130	\$3,138	47.3%

ANALYSIS

These statistics demonstrate that, as a whole, private sector scholarship programs tend to perpetuate historical inequities in the distribution of scholarships according to race. This does not appear to be due to deliberate discrimination, but rather as a natural result of the personal interests of the scholarship sponsors. Scholarship sponsors tend to establish scholarships that select for characteristics, activities and talents of interest to them. These factors, in turn, tend to resonate with students of the same racial background as the sponsor. For example, African-American students are much less likely to participate in equestrian sports (horseback riding, polo, rodeo), water sports (scuba diving, sailing, surfing, swimming, crew, water polo) and winter sports (ice hockey, skiing, snowboarding, figure skating) than Caucasian students. They are much more likely to pursue basketball, track & field, handball and football. The sponsors of rodeo scholarships aren't motivated by a desire to indirectly discriminate against minority

students; they just like to promote rodeo. But the net result is that private scholarships as a whole disproportionately select for Caucasian students. Similarly, golf, archery, cycling, weight lifting and wrestling scholarships tend to implicitly select for Caucasian students.

Other characteristics that tend to naturally differentiate students and available scholarships according to race include the following.

- **National Origin or Heritage.** There are a variety of scholarships restricted to students of particular ethnicities that are predominantly or exclusively Caucasian, such as students of Croatian, Czech, Danish, Dutch, French Canadian, German, Greek, Hungarian, Irish, Italian, Jewish, Lithuanian, Norwegian, Polish, Romanian, Russian, Scandinavian, Scottish, Serbian, Slavic, Slovak, Swedish, Swiss, Ukrainian and Welsh heritage.
- **Geography.** The racial distribution varies by state. Students from Idaho, Iowa, Maine, New Hampshire, North Dakota, Vermont, West Virginia and Wyoming are disproportionately likely to be Caucasian while Caucasian students from California, Georgia, Hawaii, Maryland, New Mexico, Texas and Washington DC are no longer in the majority. African-American students are more likely to come from Washington DC, Georgia, Maryland, Mississippi, Louisiana, South Carolina, Alabama, North Carolina and Virginia, and less likely to come from Montana, Idaho, South Dakota, Wyoming, Utah, North Dakota, Maine, New Hampshire, Vermont, Oregon, New Mexico and Iowa.
- **Field of Study.** African-American students are more likely to pursue majors in black studies, urban studies, petroleum engineering, cosmetology and public administration, and less likely to pursue the physical sciences, economics, conservation, forestry, horticulture, gerontology and education. The opposite is true of Caucasian students. Students majoring in Latin American Studies, Hispanic Studies, and Spanish Language Teacher Education are more likely to be Latino than Caucasian. Latino students also tend to major in Business, Architecture, Criminal Justice, Fashion Modeling and Culinary Arts.
- **Religion.** African-American students are more likely to be Methodist, Episcopalian, Pentecostal, Seventh-day Adventist, Baptist and Muslim and are less likely to be Presbyterian, Roman Catholic, Wiccan, Lutheran, Jewish, Mormon or Hindu. Latino students are more likely to be Roman Catholic. Religions where the majority of students are Caucasian include Lutheran, Jewish, Greek Orthodox, Mennonite, Mormon, Methodist, Presbyterian, Episcopalian, Wiccan, United Church of Christ and Quaker. Religions where the majority of students are not Caucasian include Hindu, Methodist, Episcopalian, Muslim, Jehovah's Witness, Seventh-day Adventist, Buddhist, Pentecostal, Church of God and Baha'i.

Overall, merit-based grants tend to disproportionately select for Caucasian students. This is compensated somewhat by the distribution of need-based grants according to race, since minority students tend to be less affluent than Caucasian students. Shifting funding from merit-based grants to need-based grants will yield more balance in the distribution of grants according to race, but it will not entirely compensate for private scholarships that collectively demonstrate implicit preferences for Caucasian students.