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### Financial Aid Administration: Effect and Innovation

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Running head: Financial Aid Administration

Financial Aid Administration: Effect and Innovation

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### **Abstract**

As college costs continue to rise, the importance of financial aid to create equitable access to higher education has also risen. This increase in importance of financial aid has coincided with an increase in the complication of the financial aid process. This paper explores challenges of financial aid administration, the effect of financial aid, and potential innovations in the field. Through one-on-one interviews with administrators, students, college access organization employees and a college access researcher the common themes are explored highlighted. The qualitative analysis of these interviews revealed the financial aid process to be complicated and burdensome for everyone involved, highlighted by continuously changing federal regulations and difficulty communicating between administrators and students. Ideas for innovations ranged from financial literacy courses to increased use of social media. Overall, the effect of financial aid was positive, yet overly stressful for the students. Through these findings, recommendations included financial aid administrators enacting process simplification, the introduction of financial literacy courses at the high school and college level, and the federal government granting more autonomy to administrators.

### **Acknowledgements**

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In the United States, the pursuit of higher education has become the traditional path post-high school. Recently, there has been a trend of students entering college but not graduating – a worry for the country as a whole, especially with the prediction that over 60% of jobs in the United States will require a post-secondary degree of some kind by 2018 (Carnevale, Smith, & Strohl, 2010). The focus has centered on not only getting more people through the doors of the college, but also more importantly having those same people actually graduate with a degree. The barriers to higher education access and completion can be placed in two categories: affordability and preparedness (Jackson & Reynolds, 2013; Titus, 2006). Affordability, meaning whether students have access to the financial resources to make it through the semesters required for completing their degree, while preparedness focuses on the ability of students to successfully complete college-level work. This capstone will focus on the affordability – through the lens of financial aid administration – asking the following questions:

1. What are the challenges facing financial aid administration in terms of serving students?
2. How can the administration of financial aid to students be improved?
3. What effect does receiving financial aid and the process to receive financial aid have on students matriculating into college?

President Obama has brought the issue of the increased cost of higher education to the forefront. He has instituted new policies of tying higher education funding to completion statistics and cost control. He has forced colleges to recognize that the success of their graduates can be used as a measurement to determine their access to federal funding (Carey, 2013). To tie higher education funding to graduate success and college affordability is timely, but it focuses on holding colleges liable and ignores the role that students play in obtaining financial aid and

maintaining themselves academically. It ignores the complexities of the process necessary for students to receive the already-available financial aid. Financial aid and the process to obtain it has become one of the largest barriers, while also being one of the largest pathways to and through college (Brock, 2010).

There is a need to view the pursuit of higher education from the student perspective and to explore ways in which the already-established financial aid process could be easier to use. Novak (2013) states that if a student has filed the Free Application for Federal Student Aid (FAFSA), the main federal form required to receive any grants or loans from the federal government, it is the best predictor they found of students maintaining enrollment from fall to spring semester during the first year in college because they are proactively thinking ahead to the next semester. Novak's findings highlight one situation that possibly reflects both how policies and procedures can have an effect on results, and also a measurement of determination of students who want to go to college. Changing the FAFSA process to be more intuitive for students to complete could possibly lead to higher enrollment, higher completion, and an increase in the effectiveness of state and federal financial aid dollars. In addition, it would mirror the requests that President Obama is now making of higher educational institutions and would place increased pressure on federal and state education departments to recognize their role in the drive for increased post-secondary success for their citizens.

### **History of Financial Aid**

Financial aid first began during World War II and was designed to provide those veterans with an opportunity to come back to the United States and pursue a higher education. It became available to those who did not serve in the armed forces in 1958 through the passing of The National Defense Education Act for fear of the Soviet Union obtaining an advantage through

higher education (Gladiuex, 1995). Need-based financial aid became available in 1965 through the Higher Education Act, which attempted to promote equality in the pursuit of a higher education (Kim, 2011). It was not until 1972 that the financial aid process which the majority of students go through today started to take shape with the availability of federal student aid consisting of grants, loans, and work-study (Gladiuex, 1995). During this time, financial aid began to go to the needy students instead of directly to the institutions; additionally, the Pell grant was formed and, along with student loans, became increasingly popular (Carey, 2013).

Throughout the 1980's and 1990's, the administration of financial aid went through considerable change with increases in dollar amount of loans available, which increased the complexity of awarding financial aid. In 1992, the federal government's methods of analyzing need changed to provide students and families considered to be "middle income" to be eligible, which burdened not only the federal government with increased costs, but also the colleges that had been using the government methods to determine how much institution-specific aid they would award (Gladiuex, 1995). In addition, at this time states started to award merit-based aid, shifting away from the need-based methodology used in the past (Kim, 2012).

The current process for financial aid for many colleges begins with filling out one or both of two forms, the CSS Profile and the FAFSA. The CSS Profile is used to determine institutional financial aid for schools that require it, while the FAFSA is traditionally used to determine federal aid, state aid, and institutional aid for schools that do not require additional forms (Perez-Pena, 2014). Both of these initial forms are filled out online and require the most recent year's tax information and other personal information in order to be completed (Perez-Pena, 2014). Once they are complete, they are sent to the schools to begin the financial aid process.



Once the schools receive the financial aid information from either of these two forms, the financial aid process begins. Each school's financial aid office can request any additional information they need from the student. This additional process is called verification and can be a federal requirement for randomly selected students, but also some schools have institutional verification (Perez-Pena, 2014). The last part of the financial aid process is post-admission; students receive an award letter which details what financial aid they will receive from each school they are admitted to. Once they compare these award letters among other characteristics they make their decision on where to attend for the next year (Hoover, 2010).

## **Literature Review**

### **The Importance of Financial Aid**

Anyone who has recently gone through the financial aid process can recognize the importance of obtaining help to cover the costs of higher education. There are many students who want to pursue a higher education after high school and the cost is one of the main drivers turning them away, with cost almost tripling over the past 30 years (Brock, 2010; Rubin, 2010). College costs have been rising very quickly in comparison to family income, thus increasing the importance of financial aid programs in order to maintain equity in access (Aronson, 2008).

### **Issues around the Role of Financial Aid Administration**

The provision of financial aid is a highly regulated industry and, for the majority of the steps, the responsibility falls to the colleges to provide the avenue for students to follow to complete their financial aid (Toby, 2010). Once the Department of Higher Education determined that it was, in fact, the college's responsibility to verify the FAFSA, many colleges began to establish offices strictly designed to process all of this information (Toby, 2010). The autonomous nature of this practice can lead to interesting practices by colleges and the federal

government. Overall, Kim (2012) found that financial aid policy overall has not significantly changed the economic divide in the pursuit of a higher education. Toby (2010) concludes that financial aid administration focuses on providing access by whatever means necessary, including loans, and not necessarily on setting students up to succeed. This brings up the question of whether the responsibility of the financial aid office is only to increase access and show students how a school can be afforded.

The financial aid process is important for both students and colleges to get right. While students depend on the process in order to make their decisions, many colleges structure the way they award institutional money around how they can influence the student the most in getting them to select their college (Doyle, 2010). There are several different strategies that have been shown to influence the way in which students make choices, mostly revolving around the awarding of institutional aid, which makes up over \$28 billion of the grants available for higher education in the United States (Baum & Payea, 2008). Also, other choices made by financial aid administrations – for example, to call financial aid a scholarship rather than a grant – can have a dramatic impact on whether a student chooses to attend their college or university (Avery & Hoxby, 2003). While financial aid administration seemingly does benefit the students, it is important to be aware that it can be used as a manipulative tool when dealing with institutional funds. Doyle (2010) proceeds to point out that when discussing how financial aid policy is set up and its effectiveness in having students make the best choice for them, the focus on just federal and state-based policy needs to be broadened to include how colleges award institutional aid. Obviously, the administration of financial aid is important, but it is also difficult with the combined responsibilities of responding to and following federal regulations and dealing with

pressures from colleges and universities in maintaining and boosting enrollment through the use of financial aid.

### **Financial Aid Policy**

Financial aid policy seems to be the answer to fixing what is wrong with the pursuit and completion of higher education in the United States. There are many competing ideas available on how to actually fix the policy. Handel (2008) believes the key to changing the trends is to put policy into play about communicating the financial aid process. While Doyle (2010) does not disagree, he concludes that the most important policy involves incentives for colleges to shift their focus from choice to access, using financial aid as leverage to get students to attend as well as increasing the ability of students who do not have the financial ability to attend to be able to enroll. This means that financial aid should be used as leverage for those with no financial resources instead of trying to attract those who already have the financial resources. Long (2010) agrees with both of the previous authors and states in addition that the shift away from need-based aid is causing financial aid to lose its focus. Kim (2012) takes this idea one step further, advocating for targeted financial aid policies based on both ethnicity and economic standing. As it can be seen, there are many competing and similar suggestions by college access and financial aid researchers throughout their bodies of work. Eventually, it is necessary to gather the perspectives of those both providing and receiving the financial aid in order to conclude what a feasible solution would be.

### **Increasing Access**

The role of financial aid in higher education is not one that is highly disputed. Almost every source states the overwhelming idea that financial aid exists to increase access to higher education (Alon, 2011). The disputed aspect of financial aid is whether or not it actually does

increase access. McKinney & Novak (2013) found that even though financial aid is available, approximately 40% of community college students do not receive what they would be eligible for. This shortcoming is mainly due to a lack of information about the availability of financial aid. This lack of information can lead to students not bothering to entertain the idea of a post-secondary education, believing that it would be an unaffordable and thus unrealistic path (Tierney & Venegas, 2009). Those who lack the information or who believe that financial aid will be inadequate show that the existence alone of financial aid does not increase access.

For those who need the financial aid and are aware of it, there is undoubtedly an increase in access. Jackson & Reynolds (2013) came to the conclusion that even loan-based financial aid showed an increase in enrollment. Titus (2006) found that not only did financial aid have a significant effect on students' ability to gain access to higher education, but also had a positive influence on their continued enrollment.

This increase in access was shown with need-based financial aid and is very limited when discussing merit-based aid, which has become more popular. Kirwan (2013) strongly suggests that the trend of financial aid becoming more merit-based needs to stop if the focus is on increased access. Need-based financial aid is the key to increasing accessibility and eventually degrees in the United States. An issue of particular importance is how to decide where need-based aid should be allocated. The unprecedented rise in college costs mentioned previously has caused more financial aid to go towards families who are not traditionally considered low-income (Long & Riley, 2007). The number of applicants eligible for financial aid has increased dramatically, but the entirety of the available funding for financial aid has not seen that same increase (Aronson, 2008). This, combined with more merit aid being introduced and replacing need-based aid, does not bode well for those low-income students dependent on financial help in

gaining access to any type of higher education. Singell & Stater (2006) are in agreement and even go further to say that despite increased enrollment rates, with the shift towards more merit aid they do not see the ability to increase graduation rates if the trend continues. This brings to the forefront whether financial aid should be focused beyond access and whether its effectiveness should be measured on completion.

### **College Completion**

Through the financial aid process there has been, as stated earlier, an increase in access, but there are still shortcomings. If students are differentiated based on income levels, those in the lower income level are less likely to enroll, but more importantly those who do end up enrolling are significantly less likely to graduate than those with higher family incomes (Alon, 2011). Rubin (2010) highlights that even after receiving the initial financial aid, it is the financial barriers (more specifically the indirect costs: books, travel, etc.) that stop these lower-income students from graduating from college. Aronson (2008) does not blame the lack of completion on the immediate financial barriers, but points to the increased likelihood of delayed enrollment leading to a lack of completion even after enrolling. Obviously, the importance of college completion is very high; access alone does not increase social equity, but it needs to be coupled with completion. Recently, the Gates foundation announced the idea of adding college completion to the goal of financial aid and of funding those with ideas to implement and increase the effect of financial aid on college completion (Supiano, 2013). This goal is not unique in the field of financial aid, though the monetary incentive for colleges to focus on degree attainment as much as enrollment has not been brought to fruition. Titus (2006) concludes that while access is important, degree attainment needs to be the main focus for federal and state money to be as effective as possible. He supports this with data showing a positive correlation between a state's

funding for higher education and the odds of college completion for students in that state. An idea to increase college completion without an increase in funding comes through state-based financial aid, more closely following the need-based Pell-grant formula. The Pell-grant formula strictly takes into account financial resources of a family, including current income and current investments and whether or not there are other siblings in college, to come up with a number that reflects a calculation of need. This would, according to Alon (2011), have a significant effect on college completion for those receiving the funds. Jackson & Reynolds (2013) even found that the availability of loans increased completion rates, but they also pointed out the disadvantages that those who are over-reliant on student loans experience upon graduation. Obviously, there are no papers arguing against college completion, but Supiano (2013) does shed some doubt on the ability to measure financial aid's impact on college completion due the possibility of influence by other environmental factors, and thus on measuring and crediting a single policy for any result.

Even if the ability to measure the effectiveness of a financial aid policy and its ability to impact college completion is in doubt, there does not seem to be a lack of ideas to use policy to solve this problem. The most widespread suggestion is the increase in need-based grants for the low-income students who would otherwise be the least likely to complete their studies (Aronson, 2008; Long & Riley, 2007). In addition, the shift towards more student loans in place of grants needs to be reversed to help alleviate the burden and choice between incurring substantial debt and not pursuing higher education (Rubin, 2010). Lamangue (2009) and Tierney & Venegas (2010) conclude that even without a drastic change in financial aid and its policies, there can be a significant difference made with how information is disseminated. If students are more

knowledgeable about financial aid availability and about the necessary steps to take, it can not only positively affect enrollment, but also success.

### **Financial Aid Falling Short**

Throughout the majority of literature about the effects of financial aid policy on post-secondary enrollment and success, there exists a consensus that the role of financial aid has faltered. There have been shifts away from the original intention of increased access, and more financial aid is being funneled to middle-class families and merit-based applicants (Kirwan, 2013). An increased proportion of financial aid is now composed of student loans, creating difficult decisions and severe repercussions for not completing college (Long & Riley, 2008). In addition, the state and federal grants still available have not been increased at all to meet the increase in tuition that has taken place, leaving increases in unmet need (Rubin, 2010). There is a push for financial aid to not only increase, but also to prove its worth and effectiveness in terms of students completing their education when they receive financial aid, ensuring that there is actually a return on the investment by the government and colleges. The question remains: How can financial aid and the process that students navigate to obtain it be changed to promote their success? In addition, how can financial aid administration be changed to provide equitable access, but also ease of use for both those administering financial aid and for the students consuming financial aid?

### **Research Methods**

The goal of this paper is to explore the different perspectives of financial aid administration and bring to the forefront convergence and divergence in opinion and experience. This is accomplished through seeking the answers to these three research questions:

1. What are the challenges facing financial aid administration in terms of serving students?
2. How can the administration of financial aid to students be improved?
3. What effect does receiving financial aid and the process to receive financial aid have on students matriculating into college?

In order to address these research questions, interviews were used as the method of data collection. The interview method allowed for the in-depth exploration of issues with each of the subjects. Additionally, it allowed for the same questions to be asked to each subject and for the flow of the interview to follow a path such that the subject could provide the most useful information.

### **Subjects**

In terms of financial aid administrators, the four following types were interviewed:

- One financial aid administrator at a four-year public university
- One financial aid administrator at a four-year private college that meets full financial need
- Two financial aid administrators at the same four-year private college that does not meet full financial need and has the ability to award financial aid based on merit

In regards to financial aid in higher education, there are numerous different approaches based on the type of institution. Four-year private universities have two different methodologies. Many of the top-tier universities have put in place a system that awards financial aid strictly based on financial need. The other private universities have a methodology where students are evaluated on financial need and merit. It is important to talk with administrators from both of these methodologies because they can offer different perspectives on the process. The different uses



for financial aid dollars can lead to different experiences in administration. In addition, four-year public universities award financial aid differently than each of the aforementioned private universities of both types. This provides one more important perspective to understand the full spectrum of financial aid administration at four-year colleges and universities from the administrative point of view.

To provide the student and user-based perspective of the administration of financial aid the following subjects were interviewed:

- One manager from a college access organization
- Two program staff members from a college access organization
- Three college students who fill out financial aid forms on their own and receive financial aid in order to pay for their schooling.

The reason why the employees of this particular college access organization were selected to provide their views on financial aid administration as well as to showcase the student and user experience is because the work that they do is entirely focused on the financial aid process. Each program staff member works with hundreds of students each year providing guidance and support through the financial aid process for numerous schools. The importance of this experience is so that the perspective provided can be all-inclusive of different types of schools. In addition, the program staff and manager from this non-profit have the annual continuity and familiarity with the process to recognize significant changes and innovations to the field of financial aid administration. Their work with students on a daily basis through the financial aid process allows them to provide a conglomeration of student perspective. The three college students were chosen because they each fill out their own financial aid office and have had interactions with the financial aid office. The type of school is not important for the student, but

the reason these subjects were selected is that they have experience with financial aid and have interacted with it individually.

To provide a perspective outside of either user-based or administrator-based, there was one more subject interviewed:

- A college access researcher

This researcher provides an unbiased view that takes into context both perspectives and the view of financial aid working towards a greater public good, along with significant experience in the field.

### **Process of Data Collection**

The interview method was used to allow for the in-depth exploration of each person's opinions and experiences on the topic of financial aid administration. Each individual listed for a one-on-one interview was contacted via email with a request for an interview. After agreeing to be interviewed, a date and time were set. Each interviewee was given an informed consent form shown in appendix B, and was asked if they would allow the interview to be audio recorded. The subjects were interviewed using the same interview outline. The research idea was explained to the subjects as the following: "This research is going to take a look at many different perspectives on the administration of financial aid and see where these perspectives converge and diverge." Each interview began with the question "What is the purpose of financial aid?" This question highlights one of the initial differences between the ways financial aid is administered: the differing opinions of the purpose of financial aid. After this initial question, each interview followed its own conversational path. There were approximately ten questions that were asked to each subject, which are available in appendix A.

### **Process of Analysis**

The goal of each of these interviews was to obtain a unique perspective on the current system of financial aid administration. The questions were designed to highlight the challenges, successes, innovations and the view of other stakeholders' experience with the process. Each interview was audio taped with the permission of the subject. Within 48 hours each of the interviews were transcribed and reviewed. The analysis involved looking for key words or descriptors regarding the challenges faced, innovations that could improve the administration process, and how financial aid affects students. The interviews were first examined individually and then compared to other subjects who have similar roles in the administration of financial aid (i.e. administrators, non-profit, and students). Through the comparison of responses, the interviews provided insight into whether these beliefs and experiences were constant among different administrators at different schools, and among program staff at the college access organization who work with different students. The comparison of responses also helped to gauge whether students had similar experiences and different levels of understanding about the administration of financial aid. After the initial comparison between those in similar positions, the interviews were then compared across all subjects looking for convergence and divergence in opinion. This method allowed for different experiences with the financial aid administration process to be incorporated into the findings and to compare others' experiences in the financial aid process to the responses the different financial aid administrators provided regarding their profession. It also provided the opportunity to see whether there were any constants across different ways of administering financial aid and gauge which type of financial administrator had views that most closely aligned or misaligned with those receiving financial aid and those helping navigate through the process. Overall, this qualitative analysis allowed for there to be

comparisons made across several different groupings of subjects, allowing for a very unique analysis of the perception of the administration of financial aid.

### **Findings**

This findings section will explore the qualitative analysis of results obtained from the eleven interviews performed with administrators, college access organization employees, students and a college access researcher. The initial question that will be explored is the view on the purpose of the financial aid process. Then the challenges section will be broken up by topic and explore present themes amongst those individuals in the same field and then among the other stakeholders involved. The reason that the challenges section will be broken up by topic is to make it easier to compare opinions on different issues. The entirety of the themes from the research question will be explored together by topic. These themes will relate to where innovations are already taking place and where there is room for additional innovation in the field, and how the administration of financial aid and reception of financial aid in general affects student access and experience. This findings section will address the research questions as a whole, focusing on the challenges, innovations, and overall effect of the administration of and reception of financial aid.

### **The Purpose of Financial Aid**

Each interview started with the same question to gauge whether the administrators saw financial aid as serving the same purpose. Each administrator brought to the forefront the idea that the main purpose was to provide financial support for students from lower socioeconomic backgrounds to access higher education. While access was the main reasoning, each administrator recognized enrollment management, using financial aid to attract students and get students to enroll at the university, as playing a part in field of financial aid. The administrator

from the private university that does not meet full need recognized enrollment management as a tool used by all schools that do not have the large endowments of the most elite institutions, while recognizing this could be a spot of contention amongst administrators.

The underlying issue is that financial aid serves more than one purpose and those purposes are not always compatible with each other. It serves the traditional purpose of providing access to higher education regardless of your socioeconomic background. It is also an enrollment management tool that any modern institution really needs to use.

(Administrator #1, personal communication, March 13, 2014).

Basically, they are recognizing that in order for a university to function, it needs students to pay some of the tuition. The importance of enrollment management is providing incentive for students to attend, leading to the end result of some financial aid money going to students who would be able to pay even if they did not receive the financial aid.

Similar to the other interviews, each of the three interviewees from the college access organization saw very similar reasoning for financial aid to exist, to even the playing field and promote access. They saw the expense of college being a barrier, with financial aid making it possible for students without the financial means to get there. They recognized that other definitions may exist and hinted at the use of merit scholarships by institutions to attract students as another purpose of financial aid. While not directly being able to state that enrollment management was a purpose, the idea of attracting students to a school was a recognizable way financial aid is used by colleges and universities.

Students that were presently in college viewed the purpose of financial aid as singular, to provide access to college and to make something that they viewed as unaffordable, more affordable. The idea that financial aid could be used as an enrollment tool by the colleges was

not in their current way of thinking about the process. Lastly, the one college access researcher interviewed stated the two purposes that were already presented, access and enrollment management as the purpose of financial aid from the administrators' perspective.

### **Challenges of Financial Aid Administration**

This portion of the findings will highlight the common themes that interviewees found to be challenges in their dealings with financial aid administration. Each topic will have the opinions shared of those interviewees from each section that contributed an opinion. If a subset of interviewees did not mention a certain topic they will not be mentioned under that heading.

**Federal regulations.** The leading challenge that rose to the top during each interview with an administrator, no matter the financial aid landscape of the school, was federal regulations. The main issue, which had consensus, was that there seemed to be overregulation in the field of financial aid. This overregulation led to less control and ability to do their jobs along with numerous last-minute changes that led to difficulties in communicating with the students they are trying to serve. In addition, the year-to-year threats of losing certain funding programs and changing interest rates created an administrative burden for each office during a timely part of the year for financial aid offices. One administrator said that with each change led to staffing issues and that communicating the need for more workers without the knowledge of whether the change in regulations would be long-lasting could be difficult.

With each change it is a lot of an effort for a financial aid office to put that in, and communicate it, and manage it, and then you are stopping. Even from an administrator perspective to go to your administration and say we have these new rules, this is what it requires, we need staff and you need them today and don't need them tomorrow.

(Administrator #2, personal communication, March 13, 2014).

Additionally it creates an environment where being vague with the students is necessary until updates and changes are handed down in full detail from the federal government.

We deal with it how we deal with everything else from the feds [federal government] we publish what they say. In our publications we go very vague. We say look at this link.

Our written materials aren't as detailed as they used to be. (Administrator #2, personal communication, March 13, 2014).

It was quite obvious that each administrator struggled with the rules and regulations the federal government was handing down; it was a consistent theme as they struggled to communicate to students, families, and staff the new and changed requirements and made sure that the financial office at their university was meeting the standards set by the federal government for all rules tied to the federal funding. One example expressed by each administrator was the verification process, a process that requires students to send in certain tax paper items or worksheets to complete the financial aid process. This process is now enforced by the federal government and has shifted over the past few years to put more of a burden on the financial aid offices.

The three college access employees interviewed noticed that there were numerous federal regulations changing over the past few years. Two interviewees pointed out the delays in federal loan interest rates which could have created extreme difficulties at the administrative level.

Overall, many of the timing and process challenges were felt to be due to the direct influence of the federal government through different regulations and specifically the verification process for students. One subject expressed the idea that the government, if they are doling out responsibilities and regulations to the offices, needs to show some semblance of similarity from one school to the next.

If there is going to be a process for private schools it needs to be the same exact process for every single school. If there is going to be a process for community colleges and state schools it should be the same thing for every school. (Employee #1, personal communication, March 20, 2014).

This quote highlights the belief that the government is creating regulations that need to be put in place, but not creating an avenue of communication to create a student-friendly process. Another employee interviewed echoed this and said it contributed to how students felt about the financial aid process.

As of now the financial aid process feels like a huge amount of red tape and restrictions from a student perspective. They don't see enough of the human on the other side and caring how much they get in financial aid and that can't be a good thing. (Employee #2, Personal communication, March 28, 2014).

Overall, the three employees recognized the difficulties with the federal regulations being implemented in a hasty manner. The main concern around these federal regulations that administrators must follow was how it affected the ability of the process to be designed in the best interest of the student.

The college access researcher discussed federal regulations as a challenge due to the increased difficulty in the administrator's job. The interviewee thought these regulations took power away from the administrators and made their jobs much more reactive rather than proactive. In addition, making sure students both meet the requirements and get the aid they deserve is a challenge.

That is where verification is partly a federal requirement and partly is due to ensuring that the aid is going to the students that meet the requirements in terms of need. I think that



that is very challenging and makes the administration of need-based financial aid difficult because getting all students successfully through that process on a timely basis is very hard. (Access Researcher, personal communication, March 11, 2014).

**Communicating and interacting with students and families.** Another challenge in financial aid administration was twofold: both communicating with students and families and getting students and families to interact with the financial aid office. This difficulty begins with the communication piece. First, while many communications go out via email, are listed on websites, are mailed home, and can be found on student portals, it is difficult to make sure that students are reading and understanding the required steps of the process. As stated previously, with the ever-changing regulations it is difficult to communicate clearly with students and families about what is required. In addition, many students expect immediate turnaround due to technological advances over the past few years. In the financial aid offices, many times their turnaround time does not meet the expectations of those applying for financial aid and this can lead to negative reactions. Lastly, getting the student and family into the office has become a challenging endeavor for each financial aid administrator. While many students and families would benefit from a one-on-one session, there does not seem to be the willingness to have that in-person interaction. One administrator made the observation that “almost everybody who comes to us comes because there is something that is seriously wrong.” (Administrator #1, personal communication, March 10, 2014) This supports the idea that students and families view the financial aid office as a place to go in emergency situations, when in reality financial aid offices want to be viewed as more commonplace for help throughout the process.

The most common theme present amongst those working for the college access organization was the difficulty in communicating with students and families. The interviewees

expressed that students were so connected to social media, but did not use email effectively and were not very familiar with receiving items via regular mail. In addition, this makes it difficult for colleges to communicate to students that they have a portal to get their next steps. Many times students do not even know they have a portal. In addition to communicating with students, there is a challenge with getting the required information for the financial aid process from students alone. Parents are an integral part of the process and interviewees expressed that obtaining parental involvement in the process was a theme that was very common among students.

**Financial literacy.** Financial literacy was echoed in every interview with a financial aid administrator. There was the need for financial literacy and the desire to provide financial literacy knowledge to the students. One difficulty was that students are making potentially life-changing financial decisions before they make it on to campus, making it difficult for financial aid officers to require any type of financial literacy education before they are committed to the school. There is a two-fold need for financial literacy as expressed by administrators:

- Students and families need to have financial literacy when completing the financial aid process each year.
- Students need financial literacy upon graduation to understand the loan payments and personal financial situations.

No financial administrator denied that it was their job to provide financial literacy; many expressed frustrations with attempts to get students interested and to increase attendance at events on campus for financial literacy training. While the resources did not seem to be present in any administrator's office to do one-on-one financial literacy counseling, many had attempted,

had limited success, and were extremely interested in ideas of how to get students to attend group trainings that would prepare them for real-world financial situations upon graduation.

The college access researcher found this to be a widespread challenge and agreed that the financial literacy challenge was two-fold. One challenge is the lack of students and families having financial literacy to fully explore the costs of college before, during, and after and to understand the decisions they make. The second is the expectation that financial aid administrators will provide financial literacy training with many administrators not having the proper resources to provide this training.

**Special circumstances.** The final theme amongst the challenges that presented a commonality connecting each administrator was the increase in students with special circumstances. Special circumstances in financial aid refers to unique living situations that make the determination of who should be required to provide financial support for the student extremely complicated. Each administrator cited an increase in one-parent households, same-sex households, and no-parent households as well as many other situations. One administrator made the point that as the federal government and colleges are now acknowledging the wide array of living and financial support situations it can be difficult to finally determine whose information will be looked at to estimate the family's ability to financially support the student.

For institutional methodology, who is the family you are going to look at? And because we now acknowledge the many different situations we are dealing with, who should be responsible to pay for college? (Administrator #1, personal communication, March 13, 2014).

The importance does not just lie in the need to determine how to calculate financial dependency, but also in making sure that those students being provided the extra support due to living

situations with less financial support are, in fact, in that living situation. The challenge is defining the response to each unique living situation and determining in a student-focused manner that the information received accurately reflects the students living situation. As one administrator expressed, increases in paperwork result in decreased access for many students without the support.

The college access organization employees agreed with the idea that special circumstances were a big issue within financial aid administration. With all the unique living situations and student situations that come to the forefront in the financial aid process, it can lead to difficult conversations and decisions that need to be made in short period of time without knowing the full situation.

[Administrators] need to make tough decisions without all the information and relationships that you need and are potentially shorting a kid who really deserves money or giving money to the wrong kid. Everyone has need, the question is who deserves it and who needs it the most. (Administrator #3, personal communication, March 11, 2014).

It is the responsibility of the administrators to create the proper forms, ask the right questions, and hopefully come to an accurate decision.

**Managing expectations.** Another challenge that was addressed from the view of employees of a college access organization was the expectation of financial aid. The financial aid process is advertised as the answer to the cost of college, but it is very different for every income level.

Financial aid has a lot of negatives because of how we sell it in this country and how expensive schools are. It makes it seem like the sky is the limit and in reality it is not the case for every student. (Employee #1, personal communication, March 20, 2014).

Additionally, in terms of expectations many students and families expect the financial aid process to be the only part of the process. As schools require more forms in order to determine financial aid, students find it an overwhelming and unexpected part of the process. One employee based on their student experience stated that “all of the different things that go into completing the financial aid process are completely deviating and taking students on a whole different path who really need that access” (Employee #1, personal communication, March 20, 2014). These expectations can lead to difficult experiences and students not completing the necessary paperwork.

Through the researcher’s perspective, expectations made it hard for administrators to meet what people thought they were going to get from the process. This challenge ran along the same course as others, where many people think that financial aid will answer all the problems with paying for college. Many students and families enter the process of applying for financial aid with unrealistic expectations about the financial aid they receive and the amount of help that can be provided to them.

**Student and family friendliness.** The three students interviewed brought the perspective that the process does not really account for the main users to be students. They did not understand why the deadlines for financial aid did not line up with tax deadlines and had trouble understanding why so many different forms were necessary for so many different schools. In addition, one student cited issues he had explaining the process to his parents due to the language and cultural barrier. The students overall found the administration of financial aid overwhelming during the application process when dealing with a multitude of schools requirements, especially during their senior year when it was their first time through the process. After having enrolled

they seemed to find it much easier to manage with the requirements only coming from one financial aid office.

The college access researcher saw through their experience that the process did not easily take into account a variety of personal situations and cultural differences that could arise. The administrators would then be challenged to figure out the correct response to these situations that were not accounted for in the rules and regulations handed down. In addition, the deadlines and paperwork involved with the process do not take into account the high school student mindset and ability and the socioeconomic differences that could affect the ability to complete these processes.

All of the challenges discussed above were prevalent throughout the eleven interviews that took place. They were issues that rose to the top when taking a step back to look at the interviewee's involvement with the process. Through the discussion of these challenges, the conversation naturally led to ideas for potential innovations and the current innovations that are taking place.

### **Innovations**

This section will focus on innovations that currently exist in the administration of financial aid and on suggestions for innovations that could help alleviate some of the challenges listed above.

This section will be split into current innovations and potential innovations combining the themes from all interviewees into one section.

#### **Current innovations**

*Streamlining processes.* This innovation is about making the processes easier for students to complete. This specifically is in reference to students with unique situations who do not easily fit into a traditional family or personal situation. All of the administrators interviewed

mentioned waiving certain processes if a student blatantly met the requirements. The college access organization employees recognized the increased prevalence of the waiving of certain requirements when calling financial aid offices about student living situations. In addition to the financial aid offices, the FAFSA has started taking into account certain situations and using skip logic to create a streamlined process that was not always present in the form. Overall, it seems to be a current innovation that could become more widespread, which helps ease the burden put on many students, especially those in these unique situations.

***Technology.*** The use of technology in the administration of financial aid, according to these interviews, has really started to gain traction. The three most cited examples of technology use were online financial aid forms, online student portals, and tracking student information. These were all viewed as positive movements for the administration of aid for both students and administrators. The online financial aid forms were viewed as increasing access and decreasing the physical burden of sorting paper applications as administrators had to do in the past. The online student portals allow for students to receive their information and communicate much more efficiently and for offices to track which students are accessing the information and which students are not. Lastly, tracking student information allows for administrators to quickly pull up information they need when students and families call their offices. The use of this technology is already occurring and seemed to be viewed as a beneficial for the administration of financial aid.

***FAFSA simplification and IRS DRT.*** The simplification of the FAFSA and the IRS Data Retrieval Tool (IRS DRT) were mentioned by the administrator for the public university, students, the college researcher, and the employees at the college access organization as a current innovation that is viewed very positively. Each interviewee agreed with the idea that these tools, when they worked properly, were a very positive move towards easing the form completion for

students. They promoted the idea that if a student qualifies to skip certain parts of the form it made sense for them to be able to forego the unnecessary questions. The IRS DRT is another aspect of innovation to the FAFSA that interviewees agreed upon as making the process easier and less complicated when inputting tax information onto the FAFSA, allowing for it to be automatically transferred.

**Potential innovations.** These potential innovations were expressed during the interviews and were consistent themes amongst many of those interviewed for how to improve the process.

*Deregulation of administration - allow more control at the state and collegiate level.* A consistent theme present in the challenges of financial administration, the federal regulations were consistently alluded to as a barrier. A potential innovation would be a decrease in federal input in the administration of financial aid. One student brought up the idea of different economies and students in different geographic areas, proposing that states are in the best position to handle the geographic customization of financial aid. The administrators expressed a desire for less regulation and to have more institutional level control. Each expressed the desire to increase their work with students and to have less time spent following the federal requirements

*Qualify students for four years and earlier commitment.* The idea of presenting students with their financial aid earlier on in the process of applying or even before senior year would create an atmosphere in which students and families would know what to expect from certain colleges. In addition, when students receive financial aid senior year for their upcoming freshman year in college, a potential change would be to qualify them for four years of aid and to make it clear that unless there were significant financial changes for their family, that their financial aid packages would stay the same. This would, as the interviewees stated, make the



administration of financial aid much more clear and create reasonable expectations from those receiving it.

*Customer service orientation across campus offices.* If there was increased coordination amongst different offices on campus it would result in students receiving consistent messaging from all offices on campus about the financial effects the student's actions could have.

Providing financial advice and counseling for students on a minimal level is something that for academic advisors it should be a part of what they do. Not that they should understand the details of aid, but they understand the financial consequences of withdrawing, failing, taking incompletes, and having a low GPA. It would not be asking too much for these professional advisors to, when students want to withdraw, to explain to the student the financial consequences of doing that. (Access Researcher, personal communication, March 11, 2014).

In addition to increased cooperation and communication, the ideology of financial aid being a customer service oriented profession was a consistent desired theme in the administration of financial aid. One administrator stressed the idea of making sure all financial aid offices are focusing on the customer they are serving.

The most important thing you do in an aid office is that you help people. Help does not mean you can give people all the money they walk through the door asking for. I can treat them well, I can give them good information, I can be honest, straightforward, treat them with respect. That is what people are looking for. (Administrator #1, personal communication, March 13, 2014).

The desire to make the financial aid office a welcoming and informational place was clear from all those involved with the financial aid process.

*Consolidate processes and increase student centeredness of process.* While the previous suggestion was to increase collaboration between different offices on campus, this next idea is to increase collaboration between financial aid offices at different schools. The idea presented during the interviews was to require schools to consolidate different processes to be similar across schools that required similar information. Those interviewed thought this would lead to fewer forms for students to fill out to meet the requirements of schools that they apply to and it would create universal requirements and deadlines resulting in a more student-centered process.

*Increased social media use.* The focus on social media came up in conversation when discussing effective ways to communicate with students. A few students and employees of the college access organization discussed the difficulty in figuring out how the schools would communicate with the student and, even if they knew how, making sure that the students would check their email. They described a student population more active on social media than in email and explained how if schools made better use of social media they could reach students much more efficiently than via other means. This would be for both general and personal messages.

*Increased student financial education.* One administrator stated “As a society we need to do a whole lot of literacy; starting in elementary school, financial literacy should not be a foreign language.” (Administrator #2, personal communication, March 13, 2014). This sentiment was echoed by every interviewee as a way to increase the ability of and power of financial aid administration. The more students understand financial literacy, the more effective the administration of financial aid can be. Increased education around finance was a concept that was unanimous across all parties as a place where there was a large amount of room for innovation.

## **Effects of Financial Aid**

The effects of financial aid varied, but there was complete agreement that one of the more negative effects of financial aid was the inclusion of loans in the process. The access to and use of a considerable amount of loans could cause financial aid to have a negative effect. One administrator emphasized that, while they thought that the effect of financial aid was positive, “The student loan situation is where it becomes a negative. It is easily accessible and it doesn’t force people to think about what they are doing and why they are doing it.” (Administrator #1, personal communication, March 13, 2014). In addition, the students, college organization employees, and college researcher mentioned the stress involved in the process and how this can negatively affect the view of the administration of financial aid.

There was agreement that financial aid itself does play a positive role in increasing access to higher education. There was unanimous agreement that it is a major factor in student matriculation and can help students reach the higher education institution of their choice.

### **Discussion**

The discussion section will first evaluate the findings and explore the consistent themes and what they could mean for the field of financial aid administration. Next, the implication for the current policy will be explored, followed by recommendations that can be extrapolated from the results of this study. Lastly, future opportunities for research that will provide opportunity to expand on these findings will be suggested.

### **Implications for Policy**

There are quite a few challenges that were consistent themes across different subsets of interviewees. The most consistent challenges were federal regulations, special circumstances, and communicating with students and families. These three themes were consistent across the majority of those interviewed, meaning that they are challenges of the administration of financial

aid from several different perspectives. The consistency of these three challenges shows the opportunity for there to be change in a variety of areas.

The first area in which policy could lead to a decrease in the challenges felt by administrators, students, and others involved in the process would be a change in the implementation of federal policy. Throughout the findings, administrators found frustration in the expedient ways in which policies were introduced. They felt that the policies or processes were put in place without the proper vetting. Many times they were rushed during a time in which the administrators and students who were to be served by the processes needed clear answers sooner. Overall, from the administrators' perspective, they want the federal regulations to come in a more predictable method, and only after they have been fully thought out as a regulation. In addition, administrators from the private colleges felt that the majority of financial aid that they were handing out was institutional funds, but that the majority of their time was spent on federal regulations. They have a desire for the federal regulations to stay in the realm of financial aid and not to go into areas outside of that process.

In terms of federal regulations from a student perspective, the process was found to be confusing and overwhelming. Overall, a policy implication could be that policies need to be more thought out and less instantaneously reactive. They would need to be simplified down to respect the student-serving aspect of financial aid. In addition, with federal aid playing a smaller role than institutional aid, the federal regulations put in place make it administratively burdensome for administrators to properly do their job of providing access to the students who deserve it.

Special circumstances, meaning unique family or personal situations, formed another challenge shared among those administering financial aid, those helping students with the

process, and students receiving financial aid. It seemed that the different processes for each school confused and overwhelmed students in difficult situations. At the same time, administrators referred to the increased number of unique situations, which were more time-consuming and which at times did not have standard operating procedures in their office. Many difficulties from the administrative side came from getting students to complete the forms and communicating the procedures necessary for the situation. The policy around each school setting their own forms individually seems to be a barrier for students and perhaps a place in which cooperation between universities could increase completion rates.

As technology has improved, the style of communication from many colleges has changed, but it is not true for all colleges. While some colleges take advantage of email and student portals, other colleges continue to use regular mail to communicate. There does not seem to be a right or wrong way to communicate with students, but students and college access employees expressed frustration in the numerous methods used and an inundation in communications that overwhelmed the important messages. At the same time, administrators expressed frustration in attempting to communicate with students while it seems they do not pay attention to the traditional methods of email or regular mail. There seems to be room in this challenge for institutional-level policy changes that would cut down on the number of communications while expressing to students what to check for high-importance communications.

The current innovations in the administration of financial aid that interviewees expressed appreciation for were the following: streamlining processes, technology, and the FAFSA simplification and IRS DRT. The streamlining of processes is an initiative that could promote increased access. In order to streamline processes institutional financial aid offices need to

investigate where their barriers to entry are and implement changes to those processes that have the highest barriers. The success of streamlining the processes from all sides of the administration shows the need for self-evaluation. The importance of technology use for offices and as a channel for communication with students could be a place for significant policy changes and will be addressed through a variety of recommendations. The FAFSA and IRS DRT are both positively supported on both sides, but the schools that require more information end up using additional forms to gather the information that is skipped. This shows that it needs to be a priority for the federal government to balance their needs, institution needs, and student needs when making improvements; an “improvement” or “simplification” that results in more work and complications for students and administrators is not meeting its goals. When making further changes to any standard forms, the policy of the federal government should be to fully assess the change and the effects of the change before implementing anything nationwide.

### **Recommendations**

The following section will include a series of recommendations that will be based on the consistent themes present throughout the interviews and focused on the idea of continuous improvement in the administration of financial aid for both students and administrators.

- Financial literacy should be required at the collegiate level, so students understand finances during school and post-graduation. This curriculum should be introduced by the federal government with the ability for financial aid offices to customize to fit the needs of their schools population. This financial literacy should hopefully address the negative effects students can feel from financial aid through the inclusion of loans.

- The means of communication should be clearly defined for students from the beginning of the process. They should not have to guess how information will be received. This method should be used exclusively for important communications that require the student to follow up with the college.
- When creating new federal regulations for the administration of financial aid the federal government should create a clear timeline, expectations, and a standard way in explaining any process changes to the student. No changes should be made last-minute resulting in a negative student experience and creating difficult situations for colleges and universities around packaging financial aid. All changes need to be properly analyzed before they are introduced.
- Institutions should create a venue for cooperation around requirements for special circumstances, which would enable the use of the same form across institutions. If ten different schools want the same information, the same form could be required. It could be taken one step further and applied through a third party, such as Collegeboard, as is the case with the IDOC verification process for enrolled schools. This would result in one form being mailed to a third party that would then provide it to the schools that ask for it.
- Every financial aid office should assess itself at the year's end and find out where most students who did not complete the financial aid process stopped. This will highlight where processes were difficult or too complicated for students and where adjustments need to be made. Creating time for end-of-year review would create processes that show continuous improvement for both administrator and student.

- There should be a requirement for colleges to maintain financial aid commitment to students as long as their family income does not undergo significant changes. The maintaining financial aid should reflect the same percentage of grants and scholarships, loans, and work study. This could create realistic expectations of cost for students from when they receive their financial aid award letter until graduation from college.
- Financial aid offices should be placed in a student-friendly and accessible manner on campuses. They should be viewed as a place to go with questions – not just emergencies – and they should be focused on serving their customers, the students.
- Increased use of social media for contacting students, reminding students of the processes, deadlines, and other requirements for both the initial application process and throughout their next several years of enrollment can be an effective practice. The key would be to make sure the financial aid offices' social media presence is consistent and meaningful.
- All campus offices that are working with students involving academics or finances should be familiar with the rules around dropped classes, incompletes, and GPA requirements, and how they can affect a student's ability to receive financial aid. Financial aid offices should communicate certain standards that need to be kept, so that every office is aware. There should be a responsibility on these offices to communicate these standards to students. Whenever a student is making an academic decision, they should have a very accessible answer to "how will this affect my ability to pay for school?"



This list of nine recommendations only skim the surface of what could change within the administration of financial aid to ease the burden on administrators and students, the two main participants in this process. These recommendations come from a careful analysis of the findings and highlight consistent themes that were present during interviews. While the administration of financial aid can continue in the same form, these recommendations reflect a desire from administrators, students, and college access workers and researchers that the process needs to promote access, remove barriers, and continuously change to continue to meet the needs of the three stakeholders: the students, the university, and the federal government.

### **Future Research**

There is incredible potential for future research in this field. Financial aid administration has the potential to be viewed from many different perspectives and has a huge impact on matriculation. These recommendations could be researched further to investigate their impact to see if they truly will reduce barriers. In addition, there is potential for research into not only matriculation but continued enrollment and graduation in terms of types of financial aid offered and financial aid services offered. These would increase strategy and impact in administration to determine, beyond funds, what services financial aid offices can offer that can affect students. In addition, there is potential to increase the breadth of this research to include other geographic areas of the United States to compare challenges and innovations regionally, and to advise on policies that would work for more than just the financial aid administration in the Northeast.

### **Limitations**

There are several limitations that became present throughout this research. The first limitation is the lack of community college financial aid administrators included in this research. Community college offers a different perspective on the financial aid process due to their low

cost, the wide variety of students that attend, and their limited resources. Their added perspective to any future research could lead to a well-rounded look at the administration of financial from more than the four-year college perspective.

The second limitation is the limited number of individuals interviewed. Overall there were eleven interviews completed. As with any research, increasing the number involved in the research can increase the validity of the study. Due to the timing of the research being completed during the financial aid season for administrators, it made it difficult for administrators to give up significant time for interviews. There is also a bias in only interviewing individuals who want to share their views – their willingness to share could be due to various reasons from an overwhelmingly positive view of the process to an overwhelmingly negative view of the administration of financial aid. In addition, only employees within one college access organization were interviewed. This particular college access organization has intricate knowledge of the financial aid process by helping all students with all parts of the process. The challenges and innovations they present could be significantly different than a college access organization without the expertise.

Lastly, all of the organizations, administrators, and students interviewed were from the northeast United States. This is a limitation because the northeast may have a different college atmosphere than other regions in the United States. In future research it would be best to try to interview a variety of administrators, college access organizations and students from different geographic areas of the United States to find out whether their views are similar and to make the research definitely relatable to everyone using the financial aid process.

### **Conclusion**

The purpose of this research is to answer the following questions:

1. What are the challenges facing financial aid administration in terms of serving students?
2. How can the administration of financial aid to students be improved?
3. What effect does receiving financial aid and the process to receive financial aid have on students matriculating into college?

Throughout the research there were three very consistent themes representative of challenges facing financial aid administration. The first was the consistent introduction of new federal regulations, the second was the many different unique circumstances of students, and the third was effective communication with students and families.

There were several themes that rose to the top for potential innovations for the administration of financial aid; they included making sure that financial aid offices were welcoming and customer-service oriented for students, and the use of social media for communicating with students more effectively. In addition, the idea of implementing financial literacy courses was proposed for students to better understand their choices and the consequences of their choices. Another area where innovation could take place is in the guarantee of financial aid for the full time of students' enrollment and in promoting other offices on campus to explain the rules of financial aid when making academic decisions. Lastly, administrators and students stressed the importance of student-friendly processes that recognize when requirements are met and that do not require unnecessary paperwork, helping to decrease the burden on both the student and administrator.

The effect of financial aid was viewed overall as very positive. It is a way for students to access an education that they may not be able to get without the financial help. However, the administration of financial aid was perceived as very stressful, and students tend to find it

mysterious. The most negative part of financial aid, expressed by everyone interviewed, was the extreme reliance on loans to pay for education and the negative effect that they have for students during school and post-graduation. Still, financial aid was viewed very positively overall with the only negatives being the complexity of the process and the ease of access to loans to pay for school.

Ultimately, the ability to pay for college is one of most important steps of a student matriculating. Everyone interviewed, when asked, stated that it was of utmost importance to increasing access. In order for the administration of financial aid to continue to do its job of increasing access, there needs to be continuous improvement. This research sheds light on what is working, what needs to be improved, and what needs to be implemented to make sure that financial aid continues to work for its most important stakeholder, the student.

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## **Appendix A**

### Interview Protocol

Hello! Thank you for taking the time out of your busy schedule for this interview. I reached out to you, because I felt that your experience in the field of financial aid would provide valuable insight for my research. I am a graduate student at UMASS Boston conducting research for my final capstone project so I can receive my Masters of Science in Public Affairs. This interview will take approximately 45-60 minutes and will involve questions about financial aid administration, ranging from obstacles faced to innovations implemented. If at any time you do not want to answer a question or want to end the interview please let me know and the interview will stop. Everything you say to me today will remain confidential and will not be connected with your name, position, or institution. Everything is private and confidential. The answers you provide will allow me to investigate several different perspectives of financial aid administration. The end result of this study will be to highlight where there is room for improvement in financial aid administration from a variety of different perspectives and highlight current and potential innovations that could be utilized in the process.

At this point in time I am going to give you an informed consent form to read over. There are two copies, one for you to keep and another for myself. This second copy will be kept in a secure location. After you read through the consent form and sign it we will begin the interview. Additionally, as the informed consent form mentions, I am asking for your permission to audio record this interview. Please let me know if this is against your wishes and I will only not start the recorder.

Before we begin I would like to remind you that the interview can be stopped at your request. We will now begin the interview.

### **Interview Questions**

1. What is your relation to the financial aid process? Number of years involved?
2. How would you best describe the financial aid process?
3. What do you see as the purpose of financial aid?
4. What do you observe as being obstacles in the administration of financial aid?
5. What do you observe as working well in the administration of financial aid?
6. What effect does financial aid have on students?
7. Do you think financial aid has an entirely positive effect? If not, explain why not.
8. Can financial aid be administered more effectively? If so, how? If not, why not?
9. Have you implemented or seen any innovations in the field of financial aid administration?
10. Do you have any ideas to innovate the field of financial aid administration?
11. If feasibility were not a barrier, would you change the administration of financial aid? How?
12. Has financial aid changed since your first involvement with the process?

Let's talk about the student experience with the financial aid process:

1. In your experience, can you provide a few examples of reactions to the financial aid process/packages/award letters?
2. How do you think students and families approach the financial aid process?

3. Do you think it is a positive or negative experience?
4. What role does financial aid play in student matriculation?

Last question

1. What is the worst part of financial aid administration? What is the best part of financial aid administration?

Is there anything you would like to ask me before we end this interview?

Thank you for taking the time to interview with me today. I hope you will reach out to me if any questions come up following today.





**Appendix B**  
**Consent Form for Participation in a Research Study**  
**University of Massachusetts Boston**

**Principal Investigator:** Brendan Williams

**Study Title:** Financial Aid Administration: Effect and Innovation

Introduction

You are invited to participate in a research study to examine effect, innovation, and administration of financial aid.

Why is this study being done?

The purpose of this research study is to examine financial aid administration and determine obstacles for students and administrators, while highlighting areas where innovation has taken place and has the potential to take place.

What are the study procedures? What will I be asked to do?

If you agree to participate in this study, you will be asked to participate in an interview conducted by the principal investigator, which will last approximately 60 minutes. The interview will ask you questions about your experiences with financial aid administration, your opinions of different practices, how you view the effect of financial aid, and your ideas for improving the practice of distributing financial aid.

With your permission, I will audio-record the interview so I can accurately capture your comments. Any audio-recordings will be protected as described below. The audio recordings will not contain your name or other identifiable information.

What are the risks or inconveniences of this study?

The questions in this interview will give you a chance to reflect on the financial aid process. Although you may not receive direct benefit from your participation, others may benefit from the aggregate knowledge obtained from this study.

Will I receive payment for participation? Are there costs to participate?

There are no costs to participate and you will not be paid to be in this study.

How will my personal information be protected?

The following procedures will be used to protect the confidentiality of your data. The researcher will keep all study records (including any codes to your data) in a secure location. Research records will be labeled with a code. A master key that links names and codes will be maintained in a separate and secure location. The master key and audio files will be destroyed 2 years after the completion of this study. All electronic files (e.g.,

database, interview transcripts, etc.) will be housed on a computer and/or external storage device with password protection to prevent access by unauthorized users. Any hardcopy transcripts will be kept in a file separate from the master key. Only the principal investigator will have access to the passwords. Data that will be shared with others will be coded as described above to help protect your identity. The principle investigator to protect confidentiality will transcribe the audio recordings. At the conclusion of this study, the researcher may publish his findings. Neither you nor your university or organization will be identified in the paper.

Can I stop being in the study and what are my rights?

You do not have to be in this study if you do not want to. If you agree to be in the study, but later change your mind, you may drop out at any time. There are no penalties or consequences of any kind if you decide that you do not want to participate. You do not have to answer any question that you do not want to answer.

Who do I contact if I have questions about the study?

Take as long as you like before you make a decision. We would be happy to answer any question you have about the study. If you have further questions about this project or if you have a research-related problem, you may contact the principal investigator, Brendan Williams at [brendan.williams001@umb.edu](mailto:brendan.williams001@umb.edu) or 516-524-6560. Additionally, you may contact the course advisor Hsin-Ching Wu at [hsinching.wu001@umb.edu](mailto:hsinching.wu001@umb.edu). If you have any questions about your rights as a research subject, you may contact the University of Massachusetts Boston Institutional Review Board at (617) 287-5374 or at [human.subjects@umb.edu](mailto:human.subjects@umb.edu). The IRB is a group of people who review research studies to protect the rights and welfare of research participants.

**Documentation of Consent:**

I have read this form and decided that I will participate in the project described above. Its general purposes, the particulars of involvement and possible hazards and inconveniences have been explained to my satisfaction. I understand that I can withdraw at any time. If I do not wish to be audiotaped, I have initialed the appropriate box below. My signature also indicates that I have received a copy of this consent form.

\_\_\_\_\_ I consent to having my interview audiotaped.

\_\_\_\_\_ I DO NOT consent to having my interview audiotaped.

\_\_\_\_\_  
Participant Signature:

\_\_\_\_\_  
Print Name:

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Signature of Person  
Obtaining Consent

\_\_\_\_\_  
Print Name:

\_\_\_\_\_  
Date: