

Finance (F)

Reporting Pell Grants

Tutorial Script

2024-25 Data Collection

This tutorial discusses how to report Pell Grant data for the IPEDS Finance survey component. How you report Pell Grants depends in part on the control of your institution and the accounting standards your institution follows.

If you are a public, GASB-reporting institution, then you must report Pell data as Federal Non-operating Grant Revenues for IPEDS. If you are a private or public, FASB-reporting institution, then you have the option of treating Pell Grants as pass-through transactions or as federal grant revenue. However, the majority of private institutions report Pell Grants as pass-through transactions. Check with your business office first before answering the Pell Grant screening question. The method you use to report Pell Grants will influence how your institution's revenue data are reported.

If you are reporting for a public or private institution that is counting Pell Grants as Federal Grant revenue, then you will need to submit the following data.

- In the scholarships and fellowships section, first identify the full amount of Pell Grants received that are used for scholarships and fellowships for the fiscal year. Second, within discounts and allowances, include any Pell Grant monies that were applied directly to a student's account for tuition and fees, as well as funds used for food and housing or other auxiliary enterprises, such as books from the bookstore, on campus dining, etc. in the appropriate category.
- In the revenues section, Pell Grants should be treated as federal non-operating grant for public institutions and federal grants and contracts for private institutions. When reporting tuition and fee data, make sure allowances, including those from Pell Grants, have been removed. Allowances to auxiliary enterprises should also be removed from the auxiliary enterprises revenue amount. Finally, make sure that these allowances are not included in the total revenue amounts. This is especially important for non-degree-granting institutions that do not directly report auxiliary enterprises revenue.
- Finally, in the expenses section, if there are any remaining Pell Grant funds that were not used as allowances for either tuition and fees or auxiliary enterprises, then they appear in the calculated amount reported for net scholarship/fellowship expenses (or net grant aid to student expenses at private institutions). These remaining funds should also be included in total expenses.

The second option for reporting Pell Grant data is to treat these funds as a pass-through transaction. A pass-through transaction, also known as an agency transaction, refers to a situation where funds are passed from the funding source, the federal government in the case of Pell Grants, through the institution to a student.

For example, IPEDS University is a private, not-for-profit institution that treats Pell Grants as pass-through funds. Although the Pell Grant moves through the institution to the student, because the institution serves as the middle man between the government and the student, the funds do not belong to the institution until they are counted as tuition and fees and/or auxiliary enterprises revenues on behalf of the student. If you are reporting for a public or private institution that is counting Pell Grants as pass-through transactions, then you will submit the following data.

- In the scholarships and fellowships section, report the full amount of Pell Grants received that are used for scholarships and fellowships for the fiscal year. These funds do not count as discounts and allowances to either tuition and fees or auxiliary enterprises.
- In the revenues section, Pell Grant funds only get counted when they are paid by or are credited to the student for tuition and fees or auxiliary enterprises. Pell Grants as pass-through transactions are not counted as a Federal appropriation, grant, or contract.
- Finally, no amounts from the Pell Grants would be reported in net scholarship/fellowship or grant aid expenses.

Before submitting Pell Grant data, check with your business office to understand how you should report these data. For more information on the material presented in this tutorial, please contact the IPEDS Help Desk.