



# Transforming Lives



## Steven J. Fluharty

Dean and Thomas S. Gates, Jr.  
Professor of Psychology, Pharmacology,  
and Neuroscience

As Dean of the School of Arts & Sciences, I am proud of Penn’s commitment to financial aid and need-blind admissions. Here at the College, we can admit the brightest, most motivated students, regardless of their financial backgrounds. Our promise to provide grants rather than loans to all domestic students means that every admitted student can graduate without the burden of insupportable debt.

This tremendous investment in our students has an incredible impact on their lives and the lives of their entire families. I see the difference it makes in our classrooms, and I know what it will mean to the world these students will shape.

Our grant packages present an academic advantage and a financial challenge. The School of Arts & Sciences is the academic home for the majority of Penn’s undergraduates and thus provides the majority of the University’s financial aid. Endowment income covers only a small fraction of the School’s financial aid budget; the remainder must come from operating funds.

Donors committed to making a College education available to all admitted students support the overall mission of the School of Arts & Sciences. Scholarships have a twofold effect: they make a College education available to those for whom it would otherwise be out of reach, and they alleviate financial pressure on the School, making it possible to invest in other academic opportunities for our students.

I ask you to consider endowing an undergraduate scholarship and to designate your gift to support for students in the College. No single factor will have greater impact on the future of undergraduate education in the College than increased endowment for financial aid.

**46%**

Penn undergraduates receive direct grant support

**\$57,075**

Average financial aid package totals, more than double the 2001 average

**\$89 million**

School undergraduate aid expenses

# INFINITE *Possibility*



THE UNDERGRADUATE NAMED  
SCHOLARSHIP PROGRAM AT THE  
UNIVERSITY *of* PENNSYLVANIA



## The strength of our commitment: Penn leads in educational opportunity

The University of Pennsylvania's undergraduate financial aid program proudly boasts four of the most distinctive standards of excellence in higher education:

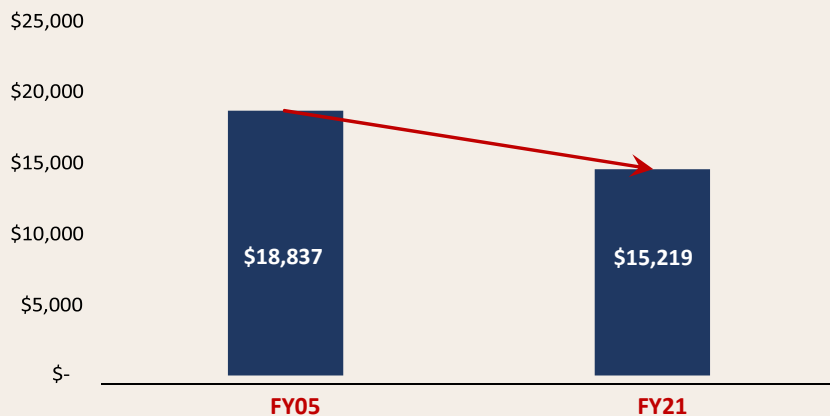
- Need-blind admission for all applicants in North America;
- A commitment to meeting 100% of assessed financial need;
- Grant-based financial aid packages; and
- Penn First Plus initiatives for first-generation and lower-income students.

Penn is the largest university in the United States with a grant-based financial aid program. As the demand for undergraduate financial aid has grown steadily over recent decades, so too has Penn's commitment to increasing access for talented students with financial need. Consider the following telling metrics:

- Penn's financial aid budget during President Gutmann's tenure has grown by more than 150 percent, more than twice the average growth in annual tuition and fees.
- The 2021 – 2022 budget for undergraduate financial aid is \$259 million, the largest planned budget in Penn's history.
- Forty-seven percent of undergraduates receive direct grant support from Penn; the average financial aid package totals \$56,098, more than the cost of tuition.

Year	FY05	FY07	FY09	FY11	FY13	FY15	FY17	FY19	FY21
Average Freshman Package	\$23,263	\$26,385	\$31,985	\$38,043	\$41,315	\$45,149	\$49,439	\$55,561	\$54,553

### **PENN IS THE LARGEST UNIVERSITY IN AMERICA TO MEET A STUDENT'S FULL NEED WITH EXCLUSIVELY GRANTS-BASED AID**



In constant dollars, the average net cost to aided first-year students has decreased 19.5%.

## The strength of our commitment: Penn leads in educational opportunity

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### Penn First Plus

Through Penn First Plus, we have expanded our commitment to students who represent the first generation in their families to attend college and/or are lower-income to ensure that they can not only afford to attend the University, but also fully experience all that a Penn education has to offer. A robust financial aid program sits at the heart of Penn First Plus, and the initiative includes a cadre of supports and resources.

- The new Penn First Plus Center opened in August 2020 and provides a physical hub for students and a place of community in the middle of campus.
- Faculty Co-Directors, Camille Charles and Rob Ghrist have led an initiative to ensure Penn faculty employ an enhanced awareness about college transition, academic success, and sense of belonging for Penn First Plus students.
- The Pre- Freshman Program is a multi-week summer residential option combines an intensive, academically rigorous program with digital educational resources for first-generation and or lower-income students. PFP positions students for success, even before the start of school it imparts critical information about resources, familiarizes participants with campus and Philadelphia, and provides peer mentors.
- More than 10% of undergraduates qualify for our most generous packages for highly aided students. These packages might include a laptop, holiday and spring break meals, summer savings reductions, and summer opportunity funds for courses, research, and internships.
- 17.2% of incoming freshman who entered in Fall 2021 are Pell eligible.

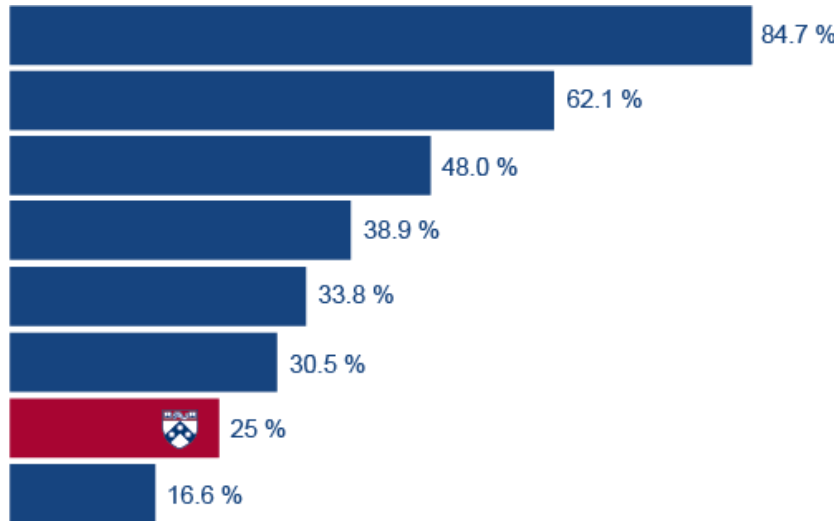
### COVID-19 Support

At the onset of the pandemic, Elaine Varas, Senior University Director of Student Aid and Marc Lo, Executive Director of Penn First Plus, and other campus leaders – all of whom have deep expertise in serving students – formed a committee that met daily to address each student’s individual and unique needs. Across campus Penn colleagues worked together to support 2,000 students. Specifically, Penn:

- Secured travel home for students and provided debit cards for food and internet services.
- Supplied students with laptops, funds to address technology requirements, and other support during the transition to remote learning.
- Created a student guide for navigating the COVID-19 crisis and Financial Wellness @ Penn, a toolkit for managing finances during uncertain times.
- Continued to pay all work-study students in the spring semester.
- Reevaluated financial aid packages for families facing new economic hardships.
- Penn also established two COVID-19 special response funds: the COVID-19 Special Response Fund for Undergraduates and the COVID-19 Special Response Fund for International Undergraduates. Gifts to these funds support students’ emergency and ongoing financial needs.

## Our comparative challenge

Among our Ivy League peer group, Penn is one of five institutions with grant-based aid policies. Columbia, Harvard, Princeton and Yale are the others, and Brown, Cornell and Dartmouth have limited grant-based policies with parental income cutoffs. Since the 1990s, we have made huge strides to increase the percentage of our aid budget that is covered by the endowment, from under 10 percent to its near 25 percent currently. Yet, this percentage remains nearly the lowest among our Ivy peers.



While we work to further increase endowment contributions to financial aid, Penn currently devotes critical resources by limiting the growth of expenses and trimming costs in other areas. **As a result, Penn spends more unrestricted dollars on undergraduate financial aid than any other Ivy League school.** This commitment enables students, who otherwise would not have the opportunity, to join and shape our Penn community.

### STRENGTH OF OUR ENDOWMENT: A SOUND INVESTMENT

Our donors trust that Penn will put their philanthropic dollars to maximum effect. Our prudent investment strategies have resulted in our returns being ranked in the top third for large endowments over the past ten years.

Typically, Penn's annual target payout rate is 5% for endowments. In light of pandemic-driven needs and opportunities, the target payout rate was increased to 6% for 2021-2022 academic year. This temporary, elevated spending rate allows a greater portion of a student's financial aid package to come from endowed funding.

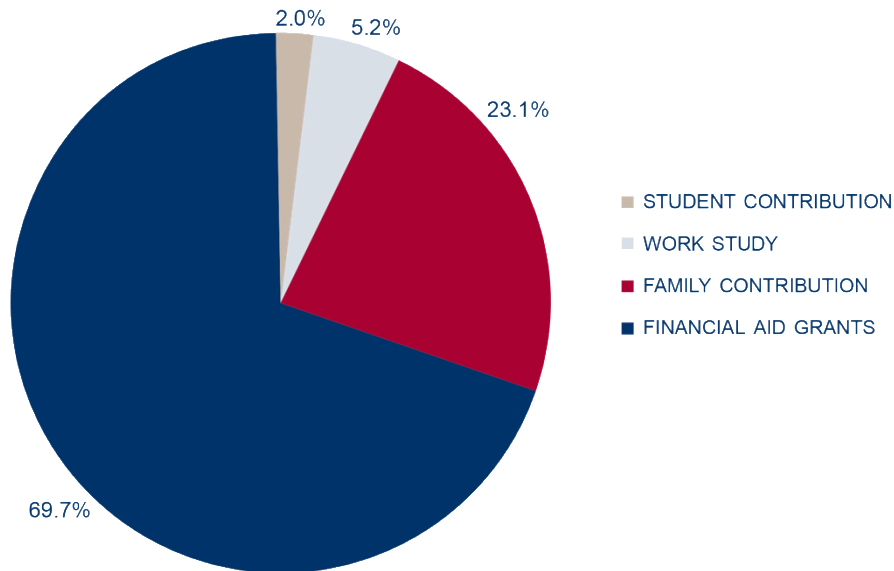
### STRENGTH OF OUR STUDENTS: OUR COMMITMENT EQUALS INCLUSION AND EXCELLENCE

Penn received 42,204 applications in 2020—and the caliber of the admitted class is the most impressive in the University's history. Each class is increasingly unique in terms of experience and socioeconomic status. 1 in 7 of the Class of 2025 will be the first in their family to graduate from college. Without question, Penn's financial aid program plays a substantial role in building a talented and diverse student body.

## How aided students meet the cost of a Penn education

Paying for a Penn education can be one of the most important decisions a family will make. Recognizing the significance of such an investment, Penn uses an objective and comprehensive process to evaluate student financial need and to determine expected family contribution. A student's aid package consists of a family contribution, a student contribution from summer savings, work study, and Penn grants.

### A TYPICAL FINANCIAL AID PACKAGE



Consider these important trends of Penn's grant-based financial aid policy:

- Students with family incomes less than \$65,500 and typical assets receive financial aid packages that cover tuition, fees, room and board. Students with family incomes between \$65,500 and \$130,000 receive average aid packages that are greater than tuition. (Total cost undergraduate charges for 2021-2022— tuition, fees, room and board— stand at \$79,104.)
- Only 19% of students receiving need-based aid took out loans to supplement their aid package in FY21, compared to FY04 when 80% of students receiving need-based aid took out loans.
- The Power of Penn Campaign has bolstered financial aid at all levels, raising nearly \$450 million for undergraduate student support and enabling 78% of undergraduates to leave Penn debt free in FY20.



## Meet our students



### Bailey, C'23

Bailey came into Penn with a plan but taking Philosophy of Law in the spring of her freshmen year helped her find her true passion and pursue a double major in political science and philosophy with a minor in anthropology. Bailey has continued to follow her interests ever since then by deciding to also earn a Persian Language Certificate, co-chairing Programs for Religious, Interfaith, and Spiritual Matters (PRISM), and wearing multiple hats at Williams Café, a student run café on campus. Penn has given Bailey the opportunity to broaden her horizons by diving into her interests. After she graduates, Bailey is interested in working in the field of the international law, specifically personal expression. Being in the Named Scholarship Program has given Bailey the confidence to take academic risks and pursue all these different paths knowing that there was someone out there who is supporting her education.



### Angela, C'23

When Angela is not practicing with the rest of the Penn synchronized swimming team, studying biochemistry, or working with the Chinese Student Association, she spends her time as the Marketing Co-Chair for the Foundation of International Medical Relief for Children (FIMRC). FIMRC recently took on the mission of an Adopt-A-Project, specifically water purifiers for a rural village in Peru. Angela has also volunteered at The Clyde F. Baker Penn Transplant House, organizing game nights for patients and even cooking them brunch. "From where my family grew up in mainland China, I am still aware of the lack of medical help and access to medical resources for many countryside families and their children." Once she graduates, Angela plans on attending medical school to become a physician so that she can continue doing this important work.



## Meet our students

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### Jaydin, C'23

When Jaydin first found out that he had been accepted to Penn, he still was not sure if he would be able to attend a university all the way across the country. But when he learned he received a Named Scholarship, Jaydin knew he would have the support system in place that would allow him to thrive. And thrive he has. At the start of his freshman year, Jaydin joined Black Wharton Consulting, a student group that provides support to Black and minority owned businesses in the Philadelphia area. Through this experience he worked with both a full-service creative agency and a podcast network. When Jaydin returned home early due to COVID-19, he continued this consulting work by meeting through video calls and working from home until his project was complete, highlighting his dedication as he also focused on his coursework. These projects and Jaydin's whole Penn experience have opened his eyes to all that is available to him and introduced him to people who have helped to guide him during this journey.





## Creating a lasting legacy

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Penn remains committed to meeting the increasing needs of talented students, for whom an Ivy League education would not be possible without scholarship aid. Matching funds promote more giving opportunities and expand the impact of our donors who share in this commitment.

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**Men and Women of  
Pennsylvania  
\$2 Million**

Creates a Men and Women of Pennsylvania challenge fund.

*Your challenge fund gift of \$1.5 million may be matched with \$500,000 in challenge funds.*

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**\$1 Million**

Creates a scholarship supporting nearly the average grant need of one student each year in perpetuity.

*Your gift of \$750,000 may be matched with \$250,000 in challenge funds.*

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**\$500,000**

Creates a scholarship providing nearly half of the average grant need of one student each year in perpetuity.

*Your gift of \$400,000 may be matched with \$100,000 in challenge funds.*

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**\$300,000**

Creates a scholarship providing nearly a quarter of the average grant need of one student each year in perpetuity.

*Your gift of \$250,000 may be matched with \$50,000 in challenge funds.*

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**\$125,000**

Creates a scholarship in support of one student each year in perpetuity.

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**Young Alumni  
Scholarship  
\$75,000**

The Young Alumni Scholarship is available up to ten years after graduation.

*Your gift of \$75,000 may be matched with \$75,000 in challenge funds to create a scholarship supporting one student each year in perpetuity.*

### CHALLENGE FUNDS

Our ability to leverage matching dollars that increase the power of endowed scholarships is made possible by the generous support of challenge fund donors. The impact of these gifts has been a hallmark of the undergraduate financial aid program and a significant factor in Penn's unprecedented success in funding this core priority.

A gift of \$500,000 can create a challenge fund that will encourage up to 10 other donors to make a scholarship gift. Challenge fund donors are recognized in the same manner as endowed funds. Donors will be assigned scholars each year in perpetuity.