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Self-Reported Public Understanding of Student Financial Aid Programs

by Linda Little and Jay L. Chronister

In 1980, the Virginia State Council of Higher Education conducted a comprehensive study of financial aid for students attending Virginia colleges and universities. One phase of the study was designed to gain some idea of public understanding of aid programs. The study presented here represents this specific phase, carried out at the Council's request by the authors. There has been no study on this topic reported in recent literature. Typically, studies have focused on public comprehension of financial aid application forms.¹ Some knowledge of public "literacy" of student aid programs is a further step needed in the evaluation process.

The Study

A survey was conducted during a six-week period in the fall of 1980 and had as its basic purpose the assessment of self-reported public understanding of a) the individual federal and state (Virginia) programs, b) their eligibility requirements, c) the application process, and d) obligation requirements. The question asked for the first dimension a) was, "Do you know what each of these programs is?" The others were "Are . . . (the eligibility requirements, etc.) clear?" Program understanding was to be measured by respondents' yes - no responses of each of these four dimensions of seven programs. "Understanding" did not include broader aspects such as source of funding, origin of award calculations, interest rates, and such.

The financial aid programs included in this study were the Basic Education Opportunity Grant (BEOG); College Work-Study Program (CWSP); Guaranteed Student Loan Program (GSLP); National Direct Student Loan (NDSL); Supplemental Education Opportunity Grant (SEOG); Virginia Tuition Assistance Program (VTAGP), a non-need-based program for in-state students attending Virginia private colleges; and the College Scholarship Program (VCSAP), a need-based state program for use at Virginia public and private institutions.

Due to the six-week time constraint imposed on the study, a brief survey instrument was developed that could be administered to a population readily accessible to the research team. The population surveyed included adult students enrolled in evening classes at Piedmont Virginia Community College and the Division of Continuing Education at the University of Virginia, as well as parents of college preparatory juniors and seniors enrolled in four area (city and rural) high schools. The adult students attending evening classes were surveyed subsequent to the initial survey of parents when it was learned that the majority of questionnaires never made it to the parents. The findings of this study are therefore limited to the respondent population.

¹"The Complexity of Financial Aid Applications," Technical Assistance Report No. 2, April 27, 1979, ERIC; and "Recommendations for Improved Management of the Federal Student Aid Programs," A Report to the Secretary by the Student Financial Assistance Study Group, June, 1977, ERIC.

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A total of 616 respondents from a geographic area consisting of six counties and one city (pop. 50,000) returned the questionnaires. Of the 616, 321 were from the group of adults attending evening classes and 295 were from the parent group.

The questionnaire elicited data on pertinent characteristics of respondents (Table 1): previous, current and planned college attendance of respondents' children (high school population only); sources of financial aid information; and the perceived reliability of sources of information. In the data analysis, selected variables were cross-tabulated with the dimensions of program understanding to determine if a pattern of relationship existed — i. e., if observed cell frequencies showed statistical significance.

Table 1
Characteristics of Respondents

Characteristics	N	Percent of Total*
Income Level		
\$0 - \$7499,	30	4.9
\$7500 - \$15000,	135	21.9
\$15001 - \$30000,	266	43.2
above \$30000	150	24.4
Unreported	35	5.6
	<u>616</u>	<u>100.0</u>
Have Children Who Have		
Attended College		
Yes	180	29.5
No	436	70.5
	<u>616</u>	<u>100.0</u>
Have Children Planning		
To Attend College		
Yes	378	61.4
No	212	34.2
Unreported	26	4.2
	<u>616</u>	<u>99.8</u>

*Percent total represents distribution within category.

College attendance does figure largely for this population, with 30 percent having children who have attended or are currently attending college, and 60 percent having children who are planning to attend. One-half of those children attending or having attended college received aid, and well over half of those children planning college indicated they intended to apply for aid. Table 2 shows aggregate views of past, present, and projected college attendance for children of respondents, cross-tabulated by family income level. Slightly less than 40% (227) of all respondents had received aid information. A possible limitation of the study may stem from the early fall administration of the survey, which may mean that "College Nights" had not run their full course.

Findings

Understanding of Programs

The data in Table 3 show that self-reported knowledge of programs as indicated by responses to the first question on the "understanding" matrix ranges from 11 percent (SEOG) to 51.5 percent (Work-Study). In-depth understanding of the programs as measured across the other three dimensions — eligibility requirements, ap-

Table 2
Cross-tabulations of Selected Respondent Characteristics

(p = .0000)

Previous and Current College Attendance of Respondents' Children x Family Income Level Expressed as N (% of Row Total)					
	Less than 7500	7501-15,000	15,000-30,000	Above 30,000	Total
Yes	4 (13.3)	21 (15.7)	72 (28.4)	72 (48.3)	172 (29.8)
No	26 (86.7)	113 (84.3)	189 (71.6)	77 (51.7)	405 (70.2)

Planned College Attendance of Respondents' Children x Family Income Level Expressed as N (% of Row Total)					
	Less than 7500	7501-15,000	15,000-30,000	Above 30,000	Total
Yes	9 (31.0)	58 (44.3)	179 (70.2)	120 (83.3)	366 (65.5)
No	20 (69.0)	73 (55.7)	76 (29.8)	24 (16.7)	193 (34.5)

plication process, and obligation requirements — falls off significantly, though it is internally consistent.

Taken as a single measure, the “knowledge” response totals differentiate among the aid programs in a predictable pattern. The state programs, with their low visibility and more modest capability, are low-ranked, as is the SEOG — an institutionally administered program generally utilized to augment assistance to students. The NDSL and BEOG are slightly higher in ranking, the latter bearing the scars of its broadly-conceived, experimental character, susceptible to continual redefinition (including a recent name change). Knowledge of the GSLP, probably the single largest loan program, was indicated by slightly more than a third of the respondents; and College Work-Study by one-half.

The only variable showing a statistically significant (.00-.03) relationship when cross-tabulated with all dimensions of program understanding for the seven aid programs is that of having children attending or having attended college. The variables of having children planning college, source of aid information, and family income level did not show statistically significant relationships with program understanding dimensions. The variable of having children attending or having attended college showed statistical significance (.01) when cross-tabulated with the single knowledge dimension for all programs except SEOG.

A t-test was run to compare the subpopulations surveyed — high school parents and those enrolled in adult classes — on the single knowledge dimension across the seven programs. The t-test showed no significant difference between the groups. The mean score (from a t-test) on the knowledge dimension for respondents having children currently or previously attending college was one-half of a standard deviation higher than the mean score for the whole population. The mean score for those indicating parent college attendance did not differ from that for the larger population.

Finally, since the variables (a) having children previously or currently attending college and (b) parent college attendance showed statistical significance when cross-tabulated with the knowledge dimension, a multiple regression was run to attempt to identify factors present with the dependent variable, knowledge of programs. The results showed the first variable, (a), correlating only .12, and (b) increasing the total correlation (multiple R) coefficient only three percentage points.

Table 3
Understanding of Designated
Financial Aid Programs
N = 616

Financial Aid Program	Knowledge Of Program		Eligibility Requirements Clear		Application Process Clear		Obligation Requirements Clear	
	Yes	%	Yes	%	Yes	%	Yes	%
Basic Educational Opportunity Grant	176	28.6	104	16.9	121	19.6	106	17.2
Guaranteed Student Loan Program	216	35.1	120	19.5	119	19.3	122	19.8
College Work Study Program	317	51.5	164	26.6	159	25.8	155	25.2
Virginia College Scholarship Assistance Program	102	16.6	57	9.3	68	11.0	59	9.6
Virginia Tuition Assistance Grant Program	74	12.0	49	8.0	49	8.0	46	7.5
National Direct Student Loan Program	144	23.4	90	14.6	93	15.1	92	14.9
Supplemental Educational Opportunity Grants	68	11.0	41	6.7	49	8.0	47	7.6

Table 4
Reported Sources of Information on Student
Financial Aid Programs

Source of Information	Number	Percentage
College	174	41.1
High School	104	24.6
Son or Daughter	32	7.6
Newspaper	31	7.3
Television	8	1.9
Radio	5	1.2
Friend	31	7.3
Other	38	8.9
TOTAL	423	99.9

Source of Student Aid Information Perceived
as Most Reliable

Source	Number of responses	Percentage
A. College Admissions and Financial Aid Officers	439	76.7
B. High School Counselors	122	21.3
C. Other	11	1.9
TOTAL	572	99.9

Sources of Financial Aid Information

That financial aid information is often obtained from multiple sources is illustrated by Table 4, which shows 423 frequencies from the 227 respondents who had received information. Colleges were perceived to be the most reliable source by a majority of total survey respondents (including those who had not received information). Supplementing the closed questionnaire structure, at this point numerous respondents "wrote in" unprompted comments uniformly expressing the *desirability* of better financial aid information from the high schools.

Conclusions and Recommendations

The significant fall-off of affirmative responses in the program understanding matrix from the initial knowledge dimension ("Do you know what each of these programs is?") to knowledge of pertinent program components (eligibility requirements, etc.) suggests that respondents translated "Do you know . . ." to mean "Do you have a general awareness of . . ." Without knowledge of the components, what else is there *to* know? Public *understanding* of aid programs, therefore, apparently takes the form of general awareness of their existence/availability, which would seem to be a reasonable expectation, short of the knowledge gained from direct contact with a financial aid officer or representative.

Because of the low totals across the program component (in-depth understanding), the single knowledge/awareness dimension was utilized as the focus for much of the analysis in the study. The variables analyzed for potential association with reported knowledge of programs showed no significant findings, with the single exception of the variable "having children currently or previously attending college", the overall influence of which was relatively slight. This leads us to conclude that there are other unaccounted factors affiliated with knowledge of programs.

The range in "knowledge" ratings among the programs appears to reflect program differentiation that is a function of locus of program administration, visibility, capability, and other potentially identifiable traits. The high rating for College Work-Study leads us to speculate to what degree respondent tallies of program knowledge were in fact tallies of "comprehension of title." One cannot measure the influence that cultural identification with the concept of working to defray the cost of an education may have upon public comprehension of this program. At any rate, the CWS title and concept are easily ascertained, while most other programs have not succeeded as well at communicating their slightly more complicated conditions.

The central question in evaluating the effectiveness of the provision of financial aid information, is whether *potential recipients* are made aware of aid (noting the distinction between "have access to" and "are made aware of"). The familiar thorny problem is, how far do financial aid officers have to go, when responsibility equally belongs to parents and students, ignorance being no excuse? The confounding comes from the knowledge that it does not necessarily follow that a "state of natural awareness" exists about things that may be nonetheless accessible — i. e. , awareness itself is often an educational process.

The aspect of the study gleaning sources of aid information that were utilized by respondents points out the efficacy of broad-based communication efforts. Friends, the media, and non-educational organizations ("Other") were responsible for nearly 30 percent of the total utilization of sources. At the center of these broad-based sources, the task of contacting potential aid recipients belongs to colleges and high schools, their primary dual role borne out by the data and "write-ins."

To conclude, some suggestions do present themselves for future surveys that attempt to gauge the success of the provision of aid information. Obtaining larger

samples of parents of high school students as the specific population would be helpful, as would devising other creative yet non-threatening instruments to measure understanding of programs. Extending the list of variables that are associated with program knowledge or understanding is a challenge that remains.