

Funding AP Exams for Low-Income Students

For 65 years, the Advanced Placement Program[®] (AP[®]) has been delivering equity and excellence to millions of students across the country. Called the single happiest education story of the centuryⁱ, more students—from more diverse backgrounds than ever before—are participating and succeeding in AP. Students with qualifying AP Exam scores can earn credit and skip intro-level courses at many colleges, saving them time and money as they work toward their degree.

Growth in AP Participation by Low-Income Students

Thanks to funding support from the federal government, states, and the College Board, **there has been a significant increase in AP participation by low-income students.** In 2020, despite challenges presented by the pandemic, 24% of AP examinees were low-income students, taking over 1 million AP Exams. Over the last decade, the share of AP Exams taken by low-income students increased by more than 3 percentage points—narrowing equity gaps.

This translates to significant college savings for low-income students since most four-year colleges in the United States give students credit, advanced placement or both, on the basis of AP Exam scores. **In 2020, the estimated potential tuition savings for low-income students scoring a 3 or higher on an AP Exam was \$487 million** (based on the average 2020-21 in-state tuition and fees per credit hour at public four-year institutions).

Closing the equity gap in AP participation for low-income students is a vital component of ensuring that all students have the opportunity to experience the benefits of challenging coursework that increases their chance to succeed in college and makes it more affordable. Funding support plays an important role in closing equity gaps.

Funding Sources for AP Exams in 2021

- **Title IV, Part A:** In FY2020, Congress increased Title IV, Part A funding to \$1.2 billion. The vast majority (95%) of this funding will go to districts; states may reserve 1% for administrative purposes and an additional 4% for state-level activities. States and districts can use these funds to expand access to AP courses and to cover AP Exam fees for low-income students in 2021.

i. Malkus, Nat (2016). American Enterprise Institute.

- **State and Local Funds:** A number of states cover part or all of the costs of their students' AP Exams by using state funds.
- **Title I:** Districts or schools receiving Title I funds may use those funds to cover AP Exam fees for low-income students. The funds must be used to supplement and not supplant any state or local funding for AP Exams.
- **A Combination of the Above:** Funding sources can be combined in creative ways. For example, a state could partially cover low-income students' exams using state funds and then cover the remaining costs with their Title IV, Part A set-aside. Or a state could cover a portion of the cost with state funds and encourage districts to cover remaining costs from their Title IV, Part A allocation. We encourage states to start working now with districts on a plan to fund their AP programs.

AP is a high quality, low-cost educational success story.

- Each of AP's 38 courses is modeled upon a comparable college course. College and university faculty play a vital role in ensuring that AP courses align with college-level standards. Each AP course concludes with a college-level exam developed and scored by college and university faculty members as well as experienced AP teachers.
- Performing well on an AP Exam means more than just the successful completion of a course. Most colleges and universities accept successful exam scores for credit, advanced placement, or both. And research consistently shows that students who score a 3 or above typically earn higher GPAs in college and have higher graduation rates.