

**Federal Pell Grants for Students with Bachelor's Degree  
QUESTIONS & ANSWERS**

**ESI-Q1.** What are the two Pell Grant experiments under the ESI?

**ESI-A1.** ESI Experiment #1 will allow participating institutions to award Pell Grants to otherwise eligible unemployed or underemployed students who enroll in vocational or career programs of one year or less, notwithstanding that the students have earned a bachelor's degree.

ESI Experiment #2 will allow participating institutions to award Pell Grants to otherwise eligible students who are enrolled in short-term training programs that, without the experiment, would not be Pell Grant eligible programs. [Guidance issued 4/9/2012]

**ESI-Q2.** Can a college be in both Pell Experiments?

**ESI-A2.** Yes, a college can be in both Pell Experiments. If you participate in both experiments, it is possible that a student could be selected to participate in both experiments. You will be able to identify the students with bachelor's degree who enroll in short term program as participating in both experiments. [Guidance issued 7/20/2012]

**ESI-Q3.** What are "treatment" groups and "comparison" groups? Will the assignment of students to either group be randomized?

**ESI-A3.** As was noted in the *Federal Register* notice that announced the ESI, given the costs of expanding Pell Grant eligibility based on these experiments, the Department needs to obtain the most definitive evaluation of outcomes that is possible. Thus, we are using standard experimental design protocols that require two groups of students. One group, the treatment group, will be awarded Pell Grant funds under the experiments even though under regular statutory and regulatory provisions the students in the treatment group would not be Pell Grant eligible. [Guidance issued 4/9/2012]

The second or comparison group includes students who are as similar as possible to treatment group students except that the comparison group students will not receive the treatment – will not be eligible for Pell Grant funding, just as they would not be eligible if there were no experiments. Under this design, we attempt to eliminate, or at least minimize, as many differences between the students in the two groups as is possible. This will allow the Department to determine, to a high level of certainty, that differences in outcomes can be attributed to the treatment (receipt of a Pell Grant) and not to other factors. We need to be as sure as is possible that the only difference between the treatment and comparison group is the experimental awarding of a Pell Grant. Therefore, random assignment to the treatment and comparison groups will be required.

**ESI-Q4.** Why is random selection required for the Pell Grant experiments?

**ESI-A4.** Any statutory change to Pell grant eligibility that might result from these experiments could result in significant increases in Pell Grant costs. Therefore, the most rigorous experimental design is required to support a recommendation for such a statutory change. [Guidance issued 4/9/2012]

**ESI-Q5.** For the comparison group, can institutions use students who are enrolled in similar programs or those who were enrolled in earlier cohorts in the same program, or some other similar group of students?

**ESI-A5.** No. Studies using comparison groups such as those suggested could never rule out reasons other than the treatment (receipt of a Pell Grant) that could explain differences in outcomes. For example, students who enroll in similar programs likely have different characteristics than those who enroll in the experimental program. That is, there is a reason why those students enrolled in that program and not in the experimental program. Likewise, students who enrolled in the same program but a year or two earlier are different simply because they enrolled at a different time. For example, the job market is likely to have changed over this time.

For individual institutions, these differences between the participant and comparison groups might not matter that much, and comparing outcomes might still be useful as a source of information for program improvement. But for federal student aid policy the study has to conform to a rigorous experimental design to ensure, to the greatest extent possible, that differences in outcomes are due to the offer of Pell Grants and not to other factors. [Guidance issued 4/9/2012]

**ESI-Q6.** How will students be assigned to either the treatment group or to the comparison group using a random assignment process?

**ESI-A6.** The placing of students into either the treatment or comparison group is part of a series of steps that we suggest institutions should take to identify students for the experiments, as follows:

1. Institution identifies its educational programs that provide training needed to meet local or regional workforce needs, in consultation with employers or state or local workforce agencies.
2. Institution announces/markets/recruits students. While marketing, institution informs potential student participants that the institution is participating in a project with the U.S. Department of Education that will allow some, but not all, otherwise Pell Grant eligible students who enroll in the specific program to receive a Pell Grant, even though the students normally would not be eligible, either because, for Experiment #1 the students have bachelor's degrees or, for Experiment #2 the program is a short-term training program.
3. Institution identifies students who are eligible to participate in the experiment. To be eligible, the student must have (1) been admitted as a regular student into the educational program and, (2) filed a FAFSA with a resulting Pell eligible EFC. Additionally, for

Experiment #1, the student must demonstrate to the institution that he or she is unemployed or underemployed.

4. Using the Department-provided random assignment system -

<https://www.pellexperiment.org/> - institutions enters each student's identifying and contact information. After data entry is complete, the system randomly assigns each student to either the "Award Pell Grant" group or "Do Not Award Pell Grant" group. The system will send an email to the student informing them about the experiment. This description includes instructions on how the student can conduct the evaluators if they do not to participate in the evaluation.

5. Institution includes or excludes a Pell Grant in the student's award package based on the results on the random assignment system.

6. Institution, using a Department-provided process, enters the student's identifiers into a random assignment application that will, in real time, assign each student to either the treatment group or to the comparison group.

7. Institution contacts student to let the student know the result of the random selection lottery - whether the student has been assigned to the treatment group and will receive a Pell Grant or to the comparison group where no Pell Grant will be provided. Institution must advise students assigned to both groups that they must comply with the conditions of the consent that the student executed.

[Guidance issued 4/9/2012]

**ESI-Q7.** Isn't it unfair to recruit students for these experiments when we will have to tell some of them they will not be receiving a Pell grant?

**ESI-A7.** The opportunity is for students to be considered for a Pell Grant when, absent the experiment none of the students would be eligible for a Pell Grant. Therefore, no applicant will be worse off with regard to Title IV funding as a result of consenting to participate in the experiment. And, each applicant who agrees to participate will have an equal chance to be chosen, at random, to receive a Pell Grant as part of the treatment group. [Guidance issued 4/9/2012]

**ESI-Q8.** What should we tell students when we recruit?

**ESI-A8.** Generally, students understand the concept of randomness (a lottery) and that it allows every participant an equal chance of being selected for the treatment.

Institutions should tell potential candidates that the federal government is providing a limited amount of Pell Grant dollars for the experiment to determine if more changes to the Pell Grant Program's eligibility requirements should be made (e.g., allowing students with bachelor's degrees to receive a Pell Grant for enrollment in short-term vocational programs or allowing very short-term training programs to be Pell Grant eligible. [Guidance issued 4/9/2012]

**ESI-Q9.** What is the impact on a student's Pell Grant award if the student "opts-out" of the experiment?

**ESI-A9.** A student's decision to "opt-out" of the evaluation does not affect the student's Pell Grant award, regardless of the timing of the opt-out decision by the student. A student who opts-out retains full eligibility to the experimentally assigned Pell Grant. As such, all of the regular rules relating to a student's Pell Grant award apply, including disbursement timing rules (release of any credit balance) and Return of Title IV Aid (R2T4) requirements. [Guidance issued 12/21/2012]

**ESI-Q10.** Will the Department provide schools with "press release" information for marketing the experiments?

**ESI-A10.** No, each institution needs to determine how it will publicize or otherwise inform potential students about the experiments. Institutions should tell potential candidates that the federal government, under an experiment, is providing Pell Grant eligibility to a limited number of students, who otherwise would not be eligible for a Pell Grant. [Guidance issued 12/21/2012]

**ESI-Q11.** Will the Department provide us with guidance on consumer disclosure information?

**ESI-A11.** Institutions are expected to comply with all current disclosure requirements. However, they do not need to modify materials provided to their general student population to reflect the special circumstances surrounding the experiments. [Guidance issued 12/21/2012]

**ESI-Q12.** Will the Department provide a consent form that students will need to sign in order to participate in the experiments?

**ESI-A12.** Schools are not responsible for delivering the consent form to students. The Department's contracted evaluator, Social Policy Research (SPR), is emailing the consent form to all students who go through the random assignment process. If that email cannot be delivered, SPR mails the form to the student. A copy of the consent form was provided to schools in the training materials for the SPR delivered webinar on November 13, 2012. Schools can also print a copy of the consent form from the random allocation system designed by the evaluator.

The consent form does not have to be returned by the student unless the student does not wish to participate in the experiment, in which case the form must be returned to SPR. Schools can also print a copy of the consent form from the random allocation system designed by the evaluator. [Guidance issued 12/21/2012]

**ESI-Q13.** May an institution add programs to the experiments beyond the programs that it identified when it first provided enrollment estimates to the Department?

**ESI-A13.** Yes, institutions may expand the number of its programs participating in either of the experiments. However, all of the participating programs must meet the criteria included in the Federal Register notice. For Experiment 1, the program must be a vocational/career program of study of one year or less that provides training needed to meet local or regional workforce needs. Experiment 2 programs must also be vocational/career programs that provide training

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needed to meet local or regional workforce needs, but also be short-term programs, approved by FSA school eligibility teams, that otherwise would not be Pell Grant eligible programs. Institutions adding programs must send an updated list of their programs with revised enrollment estimates to [ExperimentalSites@ed.gov](mailto:ExperimentalSites@ed.gov). [Guidance issued 12/21/2012]

**ESI-Q14.** Are the experiments only for new admits or are currently enrolled students who meet the criteria eligible to participate?

**ESI-A14.** The experiments are only for students who enroll in the applicable program after the experiment begins. Students who were enrolled in the program before the beginning of the experiment are not eligible to participate. However, a student's prior enrollment in another program at the institution or elsewhere does not affect their eligibility for these experiments, assuming the student meets all of the applicable requirements. [Guidance issued 12/21/2012]

**ESI-Q15.** For students participating in Experiment 1, will the 2012 LEU be applicable to those students?

**ESI-A15.** Yes, the new requirements apply. The Pell grants that students get during the experiment will apply to lifetime limits. So you could conceivably have a person interested in either experiment, but more likely the first one, who has already used six years/600% of Pell grant eligibility. Such students should NOT be allowed to participate in the experiment because they are not "otherwise Pell eligible." Just like students with an EFC of 10,000 would not be eligible to participate. [Guidance issued 7/20/2012]

**ESI-Q16.** What does consent mean, what are students are consenting to?

**ESI-A16:** The Department's contractor, SPR is handling all aspects of the consent process. They will send information to every student during the random assignment process and process any student requests to opt out.

**ESI-Q17.** Once the students get selected to be part of the experimental or the control group, communication will be sent to that student. Will it come from the Department or will it come from the institution? And if it's from the institution, does the Department have a template that the institution can use?

**ESI-A17:** With the move to a passive consent process ALL necessary informed consent information will be delivered to the student by the Department's contractor, SPR. Schools may also choose to share the information about the evaluation available at <http://www.pellexperiments.org> with prospective students.