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## **Summary**

Since receiving federal grant funding and recognition in 2007 and 2008, Asian American and Native American Pacific Islander-Serving Institutions (AANAPISIs) have been serving students who were historically disenfranchised from the U.S. higher education system. Primarily public two- and four-year institutions, AANAPISIs educated 33% of all Asian American or Pacific Islander (AAPI) students in fall 2020. Currently present in 27 states and territories, they are clustered mostly on the west coast and in Hawaii and the Pacific territories, as well as New York.

## History of Asian American and Native American Pacific Islander-Serving Institutions

The College Cost Reduction and Access Act of 2007 established federal funds for Minority-Serving Institutions (MSIs), including AANAPISIs and Historically Black Colleges and Universities (HBCUs), Predominantly Black Institutions (PBIs), Hispanic-Serving Institutions (HSIs), and Tribal Colleges and Universities (TCUs).¹ During the reauthorization of the Higher Education Opportunity Act (HEOA) in 2008, AANAPISIs were <u>authorized</u>, with specific eligibility and use requirements codified in 2009 into Title III, Parts A and F of the HEA. These acts established a limited pool of federal funds for which eligible institutions could apply with the specific intent of increasing the ability of institutions to serve AAPI students.

# Current Legislation on Asian American and Native American Pacific Islander-Serving Institutions

The AANAPISI program allows eligible institutions of higher education to improve their academic quality, increase their self-sufficiency, and strengthen their capacity to make a substantial contribution to the success of AAPI students.<sup>2</sup>

To be eligible for AANAPISI status, an institution's undergraduate student enrollment must be at least 10% Asian American or Native American Pacific Islander. In addition to being an accredited institution, schools need to demonstrate that at least half of their enrolled students received federal financial aid and must maintain less-than-average expenditures per FTE student. Institutions that meet these standards can apply to be designated as an AANAPISI by the U.S. Department of Education. Once an institution has been designated as an AANAPISI, they may apply for discretionary grants up to \$350,000 per year for five years, with a cumulative maximum award of \$1,750,000.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> See Public Law 110-84, Section J for the full text of the act pertaining to AANAPISIs.

<sup>&</sup>lt;sup>2</sup> See the U.S. Department of Education <u>AANAPISI Program</u> page. An institution of higher education (IHE) may have a Title V, Part A, HSI grant and a Title III, Part F, AANAPISI grant simultaneously. An institution may not have a Title V, Part A and Title III, Part A simultaneously. An institution can have any Title III, Part F grants simultaneously.

<sup>&</sup>lt;sup>3</sup> See the U.S. Department of Education <u>AANAPISI FAQ</u>.



AANAPISI grants encourage schools to provide students with support services, develop summer bridge programs between two-year and four-year colleges and universities, strengthen student advising and academic support, provide professional development to faculty, and develop an endowment fund to meet costs for maintenance and technological upgrades. AANAPISI funding also provides resources to increase access to leadership development, create first-year experience programs, establish student learning communities, and provide mentorship opportunities for students. AANAPISI dollars may be used to conduct research on the AAPI population and to provide staff development opportunities to help AANAPISI administrators, faculty, and campus personnel better understand the complexities of the AAPI communities.<sup>4</sup>

Table 1: HEA Titles That Apply to AANAPISIs

| HEA Title<br>& Section             | Purpose  | AANAPISI Eligibility  | Most Recent<br>Funding<br>Amount |
|------------------------------------|--|---|----------------------------------|
| Title III,<br>Part A               | "Used by AANAPISIs to assist such institutions to plan, develop, undertake, and carry out activities to improve and expand such institutions' capacity to serve Asian Americans and Native American Pacific Islanders and low-income individuals." | Institutions must submit enrollment data to the U.S. Department of Education to establish AANAPISI designation. After the designation, institutions submit an application for the grant that includes a five-year plan of action. | FY 2023:<br>\$18.6M              |
| <u>Title III,</u><br><u>Part F</u> | The purposes of Part F are the same as Part A. The key difference is that Part A constitutes discretionary spending, while Part F is mandatory spending.   | The same as Part A.   | FY 2023:<br><u>\$5M</u>          |

In FY 2021, the most recent available data for specific grant awardees, 32 AANAPISIs received funding, for a total distribution of \$9.6 million dollars, an increase of \$839,326 from FY 2020, when 28 grants were awarded. A complete list of currently funded AANAPISIs can be found <a href="here">here</a>.<sup>5</sup>

## Types of Institutions<sup>6</sup>

There are AANAPISIs in 27 states and territories. AANAPISIs are clustered mostly on the west coast or in Hawaii and the Pacific territories, with New York being the notable exception. California has the greatest number with 87, followed by New York with 20, Hawaii with 13, and Washington state with 10. California's 87 AANAPISIs comprise 43.7% of all AANAPISIs, and their total enrollment of 1,160,573 in fall 2020 comprised 48% of all AANAPISI enrollment. While AANAPISIs are present in multiple regions of the country, their concentrations reflect the distribution of AAPI residents. Figure 1 shows the geographic distribution of AANAPISIs by institutional sector.

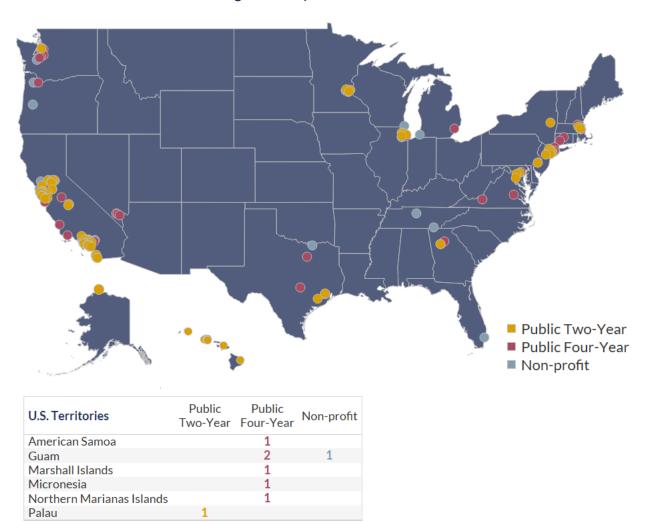
<sup>&</sup>lt;sup>4</sup> See the U.S. Department of Education AANAPISI FAQ.

<sup>&</sup>lt;sup>5</sup> See the U.S. Department of Education <u>AANAPISI Program</u> page.

<sup>&</sup>lt;sup>6</sup> Institution, enrollment, financial aid, and student outcome data come from the author's analysis of the Integrated Postsecondary Education Data System (IPEDS) unless otherwise noted.



Figure 1: Map of AANAPISIs

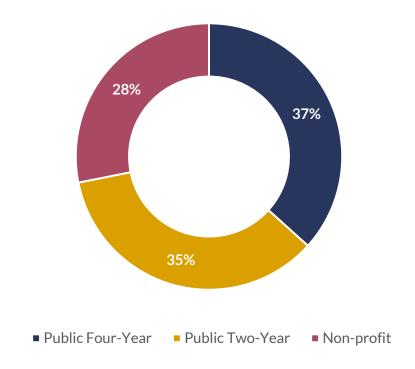


Source: Author's analysis of IPEDS.

Though AANAPISIs share considerable similarities given that their AANAPISI status is derived from shared enrollment and demographic benchmarks, there is diversity within the sector with regard to institutional type. Of the 199 AANAPISIs, 73 are public four-year institutions, 70 are public two-year institutions, and 56 are private non-profit. Figure 2 shows the distribution of AANAPISIs by sector: Though evenly split when viewing by level, a clear majority are public institutions.



Figure 2: AANAPISIs by Institutional Sector



Source: Author's analysis of IPEDS.

## Enrollment<sup>7</sup>

In fall 2020, the 199 designated AANAPISIs enrolled a total of 2,411,398 students, including graduate and professional students, 449,511 (18.6%) of whom were AAPI. In 2020, AANAPISIs educated 33% of all AAPI students enrolled in postsecondary education.8 In the past decade, the 199 current AANAPISIs saw a 3.2% decline in total enrollment, which is considerably smaller than the 10.4% decline in total enrollment among all Title IV participating institutions. Despite these trends, AAPI enrollment at these AANAPISIs increased by 0.5%, while AAPI enrollment across all postsecondary institutions increased by 11.2%. Of the total enrollment at AANAPISIs, 8.9% (or roughly 220,000 students) were enrolled exclusively in courses delivered via distance learning in fall 2019. Non-AANAPISI institutions had much higher total online enrollment, with 17.2% of students enrolled exclusively in distance learning in fall 2019. Figure 3 shows AANAPISI enrollment since 2010 and the share of that enrollment that identified as AAPI.

<sup>&</sup>lt;sup>7</sup> For all longitudinal analyses of enrollment, financial aid, and student outcomes, the institutions designated as AANAPISIs in 2022 are included for all years.

<sup>&</sup>lt;sup>8</sup> Estimated for all institutions available in IPEDS, including U.S. territories.

<sup>&</sup>lt;sup>9</sup> See the Digest of Education Statistics Table 303.20.

 $<sup>^{10}</sup>$  Data for fall 2019 was used due to the COVID-19 pandemic resulting in abnormally high online enrollment beginning with fall 2020.



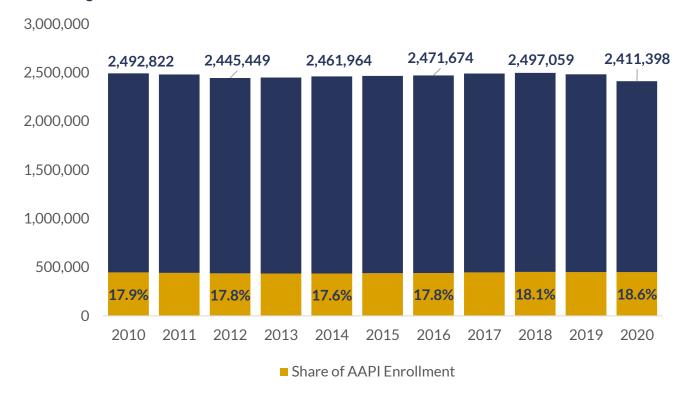


Figure 3: Total Fall Enrollment in AANAPISIs and Share of AAPI Student Enrollment

Source: Author's analysis of IPEDS, 2000-2020.

AANAPISIs have a sizable share of AAPI student enrollment by definition, but they also have considerable racial and ethnic diversity. In fall 2020, AANAPISI institutions were 29.6% Hispanic or Latino, 28.1% white, 9.7% Black, 5.4% non-residents, 5.1% two or more races/ethnicities reported, 3.2% with no reported race/ethnicity, and 0.2% American Indian/Alaska Native.

## **Finance and Federal Financial Aid**

#### **Federal Financial Aid to Students**

The share of AANAPISI students who are Pell Grant recipients has remained relatively constant over the past decade and was 34% in 2020. Among all institutions in 2020, 34% of students were Pell Grant recipients (33% of public four-year students, 32% of public two-year students, 33% of non-profit students, and 56% of for-profit students). Compared to public and non-profit institutions, Pell students are similarly represented in AANAPISIs.

The share of AANAPISI students who borrowed federal student loans has declined slightly from a high of 25% in 2012 to 19% in 2020. In the past decade, at least one-fifth of AANAPISI students borrowed federal student loans each year. Among all institutions in 2020, 32% of undergraduates borrowed federal student loans (35% of public four-year undergraduates, 12% of public two-year undergraduates, 48% of non-profit undergraduates, and 59% of for-profit undergraduates). Figure 4 shows the share of Pell Grant and federal loan recipients at AANAPISIs for the past decade. In 2020, the average Pell Grant received by an AANAPISI undergraduate was \$4,491, while the average federal loan received by an AANAPISI undergraduate was \$6,312.



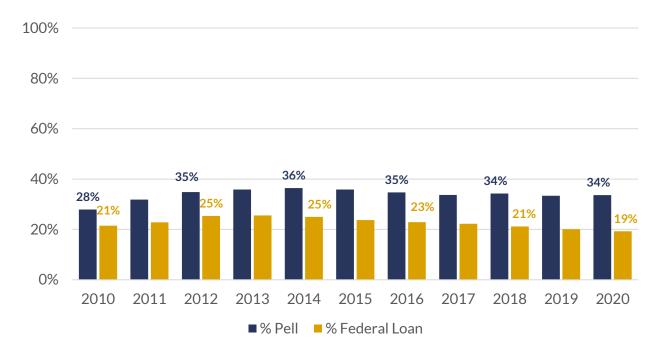


Figure 4: Share of Pell Grant and Federal Loan Recipients at AANAPISIs Over Time

Source: Author's analysis of IPEDS, 2010–2020.

At AANAPISIs in 2020, 1.4% of the undergraduate student population were veterans who received funds through the federal G.I. Bill, with the average amount received being \$6,364. The share of G.I. Bill recipients at AANAPISIs is lower than the national rate (2.6%), and considerably lower than for-profit institutions (6.9%), which is the sector with the greatest share.

#### **Federal Student Debt**

Table 2 shows an analysis of the College Scorecard data on federal student loan debt. AANAPISIs match closely to the median debt among all institutions. Upon entering repayment, AANAPISI students typically have \$11,500 in federal loan debt; this amount increases to \$15,060 for degree completers. AANAPISI students have much lower rates of default (5.9%) than those at most institutions and are more likely to be making progress on their loans or have their loans completely repaid two years after entering repayment. Two years after entering repayment, students at AANAPISIs are nearly six percentage points above the national rate when it comes to making progress on their loans.

<sup>&</sup>lt;sup>11</sup> Making progress is defined as paying enough in monthly payments that the principal amount of the loan is decreasing.



Table 2: Student Loan Debt and Repayment Status by Institutional Sector

|   | AANAPISIs | Public<br>Four-Year | Public<br>Two-Year | Non-<br>profits | For-<br>profits | All<br>Institutions |
|---|-----------|---------------------|--------------------|-----------------|-----------------|---------------------|
| Median Debt After<br>Entering Repayment<br>- All Students                     | \$11,500  | \$13,841            | \$6,247            | \$16,088        | \$10,555        | \$12,139            |
| Median Debt After<br>Entering Repayment<br>- Completers                       | \$15,060  | \$20,123            | \$10,250           | \$24,500        | \$14,408        | \$19,168            |
| Median Debt After<br>Entering Repayment<br>- Pell Recipients                  | \$11,185  | \$14,856            | \$6,750            | \$18,079        | \$10,541        | \$12,667            |
| Share of Students in<br>Default Two Years<br>After Entering<br>Repayment      | 5.9%      | 6.3%                | 13.1%              | 7.7%            | 10.8%           | 9.5%                |
| Share of Students<br>Making Progress<br>Two Years After<br>Entering Repayment | 25.2%     | 24.9%               | 16.5%              | 18.7%           | 9.9%            | 15.8%               |
| Share of Students<br>Paid in Full Two<br>Years After Entering<br>Repayment    | 10.7%     | 9.5%                | 4.1%               | 6.8%            | 2.1%            | 4.9%                |

Source: Author's analysis of the College Scorecard. 12

 $<sup>^{12}</sup>$  Though the College Scorecard pulls from national data sets, it is technically an unaudited data source. These data only represent undergraduate federal student loans and excludes Parent PLUS loans. Data are for the 2015–16 and 2016–17 pooled award year cohort.



## **HEA Funding**

AANAPISIs that have successfully applied for and received AANAPISI status by ED are eligible to apply for two grant programs under Title III of the HEA: Title III, Part A and Title III, Part F. The first grant awards to AANAPISIs were awarded in FY 2008. Figure 5 shows total HEA funding to AANAPISIs by Title since these grants were available, adjusted for inflation using the Consumer Price Index (CPI).<sup>13</sup> In FY 2021, AANAPISIs received a total of nearly \$10 million in grant funding, 52% of which was distributed through Part A and 48% of which was distributed through Part F. Following a peak in 2010, funding has since declined with the exception of the most recent two fiscal years.



Figure 5: Total HEA Funding to AANAPISIs, by Title

*Source*: ED Program Awards Data. Amounts adjusted to 2022 dollars using the CPI except for FY 2023, which uses real dollars. FY 2022 and FY 2023 data comes from ED <u>budget tables</u>.

<sup>&</sup>lt;sup>13</sup> These funds represent all grants disbursed and, unlike the enrollment and financial aid data in the previous sections, are not necessarily connected to the current 199 AANAPISIs.



## **Higher Education Emergency Relief Funds**

The COVID-19 pandemic impacted thousands of higher education institutions, including AANAPISIs. In response to financial concerns for both students and institutions, Congress enacted the Coronavirus Aid, Relief, and Economic Security Act, more commonly known as the CARES Act, in March 2020. The CARES Act authorized \$14 billion for the <u>Higher Education Emergency Relief Fund (HEERF)</u>, <sup>14</sup> with \$1 billion directed to Minority-Serving Institutions (MSIs), including AANAPISIs, through existing programs in Titles III and V. The HEERF also included \$350 million directed to institutions that received less than \$500,000 in overall CARES Act funds through the Fund for the Improvement of Postsecondary Education (FIPSE).

In late December 2020, President Trump signed the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act into law. The CRRSA Act authorized \$21.2 billion for higher education through the Higher Education Emergency Relief Fund II (HEERF II). The same AANAPISIs that received CARES Act funds were also eligible to receive CRRSA Act funds. In early February 2021, ED began disbursing this aid to institutions.

Most recently, the American Rescue Plan (ARP) provided nearly \$40 billion for colleges and universities, particularly many under-resourced institutions that educate students whose communities were most acutely affected by the pandemic. More than \$13 billion went to MSIs, including AANAPISIs, HSIs, and PBIs.

As of December 2021, 181 AANAPISIs had received \$10 billion in total HEERF funds, \$532 million of which was through Title III, and \$2.2 million of which was through FIPSE. These funds represent CARES, CRRSA, and ARP investments into the HEERF.<sup>15</sup>

## **Outcomes and Impact**

AANAPISIs confer a greater number of bachelor's degrees (261,838) than associate degrees (138,016). AANAPISIs are also significant degree producers for the AAPI student population. Despite enrolling just 33% of all AAPI college students, AANAPISIs produce 43% of all associate degrees received by AAPI students and 32% of all bachelor's degrees received by AAPI students.

Though AANAPISIs tend to graduate AAPI students at a lower rate than the national 150% time graduation rate, they tend to graduate all students at a rate similar to the national rate. AANAPISIs have lower graduation rates in general and for AAPI students specifically than all public four-year and non-profit institutions, but have greater rates in general and for AAPI students than public two-year institutions. Figure 6 shows graduation rates in 2020 of first-time, full-time students by institutional sector.

<sup>&</sup>lt;sup>14</sup> For a more detailed analysis of HEERF funding, see PNPI's COVID-19 Primer.

<sup>&</sup>lt;sup>15</sup> Based on the author's analysis of the Department of Education's <u>COVID-19 relief funds tracker data</u>.



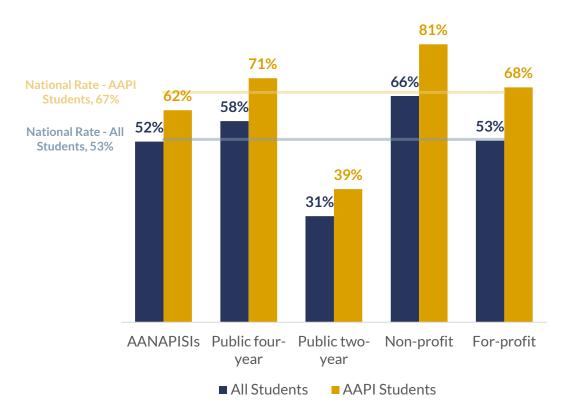


Figure 6: Average Graduation Rates at 150% Time by Sector, 2020<sup>16</sup>

Source: Author's analysis of IPEDS.

It is important to contextualize these findings and note that AAPI students are not a monolith; according to the Census definition, the AAPI umbrella represents over 50 different ethnicities that vary greatly in terms of languages, English proficiency, colonial history, immigration patterns, and socioeconomic and first-generation college-going status. When we disaggregate the AAPI category, we see starkly different educational outcomes. For instance, Asian American students have much higher graduation rates, while Native Hawaiian/Pacific Islander students tend to graduate at a lower rate than the national average. These differences are obscured when looking at overall rates and outcomes.<sup>17</sup>

Table 3 shows the average earnings of students 10 years after entering postsecondary education. AANAPISI students earn, on average, around the same as students who attended public four-year institutions. Compared to all institutions, AANAPISI students typically earn \$3,900 more per year 10 years after entering postsecondary education.

<sup>&</sup>lt;sup>16</sup> 150% time means six-year graduation rate for four-year institutions and three-year graduation rate for two-year institutions. These rates are for first-time, full-time students. A rate in 2020 represents a cohort of four-year students entering in 2014 and a cohort of two-year students entering in 2017.

<sup>&</sup>lt;sup>17</sup> For more information on AAPI students and data disaggregated by race/ethnicity, please see our <u>AAPI factsheet</u>.



Table 3: Earnings 10 Years After Entering Postsecondary Education, by Institutional Sector<sup>18</sup>

|                  | Mean Earnings 10<br>Years After Entry | Median Earnings 10<br>Years After Entry |
|------------------|---------------------------------------|---|
| AANAPISIs        | \$47,561                              | \$46,602                                |
| Public 4-Year    | \$48,637                              | \$45,313                                |
| Public 2-Year    | \$34,743                              | \$35,059                                |
| Non-profit       | \$50,714                              | \$46,921                                |
| For-profit       | \$36,669                              | \$34,110                                |
| All Institutions | \$43,627                              | \$40,273                                |

Source: Author's analysis of the College Scorecard.

## **Conclusion**

AANAPISIs are part of a changing higher education landscape—one in which the federal government recognizes institutions that are serving historically disenfranchised communities at an increasing rate. Nearly 33% of all AAPI students are enrolled at AANAPISIs, despite AANAPISIs only accounting for 12.3% of all postsecondary U.S. enrollment. A large share of students at AANAPISIs tend to be the first person in their family to attend college. Given the percentage of AAPI students they serve, AANAPISIs will continue to play an important role in higher education's goal of reducing disparities in opportunity for students of color.

<sup>&</sup>lt;sup>18</sup> Includes students who are working and not currently enrolled in postsecondary education.



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Please contact Jared Colston with any questions or inquiries at <a href="mailto:colston@pnpi.org">colston@pnpi.org</a>.