

# EXHIBIT 123

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**From:** McGrath, Marlyn [/O=HARVARD-FAS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=MMCG]  
**Sent:** Monday, January 21, 2013 6:58:22 PM  
**To:** Pacholok, Olesia  
**CC:** Worth, Robin; Donahue, Sally; Yong, Elizabeth; McGrath, Marlyn  
**Subject:** Note on collecting and reporting  
**Attachments:** A note on the Collection....MEM.docx

Here is my last newly-edited draft. Again, this includes only my cleaned up copy. I will bring in my paper copies on which my changes are mapped out so that it will be easy for Olesia to see.

Thanks, gang.

sBOSUS671646A NOTE ON THE COLLECTION AND REPORTING  
OF DATA ON RACE AND ETHNICITY

One complicating factor cited by the Western Interstate Commission for Higher Education report is the changes required in recent years by the Federal Government in the reporting of race and ethnicity: "Beginning in 2010-11, the last year for which we obtained enrollments data..., states and institutions were required to report data...according to a new methodology..."

"The new reporting scheme requires individuals to answer a two-part question to indicate their racial and ethnic identity. The first question is whether an individual's ethnicity is Hispanic/Latino or not. The second question is whether the individual is from one or more of five racial groups... In addition to the new options for racial and ethnic self-identification, the process for collection of data from individuals is different than the reporting of the data to the Department of Education: individuals may self-identify as both Hispanic and any combination of races, but an individual who is Hispanic will only be reported as Hispanic. Also, individuals are not offered the choice of choosing the seventh category, Two or More Races: rather it is a reporting category derived from the individual's selections. These factors may account for some divergence in data across the years that cover the transition from one reporting scheme to another."

The report indicates that "...There is still only very limited empirical research into the effects of these reporting changes," speculating that Hispanic numbers could increase, while others might decrease.

Harvard has, of course, complied with the new Federal reporting requirements, but continues to report in other contexts what the students actually indicated on the voluntary Common Application question. Harvard and its Ivy League peers are members of the Consortium on Financing Higher Education (COFHE) which has also

accommodated changes in federal reporting requirements. COFHE now compiles data based on all racial/ethnic categories that apply to individual applicants, as well as data reflecting the new federal standards.

According to a COFHE publication, many COFHE institutions "continue to assign multi-racial students to a single category consistent with each school's historic practices." A nearly equal number (including Harvard) "indicated that for certain other contexts, they would count students in all racial/ethnic categories marked by them."

The federal reporting system known as IPEDS (Integrated Postsecondary Education Data System), has been used by Harvard and all other institutions well before the recent changes. IPEDS has always employed a reporting method different from Harvard's and those of many other institutions. The use of yet another method has been confusing for researchers and others interested in ethnicity. That confusion has been exacerbated by a reporting paradigm which at times included Harvard Extension School numbers with those of the College.

Such compilation practices led to a public perception that the College's Pell Grant (a federal grant for low-income students) numbers were significantly lower than they actually are. We have worked hard to correct this error, but even in the past few months it was inaccurately reported in the media that only 11% of our students had Pell Grants, when the real number is 17%.

Similarly, the IPEDS reporting system leads to significantly underreported percentages for all ethnicities except Hispanic

Americans. The Common Application method used by Harvard and many peer institutions gives a more complete report of the way our students actually view their own highly diverse and often mixed racial and ethnic identities.

We mention these various reporting mechanisms for race and ethnicity to demonstrate how difficult it can be for the Western Interstate Commission for Higher Education to project future graduates in the U.S. It is quite possible that future reports will help to clarify the complex and, at times, confusing data that is used to envision the very different racial and ethnic future of our nation.