



College Departure: Exploring Student Aid Effects on Multiple Mobility Patterns from Four-Year Institutions

By Dongbin Kim, Argun Saatcioglu, and Amy Neufeld



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Editor's Column	2
Articles	
College Departure: Exploring Student Aid Effects on Multiple Mobility Patterns from Four-Year Institutions By Dongbin Kim, Argun Saatcioglu, and Amy Neufeld	3
Integrating Tax Preparation with FAFSA Completion: Three Case Models By Nathan Daun-Barnett and Beth Mabry	25
Book Review	
<i>The Financial Aid Handbook: Getting the Education You Want for the Price You Can Afford</i> By Margot J. O'Meara	46
Guidelines for Authors	50

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Editor's Column

As we conclude another year and look forward to the next, this moment is an ideal time to share with you, our readers, details about exciting changes we have been making quietly behind the scenes. The Editorial Board of the *Journal of Student Financial Aid* (JSFA) has been working to find ways to enhance the quality and relevance of the material we bring to the readership in each and every issue. By Spring of 2013, some of these changes will become more apparent to the readers and to our authors.

First, JSFA will be moving to an entirely digital management system, allowing for a simple one-stop shop to access all JSFA publications as well as submitting articles. Most journals today have moved to a digital submission and review system. For readers, this system offers the benefit of moving current and relevant research to publication more rapidly. The dynamic nature of financial aid necessitates a shorter timeframe between submission and publication of articles. Use of a digital platform will also help us push content to readers in multiple ways. For example, readers will be able to use Really Simple Syndication (RSS) through platforms like Google Reader to stay atop the latest issues of the Journal. Authors will see faster turnaround times for review decisions.

You have also likely noticed the inclusion of book reviews in recent issues of *JSEA*. This is part of an on-going effort by the Editorial Board to find ways to get relevant research and resources into the hands of our readers. We are considering other changes to the content of the Journal, such as including emerging scholar pieces, best practice reviews, practitioner-oriented reviews of research literature, and special issues devoted to timely and pressing topics.

Finally, we have expanded the number of reviewers who read and provide feedback for submissions. More reviewers raise the quality of *JSEA*, guaranteeing that every article receives a critical review that focuses on the applicability of the research to the practice of financial aid. We will continue to find ways to ensure that our primary audience—financial aid practitioners—is served by the *JSEA*. The Editorial Board and I welcome any feedback or suggestions that you may have about ways to do this.

Jacob Gross
Editor

College Departure: Exploring Student Aid Effects on Multiple Mobility Patterns from Four-Year Institutions

By Dongbin Kim, Argun Saatcioglu, and Amy Neufeld

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College departure involves multiple mobility patterns that include lateral transfer (from a four-year to another four-year institution), reverse transfer (from a four-year to a two-year institution), and stop out (taking time out of higher education altogether). This study addresses how financial aid influences the likelihood of such mobility patterns for minority and low-income students. Utilizing data from the Education Longitudinal Survey of 2002, this study found that the effects of financial aid on multiple mobility patterns are similar across students of different income groups. By contrast, non-white students benefit significantly from financial aid, particularly from low-burden aid options (e.g., tuition waivers and grants) in lowering the probability of lateral transfer. No financial aid has a significant effect on changing the likelihood that students reverse transfer or stop out.

American higher education is under scrutiny for effectiveness in achieving its key goals. One such goal is ensuring student degree completion, an important indicator of student success. Federal and state governments seek to incorporate degree-completion rates in their measures of institutional accountability and to use them for financial aid and resource allocation decisions (Tinto, 2006-2007). Parents and students are also cautious about rising college costs and search for ways to gain the maximum benefit from a college education, which requires students to complete their degrees in a timely manner. The U.S. News and World Report (USNWR)—commonly considered a measuring stick of institutional quality and an influential source of prestige in higher education (Ehrenberg, 2003)—views degree-completion rates as factors in university rankings.

Not all students who start postsecondary education, however, complete their desired degrees within a reasonable timeframe, particularly at the institution where they are first enrolled. For instance, only about a third of full-time students attending four-year institutions completed their degrees within a four-year time frame at the same institution (National Center for Education Statistics, 2009). Against this background, a handful of recent researchers have identified college mobility or multi-institutional attendance pattern as a key problem that leads to low degree completion rates, particularly among those who began in four-year institutions (Goldrick-Rab, 2006; Goldrick-Rab & Pfeffer, 2007). Of the students who leave before the start of their second year, about half return to their first

institution after “checking out” other institutions, and the rest transfer to another institution or leave higher education entirely (Horn & Carroll, 1998). Within an eight year window, students who remain at their original institution tend to have the highest graduation rates, followed by those who transfer from a four-year to another four-year institution, followed by those who transfer from a four-year to a two-year institution (Goldrick-Rab & Pfeffer, 2009). Also, students who take time off from school are less likely to graduate than those who are continuously enrolled (Cabrera, Burkum, & LaNasa, 2003).

While the term “transfer” in higher education literature traditionally indicates student mobility from a two-year to a four-year institution (Borden, 2004; McCormick, 2003), this study focuses on the mobility of students who began their postsecondary education in four-year institutions. With this focus, this study extends previous research on student mobility in two ways. The primary contribution is a multifaceted concept of mobility. In existing research, students departing from their initial four-year institutions are typically viewed as “dropouts” or “leavers,” with little attention paid to the variety of post-departure options. Yet, the departing student may exhibit a *lateral transfer* (to another four-year institution) or a *reverse transfer* (to a two-year institution) (Adelman, 2006). The student may also *stop out*, remaining non-enrolled for a period with the idea of returning to college later (Horn & Carroll, 1998). Overlooking such patterns not only limits the scope of insights on the mobility issue, but may result in estimation biases in predicting mobility. This study seeks to provide a more understanding of student mobility, clarifying not only *why* students leave, but *where* they go (the type of mobility) after leaving their initial four-year institutions.

The second contribution of this study is an examination of the interaction of financial aid with race/ethnicity and socioeconomic status (SES). Greater college departure rates for socially disadvantaged students—Blacks, Hispanics and low-income students in particular—are an enduring problem (Tinto, 2004), resulting in significant inequities in degree-completion rates. As such, disadvantaged groups may experience departures that are more likely to hinder timely completion and eventual graduation, such as early interruptions in enrollment. They may experience departure patterns that result in degrees with lower status and prestige, due to transferring from a four- to two-year institution, which may have the additional effect of lowering degree-completion rates (Goldrick-Rab & Pfeffer, 2009).

As a means to equalize college opportunity, financial aid is expected to play an instrumental role in leveling the playing field for students from disadvantaged backgrounds (Cabrera & LaNasa, 2001). While there is extensive research on the ways financial aid may influence students from different backgrounds in their decisions to go to college or not, which college to go to, and whether to persist after initial enrollment (e.g., Hu & St. John, 2001; Paulsen & St. John, 2002), no study has focused on how financial aid affects multiple patterns of mobility after initial enrollment. For minority and low-income students, the relative burden involved with different aid packages (e.g., accumulated debt) is an especially salient issue

(McDonough & Calderone 2006). High-burden packages such as unsubsidized loans may increase the risk for disadvantaged students, more than advantaged ones, of stopping out or transferring to two-year institutions in search of better aid alternatives or lower tuition. Similarly, low-burden options such as tuition waivers and gift aid (grants and scholarships) may help improve the chances of persistence more for disadvantaged students than for advantaged ones (e.g., Kim, 2007; Goldrick-Rab & Pfeffer, 2007).

Conceptual Framework

Tinto's interaction theory (1975) has been recognized as the most studied of all departure theories (Braxton & Hirschy, 2005) and is the first to incorporate the role of the institution in retention studies that look at students' voluntary departure (Wolf-Wendel, Ward, & Kinzie, 2009). In Tinto's model, students' entry-level characteristics influence their integration into college, and the extent to which they can integrate into the campus community eventually influences their persistence. Tinto subsequently expanded his integration model to account for the role finances play in student persistence. He originally specified financial considerations as a factor in the initial enrollment decisions (Tinto, 1987), and later argued that finances influenced adjustment to college after the initial college enrollment (Tinto, 1993).

In a more recent effort, Paulsen and St. John (2002) developed a "financial nexus" model that incorporates student characteristics, social/academic integration processes, and financial factors in explaining college mobility. The nexus model accounts for student background, perceptions of cost during the college choice process, college engagement and integration, and student finances. By linking two previously separate topics of inquiry—namely, initial college choice, and subsequent persistence—the nexus model addresses how a "sequence" of student choices may lead to the eventual decision to depart or persist in a given institution (Paulsen & St. John, 2002). Factors influencing which college to attend tend to affect student experiences in college, which in turn affect the likelihood of departure or persistence. Therefore, the financial nexus approach is not only more comprehensive than earlier perspectives, but stresses the importance of the two consequential stages of the college mobility process: the extent to which the student perceives financial variables as important at the time of college choice and the actual role of financial variables in the student's subsequent decision to persist (Paulsen & St. John, 2002).

Drawing on the financial nexus model, this study highlights three sequential stages in the process of persistence. Factors that influence the first stage of *access* include basic student background and pre-college factors, such as race/ethnicity, socioeconomic status, and academic performance in high school. The degree of advantage or disadvantage in these areas has consistently and continuously affected not just student interest in college, but the perceptions of financial issues and college experiences. The variables that primarily influence the *choice* stage, which are also continuously influential on the persistence decisions, are student perceptions of campus life, academic and professional features of

prospective colleges, and most importantly, the availability of financial aid. These factors structure the relative attractiveness of alternative institutions considered by the student and his/her family (Gross, Hossler, & Ziskin, 2007). The third and final stage is the *persistence* stage, where institutional characteristics, individual experiences, and academic success modify or reinforce the student's goal commitment. Positive experiences (both social and academic) can enhance the student's perception of economic and non-economic benefits of a college degree and increase the desire to stay at the same college. Negative experiences, including a tuition hike, tend to have the opposite effect. While all factors that are identified are particularly salient for each stage of college-choice process, they are also expected to be significant predictors of eventual persistence or departure decision.

The Interplay of Financial Aid with Race/ Ethnicity and Socioeconomic Status

An important goal for financial aid is to alleviate financial difficulties for disadvantaged students. Most studies in this area focus on the effects of aid on college enrollment, choice, and a dichotomous measure of college persistence (e.g., Hossler, Braxton, & Coopersmith, 1989; Paulsen & St. John, 2002). This study takes a different perspective and addresses the consequences of aid in terms of multiple mobility patterns. Since financial aid is the primary policy tool to help equalize college opportunities, it is particularly important to address how aid may influence the likelihood of different departure patterns for disadvantaged minority (e.g., blacks and Hispanics) and low-income students, who traditionally experience a greater risk of leaving their initial institutions (Tinto, 2004). The degree of debt burden) is an issue for all students, but it is likely to matter more for disadvantaged ones. However, while few studies have considered the interplay between student aid and disadvantage statuses (e.g., Hoyt & Winn, 2004; McDonough & Calderone, 2006), little is still known about how different types of aid may interact with race/ethnicity and SES to affect the chances of different departures.

Existing research offers a number of important inferences about how the effects of different aid types, and their associated debt burden, may differ by race/ethnicity and SES. First, given their disadvantaged economic situations and concerns over accumulating debt, many minority and low-income students receiving loans may experience a greater risk of stopping out or transferring to two-year institutions in search of better aid alternatives or lower tuition. Grants or scholarship may, on the other hand, have a more pronounced benefit in terms of persistence for these students compared to more advantaged students (Goldrick-Rab & Pfeffer, 2007; Perna & Titus, 2004; Price, 2004; Zarate & Pachon, 2006). Also, minority and low-income students may avoid loan options altogether, limiting their choices to receiving no aid or receiving only scholarships or grants (Kim, 2007; Nora & Crisp, 2005; Trent, Lee, & Owens-Nicholson, 2006). Thus, it is important to examine the effects of financial assistance on mobility for such students, who often depend largely on grants and scholarships (Cabrera & LaNasa 2001; Dowd & Coury, 2006; Oosterbeek & Van Den Broek, 2009).

In addition, disadvantaged students are likely to enjoy significant psychological benefits from grants and scholarships. As McDonough and

Calderone (2006) note, while tuition waivers and grants nurture self-confidence on the part of any student, such types of aid tend to impart a higher degree of self-esteem and pride for minority and low-income students. These benefits are likely to foster loyalty and attachment to the institution, increasing the chances of persistence (Trent et al., 2006). Finally, these types of aid options often limit uncertainties and fears about college expenses among disadvantaged students more than among other students, particularly by reducing the pressure for employment while in school (Cabrera, Nora, & Castaneda, 1992; Malcom, 2008; Nora, & Crisp, 2005). With reduced concerns for securing employment, disadvantaged students may have more time to devote to academic work, lowering the chances of departure (Nora, Barlow, & Crisp, 2006).

Altogether, these insights warrant the explicit examination of the mobility patterns related to the interplay of financial aid with demographic background characteristics. This study takes a step in this direction by asking whether race/ethnicity and SES interact with various aid types (i.e., grants, loans, work study, and tuition waivers) and if the interactions are associated differently with persistence, lateral transfers, reverse transfers, and stop outs.

Data and Methods

Data sources

The Education Longitudinal Study of 2002 (ELS: 2002) from National Center for Educational Statistics (NCES) served as the primary data source for this study. ELS: 2002 followed students from high school to college, collecting data at three points: when they were high school sophomores (2002 base year), high school seniors (2004 first follow-up), and two years after their expected high school graduation date (2006 second follow-up). Base year and first follow-up data addressed students' individual and family backgrounds and second follow-up data addressed students' college pathways and interruption in enrollment. This study focused on white, black, Hispanic, and Asian students who began their post-secondary education in a four-year institution in September, 2004. Because delayed enrollment is negatively related to persistence and degree completion (Adelman, 2006; DesJardins, Ahlburg, & McCall, 2006; Dowd, 2004; Kuh, Cruce, Shoup, Kinzie, & Gonyea, 2008), this study avoided confounding factors by including only those students who did not delay their college enrollment, resulting in this study's sample of 5,675 students.

Outcome measure

The highest level of attrition in college occurs between years one and two (Bradburn, 2002; Reason, 2009), making the connection between enrollment from the first year to the second crucial for student retention efforts. Against this background, this study considered the student's *first year departure pattern* as an outcome measure (see Table 1). Specifically, mobility is measured by examining the departure pattern by September, 2005, a year after initial enrollment in 2004. The 2005 information was collected through the 2006 second follow-up of ELS. Four specific outcomes were considered: whether the student (1) remained enrolled in

the initial institution (persistence), (2) transferred to another four-year institution (lateral transfer), (3) transferred to a two-year institution (reverse transfer), or (4) were not enrolled in any post-secondary institution (stop out).

Predictors

Variables included demographic characteristics (race/ethnicity, SES, gender), pre-college academic performance (standardized 10th grade math score), parental aspirations for student success, and the students own expectations for success (see Table 1). Race/ethnicity was coded in four categories: white, black, Asian, and Hispanic. Measures that are particularly relevant for the choice stage included the perceived importance of two specific issues when choosing the initial four-year institution: (1) financial issues (a combination of concerns for low expenses and availability of aid), and (2) success after college (a combination of concerns for successful job placement and graduate school placement).

The ELS data also contained information on whether the student was offered specific types of aid from their first institution. The specific types of aid are grants (all grants including federal, state, and institutional grants), loans (all loans except PLUS), tuition waivers (total tuition waivers), and work study (all forms of work study). This study relies on the type of financial aid *offered*, as opposed to the type of aid *awarded* (i.e., actually received by students), because the aid offered provides more accurate information about the student's unobserved characteristics that influences the decision to accept the offer. Aid awarded, on the other hand, reflects the decision made after the aid offer, which is subject to endogeneity bias (DesJardins, Ahlburg, & McCall, 2002).

Employment experiences were measured by the number of hours per week worked while enrolled during the first year. Enrollment intensity was measured by a dummy indicator for full- versus part-time enrollment. For integration measures, the frequency of conversations with faculty and involvement in extracurricular activities on campus were included. Lastly, several institutional characteristics were obtained from IPEDS (the Integrated Postsecondary Education Data System) 2004, when the initial college enrollment was measured in this study. Variables from IPEDS data include size (fulltime equivalent [FTE] enrollment), institutional control (public/private), selectivity (prestige), tuition (in-state tuition and fees), and the ratio of per FTE grant aid to the total published in state tuition and fees.

While there are numerous measures that represent student affordability in the financial aid literature (e.g., the total aid-to-total costs ratio), this study used the aid-to-tuition ratio recognizing the significant differences in tuition by institutional control and relatively similar expenses for room and board, books and other activities across all institutions. The aid-to-tuition ratio is considered an appropriate indicator of student affordability for attending a particular institution.

Table 1. Descriptive Statistics

	Mean	SD
Mobility		
Persistence	0.809	0.392
Lateral transfer	0.069	0.253
Reverse transfer	0.047	0.210
Stop out	0.075	0.263
Access		
White (BYRACE)	0.702	0.457
Black (BYRACE)	0.103	0.304
Hispanic (BYRACE)	0.078	0.268
Asian (BYRACE)	0.116	0.320
SES (F1SES2QR)	0.041	0.676
Male (BYSEX)	0.475	0.499
Parental aspirations for success (BYPARASP)	0.974	0.157
Student expectations for success (F1STEXP)	6.770	0.858
Mathematics achievement (BYTXMQU)	3.230	0.892
Choice		
Importance of financial issues (F1S52A, F1S52B)	2.209	0.618
Importance of success after college (F1S52I, F1S52J)	2.429	0.598
Persistence		
Enrolled fulltime (F2PS1FTP)	0.971	0.269
Talked with faculty on academic matters (F2B18A)	2.147	0.601
Participated in extracurricular activities (F2B18G)	2.140	0.765
Grant (F2IGRANT)	0.730	0.456
Loan (F2ILOAN)	0.602	0.489
Waiver (F2IWAIVR)	0.098	0.297
Work study (F2IWKSTY)	0.310	0.462
Hours worked weekly (F2C26P)	2.125	1.077
School size (FTE)	13786.050	11673.310
Selectivity (SELC)	3.281	0.644
Tuition (CHG2AY3, in-state)	10671.110	8617.808
Aid/tuition ratio ((FGRNT_A+IGRNT_A)/CHG2AY3)	1543.000	1.433
Initial institution out-of-state (F2PS1OUT)	0.266	0.422
Private institution (CONTROL)	0.348	0.476

Note: School size, selectivity, tuition, aid/tuition ratio, and private control were obtained from IPEDS. The rest of the measures were obtained from ELS:2002. Original variable tags shown in parentheses.

Finally, the location of the institution (whether the school is located in the students' home state) was included in the analysis. Previous literature (Groen, 2003; Tornatzky, Gray, Tarant, & Zimmer, 2001) suggests that students who attend out of state institutions are likely to become more mobile in terms of their employment location after they complete their college education. Therefore, the location of the institution will show if students who are mobile at the stage of college choice are more or less mobile in terms of college departure.

Statistical Modeling

Given the categorical nature of our outcome measure, we conducted a multinomial regression model that predicts effects of predictors on the odds of different mobility patterns. All estimates were adjusted for the Education Longitudinal Study sampling design (i.e., sample strata and clustering) using the appropriate weight (F2BYWT). Following NCES's recommendation for adjusting the estimation for survey design effects (Broene & Rust, 2000), the *mlogit* command with the *svy* prefix was used in the statistical software, STATA 10.1. The full multinomial regression model was specified as:

$$M_i = \alpha + \sum_n \beta_n A_{ni} + \sum_n \Psi_n C_{ni} + \sum_n \Omega_n P_{ni} + \sum_n \Phi_n (SES_i F_{ni}) + \sum_n \sum_m \lambda_{nm} (R_{ni} F_{mi}) + \varepsilon_i \quad (1)$$

where i represents the individual student and M is the four-category outcome variable, including 1 = stay at the initial four-year institution, 2 = transfer to another four-year institution, 3 = transfer to a two-year institution, and 4 = stop out. The students who stayed at the same institution were specified as the baseline category. A is a vector of predictors associated with the factors that are particularly salient in access stage. C represents choice factors. And, P denotes persistence factors. Given our interest in the interplay of financial aid with race/ethnicity and SES, the model included two sets of two-way interactions, namely between financial aid and SES ($SES_i F_{ni}$) and between financial aid and race/ethnicity ($R_{ni} F_{mi}$). White students were left out as the reference category for race/ethnicity. Finally, ε_i represents the random error for student i .

Results

Of the 5,675 students who were freshmen in 2004, 4,593 (nearly 81%) persisted in their initial four-year institutions, 391 (about seven percent) undertook a lateral transfer, 264 (almost five percent) exhibited reverse transfer, and 427 (nearly eight percent) were not enrolled in a higher education institution in the fall of 2005. In other words, among students who would be considered as "leavers" from the conventional stay/leave standpoint, 36% were actually enrolled in other four-year institutions, 24% transferred to two-year institutions, and about 40% left their initial institutions but did not enroll in higher education the following year. This finding reinforces the need to further explore multiple departure patterns.

Lateral Transfer Variables

Table 2a displays results concerning student who transfer laterally, from the initial four-year to another four-year institution. Being male reduces the

odds of lateral transfer by 45% ($e^{-0.600} = 0.548$, $p < 0.010$), indicating that female students are more likely to transfer to another four-year institution than their counterpart male students. This finding is surprising given that female students have consistently been found to have higher degree completion rates (National Center for Education Statistics, 2007). This finding may be related to the types and/or the timing of college departures. For instance, insights from research on career choice and consumer behavior indicates that net of race/ethnicity, class, social status and age, females tend to be quicker than males in responding to dissatisfaction with employment and consumption decisions and in taking corrective action (e.g., Phillips & Imhoff, 1997; Thompson, 1996). Therefore, female students dissatisfied with their initial institutional choices may be faster than males in making the decision to transfer out to another four-year institution. Considering this finding, female students may be able to avoid any possible negative effects of transferring to other institutions. From a different angle, this finding also supports previous literature (e.g., Goldrick-Rab, 2006) that suggests a lateral transfer, in contrast to other types of college departures, does not necessarily lead to a negative consequence (e.g., lowering degree completion rates) to students. Of the college experience variables, social and academic integration into college significantly reduces the odds of lateral transfer, which is consistent with Tinto's (1975) original view. Specifically, talking with faculty on academic matters reduces the odds of transferring to another four-year institution by about 44% ($e^{-0.574} = 0.563$, $p < 0.010$). Participation in extracurricular activities reduces the odds of transferring to another four-year institution by 30% ($e^{-0.371} = 0.690$, $p < 0.010$).

Of the institutional characteristics, a higher in-state tuition decreases the odds of lateral transfer by nearly 62% ($e^{-0.970} = 0.379$, $p < 0.010$). While tuition costs are commonly viewed as an important impediment to persistence (Paulsen & St. John, 2002), our findings suggest that students who start college at a four-year institution with higher tuition are less likely to transfer to another four-year institution in their freshman year compared to those who start at four-year institutions with lower tuition. However, it should be noted that the negative effect of higher tuition is only for lateral transfer (see Tables 2b and 2c for non-significant tuition effects), indicating that students who transfer to other four-year institutions may do so not because of tuition or financial reasons but because of other personal, social, or academic program related reasons. The aid/tuition ratio also reduces the odds of a lateral transfer by 52% ($e^{-0.733} = 0.480$, $p < 0.010$). Combined with the negative effect of tuition level, this finding suggests that current policy moves favoring the “high tuition / high aid” approach to college finance may work well—from an institutional perspective—in reducing lateral transfer rates (e.g., Griswold & Marine, 1996; Guess, 2009; Nishimura, Watkins, & Burbank, 2009). However, the “high tuition / high aid” approach may not be as effective in addressing reverse transfers, since neither tuition nor the ratio of grant aid to tuition has a significant effect on reverse transfer (see Table 2b).

Finally, students starting at out-of-state four-year institutions have about 80 percent greater odds ($e^{0.590} = 1.803$, $p < 0.010$) of transferring to other four-year institutions than do students attending in-state institutions. This

Table 2a. Multinomial Model: Later Transfer vs. Persistence

	Coeff.	SE	Odds Ratio	
			Main	Interaction
Black	0.863	(0.659)	2.369	
Hispanic	1.186	(0.778)	3.273	
Asian	1.264	(0.700)	3.540	
SES	0.066	(0.159)	1.068	
Male	-0.600 **	(0.210)	0.549	
Parental aspirations for student's success	0.600	(0.842)	1.822	
Student expectations for success	0.154	(0.132)	1.167	
10th grade mathematics achievement	0.093	(0.136)	1.098	
Importance of financial issues	-0.323	(0.195)	0.724	
Importance of success after college	0.373	(0.200)	1.453	
Enrolled fulltime	-0.510	(0.527)	0.600	
Talked with faculty on academic matters	-0.574 **	(0.161)	0.563	
Participated in extracurricular activities	-0.371 **	(0.139)	0.690	
Grant	-0.060	(0.312)	0.942	
Tuition waiver	0.275	(0.408)	1.316	
Loan	-0.244	(0.274)	0.784	
Work study	0.436	(0.275)	1.546	
Hours worked weekly	0.212	(0.109)	1.236	
School size	-0.179	(0.155)	0.836	
Selectivity	-0.186	(0.205)	0.830	
Tuition	-0.970 **	(0.372)	0.379	
Aid/tuition ratio	-0.733 **	(0.235)	0.480	
Out-of-state	0.590 **	(0.238)	1.804	
Private	-1.017	(0.530)	0.361	
Interaction terms				
Grant*black	-0.524	(0.627)	0.592	1.404
Grant*Hispanic	-0.049	(0.837)	0.953	3.118
Grant*Asian	-2.214 **	(0.856)	0.109	0.387
Waiver*black	-2.383 **	(1.090)	0.092	0.219
Waiver*Hispanic	-1.759 **	(0.777)	0.172	0.564
Waiver*Asian	0.312	(0.958)	1.366	4.836
Loan*black	0.532	(0.663)	1.703	4.035
Loan*Hispanic	-1.326	(1.048)	0.266	0.869
Loan*Asian	0.260	(0.791)	1.296	4.589
Work study*black	-0.907	(0.620)	0.404	0.957
Work study*Hispanic	-0.426	(0.827)	0.653	2.137
Work study*Asian	-1.155	(0.900)	0.315	1.115
Constant	8.543 **	(3.054)		
Log likelihood	-1648.194			
Chi-square	462.771 **			
Pseudo R-squared	0.122			

Note: F2BYWT used as regression weight. School size and tuition measures are logged.
 ** $p < 0.01$. * $p < 0.05$.

Table 2b. Multinomial Model: Reverse Transfer vs. Persistence

	Coeff.	SE	Odds Ratio	
			Main	Interaction
Black	-1.056	(0.860)	0.348	
Hispanic	-0.246	(1.296)	0.782	
Asian	0.100	(0.784)	1.105	
SES	-0.391 *	(0.194)	0.676	
Male	-0.420	(0.232)	0.657	
Parental aspirations for student's success	0.940	(0.589)	2.560	
Student expectations for success	-0.040	(0.139)	0.961	
10th grade mathematics achievement	-0.222	(0.136)	0.801	
Importance of financial issues	-0.508 **	(0.194)	0.602	
Importance of success after college	0.060	(0.181)	1.062	
Enrolled fulltime	-0.127	(0.340)	0.881	
Talked with faculty on academic matters	-0.788 **	(0.182)	0.455	
Participated in extracurricular activities	-0.289	(0.166)	0.749	
Grant	-0.101	(0.263)	0.904	
Tuition waiver	0.227	(0.466)	1.254	
Loan	0.278	(0.267)	1.321	
Work study	-0.361	(0.317)	0.697	
Hours worked weekly	0.268 **	(0.107)	1.308	
School size	-0.321 **	(0.133)	0.725	
Selectivity	-0.296	(0.197)	0.744	
Tuition	0.034	(0.347)	1.034	
Aid/tuition ratio	-0.055	(0.084)	0.946	
Out-of-state	0.304	(0.299)	1.355	
Private	0.534	(0.522)	1.705	
Interaction terms				
Grant*black	0.502	(0.815)	1.652	0.574
Grant*Hispanic	-0.378	(1.288)	0.685	0.536
Grant*Asian	-1.164	(0.801)	0.312	0.345
Waiver*black	-1.183	(1.113)	0.163	0.057
Waiver*Hispanic	1.257	(1.072)	3.516	2.750
Waiver*Asian	-0.639	(1.233)	0.528	0.583
Loan*black	0.323	(0.836)	1.381	0.480
Loan*Hispanic	-0.678	(1.354)	0.507	0.397
Loan*Asian	-0.173	(0.704)	0.841	0.929
Work study*black	0.511	(0.742)	1.667	0.580
Work study*Hispanic	-0.074	(1.334)	0.929	0.726
Work study*Asian	1.177	(0.675)	3.245	3.586
Constant	3.906	(3.324)		

Note: F2BYWT used as regression weight. School size and tuition measures are logged. Model fit information for these findings are shown in Table 2a.

** $p < 0.01$. * $p < 0.05$.

finding is consistent with the existing literature (e.g., Gansemer-Topf & Schuh, 2006; Goldrick-Rab & Pfeffer, 2009; Porter, 2003) and points to the fact that students attending out-of-state institutions may experience more difficulties in adjusting to new environments, psychologically (e.g., being away from family and friends) and financially (e.g., paying for out-of-state tuition, and additional living and travel expenses). Not only may these factors that stem from attending out-of-state institutions “push” students into lateral transfers, but students may also have extra “pull” factors from their home state institutions, which might be an alternative for lower financial burdens and the possibility of getting back to their families and friends (Porter, 2003).

Reverse Transfer Variables

The findings concerning students who experience reverse transfers (shown in Table 2b), are considerably different from those regarding lateral transfer. SES is a significant predictor, indicating that a one unit increase in SES results in a 33% decrease ($e^{-0.391} = 0.676$, $p < 0.050$) in the odds of reverse transfer over persistence, meaning that students from lower SES are more likely to experience a reverse transfer. This finding, in contrast to the non-significant effect of SES on lateral transfer, demonstrates the importance of examining multiple departure patterns and that if departure patterns are not specified to multiple categories, the effect of SES could generate misleading findings.

Another interesting finding is that only the student perception of the importance of financial issues in choosing college has a significant negative effect on mobility, decreasing the odds of a reverse transfer over persistence by 40% ($e^{-0.508} = 0.601$, $p < 0.010$). This variable is a composite measure of the perceived importance of financial aid availability and lower tuition in college choice. Students with greater concerns about financing college may make more prudent decisions about where they attend college. They may understand the extra financial burdens involved with transferring elsewhere, and thus are less likely to transfer, particularly to two-year institutions.

Talking with faculty about academic matters reduces the odds of transferring to a two-year institution by 55% ($e^{-0.788} = 0.454$, $p < 0.010$). On the other hand, the non-significant effect of the number of hours worked per week on lateral transfer become significant when looking at reverse transfer, increasing the odds by 30% ($e^{0.268} = 1.308$, $p < 0.010$). This positive effect of employment is unsurprising, as it may indicate not only the effect of financial strain, but also the lack of class choice options, poor academic performance, or lack of social and academic involvement in college that often accompany working extensively (American Council on Education, 2006; Horn & Berktold, 1998). Finally, the negative effect of school size is consistent with other research, which suggests that retention rates tend to increase as institutional size increases (Kamens, 1971; Sjoberg, 1999, Titus, 2004). Institutions with larger enrollment may have stronger socialization processes (Kamens, 1971), which in turn influence student integration and increase retention.

Stop Out Variables

As depicted in Table 2c, a one unit increase in SES decreases the chances of student stop out by 49% ($e^{-0.682} = 0.505$, $p < 0.010$). And, a one unit increase in 10th grade mathematics performance decreases the odds of stopping out by about 25% ($e^{-0.284} = 0.753$, $p < 0.010$). The lower risk of mobility for Asians, higher SES groups, and students who are academically better prepared for college is consistent with findings from the existing literature on persistence (Goldrick-Rab, 2006; Goldrick-Rab & Pfeffer, 2007; Ishitani, 2006). However, our results go a step further, suggesting that the significant effects of these variables are not true for lateral transfer or reverse transfer as they are for stop out.

Unsurprisingly, talking to faculty on academic matters and participation in extracurricular activities both reduce the odds of stop out by about 50% ($e^{-0.710} = 0.491$, $p < 0.010$) and 30% ($e^{-0.353} = 0.702$, $p < 0.010$) respectively. An increase of one hour of employment per week increases the odds of stop out by 55% ($e^{0.444} = 1.558$, $p < 0.010$). This is nearly twice the size of the effect the same predictor has on the odds of reverse transfer, while it has no significant effect on lateral transfer. In other words, the consequence of working more hours per week becomes more profound as the mobility pattern changes from lateral to reverse transfer, and to stop out. This pattern of an increasingly negative effect of employment on lateral, reverse, and stop out, entails increasingly problematic consequences in terms of eventual degree completion rates (Goldrick-Rab & Pfeffer, 2007).

Lastly, starting out in a four-year private institution noticeably lowers the odds of stopping out by 63% ($e^{-0.991} = 0.371$, $p < 0.010$). This finding is consistent with existing studies that suggest private institutions tend to demonstrate greater persistence and degree completion rates (Astin & Oseguera, 2002). By focusing on multiple departure patterns, however, this finding indicates more detailed information, suggesting that the primary reason of private institutions having higher retention and graduation rates might be related to their lower stop out rates, not necessarily due to lower lateral or reverse transfer rates.

Aid Types and Student Backgrounds

Table 3 shows the interplay pattern of multiple mobility patterns by race/ethnicity and SES. Consistent with previous findings, black, Hispanic, and low SES students have the lower persistence rates than Asian, white, and higher SES students. For instance, only 72% of blacks persist in their initial four-year institution while 13% exhibit lateral or reverse transfer and about 15% stop out by the end of their first year in college. The mean SES for students who persisted is 3.20, as opposed to 2.61 for those who stopped out.

These differences in departure patterns have considerable implications for eventual completion rates (Goldrick-Rab, 2006). Since financial assistance is an important means to help level the playing field in higher

Table 2c. Multinomial Model: Stop out vs. Persistence

	Coeff.	SE	Odds Ratio	
			Main	Interaction
Black	0.644	(0.542)	1.904	
Hispanic	0.585	(0.615)	1.796	
Asian	-0.397	(0.899)	0.672	
SES	-0.682 **	(0.177)	0.506	
Male	-0.236	(0.197)	0.790	
Parental aspirations for student's success	0.009	(0.391)	1.009	
Student expectations for success	-0.114	(0.119)	0.892	
10th grade mathematics achievement	-0.284 **	(0.106)	0.753	
Importance of financial issues	0.133	(0.181)	1.142	
Importance of success after college	0.069	(0.168)	1.072	
Enrolled fulltime	-0.139	(0.345)	0.870	
Talked with faculty on academic matters	-0.710 **	(0.170)	0.492	
Participated in extracurricular activities	-0.353 **	(0.139)	0.702	
Grant	-0.199	(0.252)	0.820	
Tuition waiver	0.352	(0.386)	1.422	
Loan	0.247	(0.249)	1.280	
Work study	-0.256	(0.260)	0.774	
Hours worked weekly	0.444 **	(0.106)	1.558	
School size	-0.066	(0.133)	0.936	
Selectivity	-0.176	(0.199)	0.838	
Tuition	-0.508	(0.307)	0.602	
Aid/tuition ratio	-0.064	(0.037)	0.938	
Out-of-state	-0.213	(0.285)	0.808	
Private	-0.991 *	(0.467)	0.371	
Interaction terms				
Grant*black	-0.018	(0.537)	0.982	1.870
Grant*Hispanic	-0.671	(0.677)	0.511	0.918
Grant*Asian	-0.754	(0.971)	0.471	0.316
Waiver*black	-1.900	(1.159)	0.150	0.285
Waiver*Hispanic	-0.592	(1.197)	0.553	0.993
Waiver*Asian	-2.327	(1.204)	0.098	0.066
Loan*black	-0.692	(0.548)	0.501	0.953
Loan*Hispanic	-0.971	(0.622)	0.379	0.680
Loan*Asian	-1.185	(1.004)	0.306	0.206
Work study*black	-0.053	(0.554)	0.949	1.806
Work study*Hispanic	0.995	(0.658)	2.704	4.857
Work study*Asian	1.558	(1.050)	4.748	3.192
Constant	5.441	(2.894)		

Note: F2BYWT used as regression weight. School size and tuition measures are logged. Model fit information for these findings are shown in Table 2a.

** $p < 0.01$. * $p < 0.05$.

Table 3. Multiple Mobility Patterns by Race/Ethnicity and SES

	Persistence	Lateral transfer	Reverse transfer	Stop out
White	0.799	0.068	0.053	0.080
Black	0.715	0.072	0.065	0.148
Hispanic	0.770	0.064	0.060	0.106
Asian	0.898	0.055	0.021	0.026
Chi-square	61.988 **			
Mean SES	3.193	3.004	2.851	2.611
F value	26.610 **			

Note: Percentages reported for race/ethnicity. The chi-square score pertains to differences across all percentages. Means reported for SES differences among mobility types. The F value pertains to differences across the means. All results are based on weighted estimates where F2BYWT is used as the weight variable.

** $p < 0.01$.

education, it is important to examine whether financial aid interacts with student background characteristics to affect multiple mobility patterns. Despite our expectations, SES did not systematically interact with any of the financial aid in the preliminary analysis and thus we included only the interaction terms for financial aid and race/ethnicity in the final statistical model.

Interestingly, significant interaction effects are found only regarding lateral transfer and the significant effects are uniformly negative and involve only the interplay of low burden aid types (i.e., grant and tuition waiver) with minority status. This finding is consistent with our expectation that grants or tuition waivers are likely to be more beneficial for certain student populations than others (see Table 2a). Given that white students are treated as the reference group in the analysis, the main effects of financial aid types in Model 2 represent the effects of different aid options for white students. For black students, receiving tuition waivers, as opposed to having no waivers, reduces the odds of lateral transfer by nearly 78% ($e^{0.863-2.383} = 0.219$, $p < 0.010$). Tuition waivers appear to have a similar effect for Hispanic students, reducing the risk of lateral transfer by about 44% ($e^{1.186-1.759} = 0.564$, $p < 0.010$). Finally, Asians with grants are 61% less likely than those without grants to experience a lateral transfer ($e^{1.264-2.214} = 0.387$, $p < 0.010$).

Altogether these findings indicate that while the degree of burden associated with financial aid may matter for all students, certain types of financial aid appear to be particularly important for black, Hispanic, and Asian students. This finding is likely to be related to the psychological benefits (e.g., perceived meaning of different types of financial aid as well as greater self-confidence and self-esteem) associated with grants or tuition waivers or with reduced pressures for working while in college, allowing

students to integrate with the college environment by spending more time and effort on their academic work and involvement.

Discussion and Implications

This study extends the existing literature in two ways. First, instead of a dichotomous view of student mobility involving an either stay or leave concept, this study incorporates a multifaceted view that distinguishes between lateral and reverse transfers, as well as stop outs. Second, this study addresses the interplay of financial aid—the primary policy lever to equalize college opportunities—with race/ethnicity in predicting multiple mobility patterns.

When examining lateral transfers we see that SES or race/ethnicity do not have independent effects but that tuition and aid/tuition ratio are important negative factors. On the other hand, the effects of SES are much stronger in predicting reverse transfers and stop outs but tuition level and aid/tuition ratio are not significant. This raises a question of whether the policy of “high tuition / high aid” approach is an efficient and equitable tool in higher education finance (Griswold & Marine, 1996; Hearn & Longanecker, 1985; Nishimura et al., 2009). The proponents of this approach argue that rationalizing the tuition level does not negatively influence college enrollment and persistence of the students from middle and upper-income families because they tend to be less responsive to changes in tuition than others from low-income families. At the same time, the increased tuition revenue can be redistributed to the financially needy students in the form of increased institutional aid since low-income and disadvantaged students are more sensitive to changes in price (particularly in a low-burden aid format) (DesJardins, Ahlburg, & McCall, 2002). While our finding suggests that the “high tuition / high aid” approach may be an effective means to divert students from moving to another four-year institution, the same may not be true for reverse transfers or stop outs. From an institutional perspective, therefore, institutions that experience high lateral transfer rates may consider high tuition/high aid policy as a viable option to retaining its students, but this policy should not be considered by institutions that tend to lose their students to other two-year institutions or to stopping out.

Another important finding is that out-of-state enrollment (students who start college out of their home state), increases the odds of lateral transfer. Research and policy debates may need to address what prompts these mobile students to become mobile again. Due to data limitations, we were unable to examine whether these students who leave their initial out-of-state institutions go back to their home state or not (or to the institutions with higher or lower tuition charges).

Many states today have implemented state-sponsored financial aid to encourage students to attend in-state public (and sometimes private) colleges to promote the long term economic benefits of having college graduates within state borderlines such as better tax revenue and improved labor markets (Schmidt, 1998; Tornatzky et al., 2001). Therefore, addressing the deeper reasons behind such lateral mobility and the destinations of lateral transfers (e.g., whether the students return to their

home state to enroll in four-year institutions or move to another out-of-state four-year institutions) is important for strengthening state policies designed to help retain out-of-state students or to recruit those students attending out-of-state institutions back home (Groen, 2003; Tornatzky et al., 2001). From this perspective, the significant positive effect of out-of-state enrollment on lateral transfer may *not* be as bad a thing. If out-of-state freshmen tend to transfer to four-year institutions in their home-states, then that may potentially improve their chances of timely degree completion because they are likely to have more resources available in the form of family and social support, familiarity with the local context, and social networks (Nora et al., 2006; Trent et al., 2006). In essence, our findings hint at the potential concept of “productive mobility,” which is students use mobility as a way to ensure successful college outcomes including degree completion and thus becoming more productive, and further exploration of this concept requires student data tracking (i.e., how students flow through college both within and across states).

It is worth noting the negative effect of financial considerations in choosing college on reverse transfer. One possible explanation can be making more “prudent” financial decisions when choosing college (for example, with regard to tuition and costs) could inherently lower the chances of switching to two-year institutions, particularly in search for lower expenses. As Paulsen and St. John (2002) note, having a realistic view of financial issues while making college choices is critical in subsequent persistence. Our findings indicate, however, that this may be important in avoiding only reverse transfer, but not lateral transfer or stop out. Since students who misjudge financial obstacles and prospects may leave four-year institutions for two-year ones at a greater rate, higher education administrators could help students make more informed decision on the costs involved in different college choices which in turn improve persistence rates for institutions and increases timely degree completion rates for individual students.

Lastly, this study found that tuition waivers and grants would help Asian, black, and Hispanic students, particularly with regard to lowering their lateral transfer. Therefore, institutional policy makers may consider securing discretionary funds for those types of financial aid that could be strategically used for targeted student populations to lower lateral transfer and to increase persistence rates, particularly for those who traditionally have lower persistence rates (Bowen, Chingos, & McPhearson, 2009). Institutions with large number of students who transfer to other four-year institutions could gain the most benefit by utilizing this approach. Future studies can take a more comprehensive approach and consider the interplay of financial aid with other student background characteristics in light of this study’s extended models that account for access to and utilization of different aid types and aid amounts by different groups. With this, the reasons why certain student groups are more likely than others to benefit from particular aid packages will be clarified.

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Integrating Tax Preparation with FAFSA Completion: Three Case Models

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This research compares three different models implemented in four cities. The models integrated free tax-preparation services to assist low-income families with their completion of the Free Application for Federal Student Aid (FAFSA). There has been an increased focus on simplifying the FAFSA process. However, simplification is not the only barrier that students face while completing the FAFSA. Tax preparation is also an integral part to FAFSA completion. This paper illuminates how four cities aim to integrate tax preparation and FAFSA completion through local community partners. While all four cities faced a variety of challenges reaching their target populations at a scalable level, the Campaign for Working Families in Philadelphia demonstrated a more integrated, successful tax-preparation and FAFSA completion program due to its robust Volunteer Income Tax Assistance (VITA) organization.

In 2005, the Advisory Committee on Student Financial Assistance issued a report on the simplification of the financial aid application process. Of their 10 recommendations, four called for ways to streamline and simplify the Free Application for Student Financial Aid (FAFSA). These sentiments of simplification were later reiterated by the Spellings Commission (U.S. Department of Education, 2006):

Any new federal financial aid system should aim to replace the current federal aid form [FAFSA] with a much shorter and simpler application form...Students should have information about financial aid eligibility (such as need or ability to pay) sooner and with early estimates of likely aid available as soon as the eighth grade (p. 19).

Policymakers recognize that the cost of college is a critical barrier for many low- and middle-income students and the FAFSA is the gatekeeper for federal, state, and institutional aid programs. Researchers (Bettinger, Long, Oreopoulos, & Sanbonmatsu, 2009; King, 2006) estimate that between 750,000 and 1.5 million otherwise eligible students fail to submit the FAFSA each year, and according to Dynarski and Scott-Clayton, the complexity of the form is a contributing factor for under submission of FAFSA. In 2009, the FAFSA form included 153 questions, many of which required detailed income tax information from students and parents (Executive Office of the President of the United States, 2009). Efforts have been made to streamline the form by eliminating unnecessary questions, adding skip logic to filter out questions that do not apply to particular applicants, and providing students the option to pre-populate the

FAFSA with tax data from the Internal Revenue Service (IRS), which is also known as the IRS Data Retrieval Tool. As a result, the form has been shortened, and in 2010 electronic tax filers had the option to allow the IRS to release tax information to the U.S. Department of Education. Dynarski and Scott-Clayton (2007) argue that federal aid could be simplified to the back of a postcard, relying only on existing IRS data. However, they also argue that simplifying the form is only part of the problem. Many students and families are ill-informed about college costs, and information about financial aid eligibility is not made available to families until late in the college-application process. In the absence of that information, students on the margins of attendance will likely choose not to attend.

While simplifying the form makes an important contribution, it is not the only barrier that students face when completing the FAFSA. Completing the FAFSA is predicated on filing income taxes. Yet, for many low-income families, this component of the FAFSA is a significant barrier to completing and filing a FAFSA. In this study, we examine the implementation of three FAFSA-completion models of locally support initiatives in four communities – Bridgeport/Hartford, CT; Buffalo, NY; Baltimore, MD; and Philadelphia, PA. Each model is designed to address the problem of FAFSA completion by integrating free tax preparation with FAFSA completion services while targeting prospective low-income students and families in urban communities. We answer two questions in this study: (1) How have high-need communities responded to low FAFSA completion rates among their residents? and (2) What lessons can be learned about the design and implementation of these FAFSA completion strategies? We are most interested in how local community partners integrate tax preparation with FAFSA completion and whether those strategies can be replicated in scalable ways that maximize scarce resources.

We begin by framing this study in the larger discussion of the complexity of the financial aid system and the need for a simplified process for low-income, first-generation, and under-represented minority students. While the integration of tax preparation and FAFSA completion is fairly recent, some important work has been done indicating the need to simplify the FAFSA completion process. Next, we discuss the multiple case study method and review the three cases embedded in this study. In our comparative analysis, we look at different models for integrating the two services and discuss the potential and limitations of each. We conclude with a discussion of our findings from the three cases and implications for policymakers, educators, and community leaders looking at strategies to better serve the needs of low-income communities.

This study makes important contributions to the current discourse surrounding college access and success in two ways. First, completion of the FAFSA has been a point of emphasis for researchers and policymakers for the past several years (College Goal Sunday USA, 2011; Institute for Higher Education Policy, 2007; King, 2006). This work points to the complexity of the forms, the inaccessibility of the process, and the need for greater support of students and families. With the exception of the H&R Block Experiment (Bettinger, Long, Oreopoulous, & Sanbonmatsu, 2009) and the proposal by Dynarski and Scott-Clayton (2007), no work has

examined community-based support strategies designed to improve tax preparation and FAFSA completion. Researchers, educators, and policymakers looking for ways to help students navigate the college-choice process may find the experiences from these four communities instructive on how best to assist students and parents, particularly low-income, first-generation, and under-represented minority students who are more sensitive to price and averse to debt (Heller, 1997, 2004). A final contribution of this research is that it points to potential barriers for efforts designed to integrate tax preparation with FAFSA completion. While all four communities offered free services for both tax preparation and FAFSA completion, all faced challenges reaching their target populations.

Framing the Study

Efforts to simplify FAFSA completion reflect a growing strand in college-access literature emphasizing the need for better access to information for low-income, first-generation, and under-represented student groups as they attempt to navigate an increasingly complex college-choice process. Kirst and Venezia (2004) examine students' plans for college and find that students and parents are generally under-informed, overestimating the college costs and underestimating academic expectations. They use signaling theory to suggest that there is a misalignment between K-12 and higher education, resulting in contrary and inconsistent messages to students and parents regarding the college-choice process. Avery and Kane (2004) examine students' perceptions of college in a pre-college outreach program and conclude that while students overestimate the cost of college, they also overestimate the potential benefits in terms of potential wages earned after graduation. They found that students are discouraged by the complexity of the process, even in a pre-college outreach programs designed for this purpose.

Venegas (2006) suggests that lack of information among low-income students in an urban setting may be a consequence of the changing nature of technology. She argues that while students may have greater "access" to computers and web resources, they lack the instrumental knowledge or the guidance to make sense of that complex environment. She also reports that families were distrustful of web tools that required extensive personal information – like the FAFSA. Dynarski and Scott-Clayton (2006) argue that the financial aid system does not provide students and families information early enough in the college-going process such that they can make informed decisions about whether or where to attend college. In a subsequent study, Dynarski and Scott-Clayton (2007) found that utilizing a fraction of the items included in the FAFSA accounts for as much as 90% of the variance in Pell Grant eligibility for dependent students. Their conclusion is that a simplified financial aid system operated through the tax system would be optimal while remaining both efficient and equitable.

Previous research is conclusive that access to clearer, simpler, and more targeted information about the cost of college and the process of applying for aid can increase students' chances for FAFSA completion, though less has been done examining community-based efforts to simplify the process. College Goal Sunday (CGS) was designed to bridge this gap and it has become a visible, nationally recognized program. CGS began in 1989 in

Indiana as a joint project of the Indiana Student Financial Aid Association and the State Student Assistance Commission of Indiana, with funding from Lilly Endowment. The program encourages students to apply for financial aid and supports students and their families through the FAFSA process during a single, high profile event. In 2011, forty-four states sponsored CGS initiatives (Westin, 2010).

The Institute for Higher Education Policy (IHEP) reports that between 24,000 and 28,000 students and their families were served at CGS events across 39 states and 866 sites. IHEP (College Goal Sunday USA, 2011) also found that while participants were highly satisfied with the experience and volunteers were deeply committed to the program, CGS events had an uneven record across states in terms of serving their target audiences – low-income, first-generation, and under-represented minority students. More challenging, however, is that while reaching 28,000 students in a given year is substantial, it represents a small proportion of first-year college students in the U.S. At the same time, IHEP cautions that CGS may be reaching a saturation point where they have limited or no capacity to serve significantly greater numbers of students. The benefits of CGS may extend beyond the numbers they serve. As IHEP demonstrates, the local grassroots approaches to marketing make the event recognizable well beyond the immediate participants.

In 2007, researchers partnered with H&R Block to conduct a randomized study of whether completing the FAFSA affects college enrollment. Using retail offices in Ohio and North Carolina, customers were screened for eligibility (i.e., below \$45,000 family income) and randomly assigned to one of three groups: (1) a full treatment group - assistance completing the FAFSA and information about grant and loan eligibility, (2) an information - only treatment group, and (3) control group - only information about income level eligibility was provided. Researchers then tracked students into college using National Student Clearinghouse data. Bettinger et al. (2009) demonstrated that when tax preparers populate and submit the FAFSA form for customers, they were much more likely to apply for aid, attend college, and qualify for higher levels of financial assistance. The conclusions suggest that linking tax preparation services with FAFSA completion simplifies the filing process and has a positive effect on college enrollment.

However, the 2007 H&R Block experiment examined a small proportion of dependent students or parents of dependent students and, as such, the findings are more robust for independent students. Also, the H&R Block experiment examined families seeking out tax-preparation services and as a consequence, a small proportion of them had children ready to enter college. So while the findings are convincing, the strategy may not be optimal in terms of reaching graduating high school seniors. An important advantage of the H&R Block experiment was the development of software that integrates tax preparation software with the online FAFSA – a feature that others have not yet been able to replicate.

Strategies to simplify the FAFSA through tax preparation are relatively new and have evolved in different ways depending upon the origins of the

program, the sponsors of those initiatives, the manner in which the service have been provided, the target audience, and the frequency of the service. We also suggest that, because these approaches are intended to simplify a process by providing more and better information to students and parents about whether to invest in college and how to pay for it, the success of these programs may require additional strategies to help students and parents understand the cost of college beyond the FAFSA's expected family contribution (EFC).

The research conducted to date suggest that tying tax preparation to FAFSA completion, particularly in combination with better information about the costs of college and potential benefits of attendance, holds great promise for enhancing postsecondary opportunities for students. The U.S. Department of Education partnership with the IRS to automatically import tax data into their FAFSA forms is a useful step forward for many, but we suspect that for low-income, first-generation, and under-represented minority students, simply creating a more efficient process will not increase the proportion of families submitting the FAFSA.

Methodology

This paper reports on a comparative case study of three different strategies designed to integrate free tax-preparation services with FAFSA completion. We view this study as an exploratory investigation and formative evaluation of the project as a way to learn across state and local contexts to improve FAFSA completion. Yin (2003) likens each case to a unique experiment and in a multiple case-study design, the cases are replications, but each in a different context. We chose these three strategy-based cases at four sites, in large part, because they were early adopters and represented unique approaches to the FAFSA completion problem. Thus, this study is a purposeful sample in design. Our primary unit of analysis for the case studies is the local community organization responsible for initiating and facilitating the FAFSA completion services. We treat these cases as embedded within unique state contexts, which influence how partnerships were formed and how local initiatives were implemented.

We conducted interviews with eight key stakeholders involved in the planning and implementation of CGS as well as those responsible for providing access to free tax-preparation services including CGS site coordinators, CGS state-coordinators, and community-based outreach program directors (i.e., CASH Buffalo, Baltimore CASH, and the Campaign for Working Families). Each interview was approximately 45 minutes and respondents were asked about the structure, function, and funding of their respective FAFSA completion projects. Interviews were digitally recorded and transcribed. We use Strauss and Corbin (1998) recommendations for coding techniques and employed open, axial, and selective coding throughout the data analysis. Throughout the study the coding of data is an iterative and evolving process. Interview findings are triangulated with program summary documents, evaluation reports where available, and web resources for each of the programs. The findings of this study are not intended to be representative for the broader population of pre-college outreach and intervention efforts or Volunteer Income Tax Assistance (VITA), which offers free tax preparation services for low- to

moderate-income (approximately \$49,000 and below) families or individuals who might not otherwise prepare their own returns. Instead, we expect that the three strategy-based cases reflect a range of approaches to tying these two services together, and those insights will be instructive for communities considering similar strategies in the future. This as an exploratory study designed to illuminate a range of programmatic features that may be considered by others seeking to implement similar strategies. We also expect that this evaluative study will contribute to already existing evaluation studies of programs that differ in terms of design and implementation.

We consider three unique cases of community-based initiatives to tie tax preparation to FAFSA completion (tax prep/FAFSA completion). Members of each community-based organization (CBO) recognized the advantage of linking these two services, but each CBO began in different ways - under the leadership of different partners and within unique local contexts. We use these cases as a way to illustrate the benefits and consequences of each approach, recognizing that while context matters, all of these cases are situated within metropolitan centers of varying size. In each case, the tax prep/FAFSA completion project builds upon an existing foundation – and that foundation influences the trajectory of development for each initiative. Table 1 provides a summary of the differing features for each program.

Table 1. Features of Community Based FAFSA Completion Programs

	Case #1	Case #2	Case #3	
	Bridgeport/ Hartford, CT	Buffalo, NY	Baltimore, MD	Philadelphia, PA
VITA Participation	X	X		X
CGS Coordination	X	X		
State Collaboration	X			
National Community Tax Coalition (NCTC)			X	X
College Access Challenge Grant	X			
School-Based Sites	X	X		
Community-Based Sites			X	X
Financial Literacy Initiative		X	X	X
Community-Based Organization Partner			X	
Multi-site Initiative	X		X	X
VITA/CGS Cross-Trained Volunteers			X	X

This study begins with experience of Hartford/Bridgeport, CT, which had the earliest record of adoption of three cases. Connecticut identified FAFSA completion and tax preparation in their 2008 College Access Challenge Grant proposal, but those efforts were not coordinated with existing local programs (U.S. Department of Education, 2011a). The second case considers the integration of tax preparation and FAFSA completion in Buffalo, NY. Both the federally sponsored Voluntary Income Tax Assistance (VITA) program and College Goal Sunday (CGS) have existed for at least five years, and yet, 2011 was the first year the two programs were integrated for students in the Buffalo Public School district. The third case combines the experiences of two cities – Baltimore and Philadelphia – that embarked upon this integration as part of the national Financial Aid U project. Each approached the challenge of increasing FAFSA completions in different ways, resulting in divergent but important ways.

Findings *Case 1. The FAFSA First Completion Project: State Influenced FAFSA Assistance (Bridgeport/Hartford, CT)*

Connecticut identified the integration of FAFSA completion and free tax preparation as part of a statewide initiative, and they were the first to integrate existing programs for each purpose. The Connecticut project was coined “The FAFSA First Completion Project” and was launched in 2008 under the College Access Challenge Grant (CACG) funding (U.S. Department of Education, 2011a):

Through the VITA FAFSA preparation service, VITA sites in the Hartford area are staffed by a FAFSA completion counselor who works in partnership with the site tax preparers in order to coordinate the completion of the FAFSA based on the completed tax information (U.S. Department of Education, 2011 b, p. 10).

VITA volunteers receive training and are certified by the IRS. However, VITA volunteers were not cross-trained for both tax preparation and FAFSA completion.

In January of 2011, the Connecticut Association of Professional Financial Aid Administrators, the Connecticut Association of Educational Opportunity Program, and the YMCA of Greater Hartford sponsored CGS events at several sites throughout Connecticut. CGS was identified as a natural fit for combining FAFSA preparation and tax-prep services; however, it was not mentioned as part of the CACG’s The FAFSA First Completion Project. As such, CGS events did not coordinate with the Connecticut Department of Higher Education and CACG grant administrators – a finding evident in both the interviews and a review of evaluation documents made available through the U.S. Department of Education.

As part of The FAFSA First Completion Project, assistance was provided at seven tax preparation sites and FAFSA completion workshops were sponsored at two community colleges across the state. According to

organizers, turnout for the events was low and the total number of students served was only 25. Organizers attributed the low turnout to the likelihood that most families were receiving the information through financial aid nights hosted at most high schools in the state. Additionally, there was a reported duplication of efforts regarding CGS in Connecticut. In 2011, CGS partnered with VITA to offer tax-preparation services as part of their event in Bridgeport, independent of the state CACG initiative. These two efforts were not effectively coordinated with one another and the turnout was lower than expected at both events. Another major challenge for the Connecticut strategy was the automatic pre-population of data from the IRS to the online FAFSA (U.S. Department of Education, 2011b). Prior to 2011, they had anticipated a fully integrated interface that would allow volunteers to seamlessly populate the FAFSA after completing a tax return. Unfortunately, the new electronic option was not sufficient for the purposes of these outreach programs because there was a delay between filing the tax form and the federal acceptance of the return. It was only upon acceptance of the filing that the IRS would release the tax data to the U.S. Department of Education, meaning that service providers could not complete both forms in a single session.

In 2011, the CGS event hosted at Central High School in Bridgeport, CT offered free tax preparation and served 80 families. Bridgeport, like other communities, relies on financial aid professionals from local area colleges to provide FAFSA assistance. The city provides an interesting contrast because, while located in one of the more affluent counties in Connecticut, Bridgeport has one of the largest and poorest cities in the state. This particular site was one of only two in the state to partner with VITA for free tax-preparation services. Bridgeport used the CGS as the primary mechanism to integrate the two services. Overall, 25-30 participants took advantage of the tax service and 12 people completed both taxes and the FAFSA at the event.

Students were pre-enrolled and registered for CGS online. Each registered participant received an email asking them if they were interested in VITA services. The email address was the primary method by which organizers communicated with participants. They found this additional outreach to be extremely important to provide participants with the information necessary prior to attending the event (i.e., what forms and documentation they needed to bring). On the day of the event, the tax preparation service was staffed by five VITA volunteers. Organizers cite two key challenges: making sure participants came to the event with all of the correct documentation and moving them from tax preparation through FAFSA completion. Additionally, they faced challenges reaching parents and making sure that the promotional materials were effectively distributed and received by the target populations.

The Bridgeport case was unique because it was identified as part of a larger statewide strategy to increase college access and success. However, as the data illustrate, the local effort was at best, loosely affiliated with the state strategy and the overlap of services may have undermined the efforts of each. Bridgeport's The FAFSA First Completion Project program had a number of strengths as indicated in Table 1, but it also had several missing

components. It did not received additional funding from National Community Tax Coalition (NCTC), was not situated as part of a larger financial literacy initiative, and had limited capacity that volunteers were not cross-trained for both tax preparation and FAFSA completion. Connecticut's FAFSA Completion Project was unique case in its connection to the state CACG initiatives, but it was not well coordinated and efforts could have been enhanced if informed by the 2007 H&R Block experiment.

Case 2. CGS, A Community-Based Initiative (Buffalo, NY)

Creating Assets, Savings, and Hope (CASH) Buffalo was established in 2004 by the United Way of Buffalo and Erie County. CASH is one example of a community-based asset building coalition that promotes a culture of financial literacy while helping low- to moderate-income people capture the Earned Income Tax Credit (EITC). CASH Buffalo, a NCTC member,

is an initiative of the United Way of Buffalo and Erie County...[whose goal] is to increase the stability of low- to moderate-income families by increasing access to tax credits and income supports; improving financial literacy, and providing opportunities for affordable housing and other asset development (United Way of Buffalo and Erie County, 2012).

CASH Buffalo offers an array of programs and services ranging from tax preparation to individual development accounts. In 2010, CASH Buffalo coordinated the efforts of the Buffalo Federation of Neighborhood Centers, which operated the local VITA network and the mobile Income Taxi unit. In early December, members from the CASH Buffalo coalition were invited to participate in planning for the local CGS event, which organized as part of a larger Buffalo Public School (BPS) Scholarship fair. According to CASH Buffalo organizers, this was an opportunity to reach low-income families of prospective dependent college students, which is a subset of the population they served less frequently at community VITA sites. At the same time, BPS administrators were interested in finding ways to reduce barriers related to FAFSA completion. One BPS district administrator summarized:

We would advertise that we wanted parents to bring their tax information. Each year we tried something a little different. We tried fliers, we tried putting it on the website, we tried having counselors share it with parents, but we were still having difficulty in that particular area. Parents were coming out to get support, but without that information it could only go so far.

The groups met and agreed that their services could be combined in a mutually beneficial way. Buffalo is the second largest city in New York State and is ranked third poorest in the country (Newscore, 2010). According to the New York State Education Department in 2010, the BPS district graduates just over 50% of its students while serving a diverse population of students, many of whom would be first-generation college students. The Buffalo Scholarship Fair began in 2005 as an effort to help

more BPS students pay for college. Even though it became a part of the CGS New York network, they did not assume the name of the national project for two reasons. First, the organizers decided that Saturday was a better alternative for their students and parents. Second, and more important, the event expanded to include four components: FAFSA completion, informational workshops, scholarship applications, and the postsecondary services fair. Organizers felt the more inclusive name was a better reflection of the event, but that it prevents organizers from capitalizing on visibility generated by the national marketing campaign. In 2011, the BPS Scholarship served more than 500 total attendees from 33 different high schools. According to organizers, approximately 120 FAFSA forms were completed during the four-hour event.

During the same year, the BPS Scholarship Fair also offered, for the first time, free tax-preparation services through VITA. According to one event organizer, 11 families had registered for the tax preparation service at CGS. However, on the day of the event only 2 of the 11 showed up. After some investigation, organizers learned that all of the pre-registrations were scheduled by a counselor for a local pre-college preparatory program, but were not communicated to the students and families. During the day, two additional families registered on-site, bringing the total of four families receiving tax preparation services.

We found several challenges limited the potential impact of the tax preparation component at the Buffalo Scholarship Fair. Interviews and observations suggest that marketing for CGS was not well integrated with the VITA marketing and the registration systems were also separate. Equipment concerns and setup issues added to the lack of execution of the tax-prep component. The general lack of cohesiveness between the FAFSA completion portion and the tax preparation services confused both participants and volunteers. One of the critical challenges organizers faced was how to effectively integrate two established strategies, with separate organizing bodies, established processes, and complementary but different purposes. The registration process provides a useful illustration of the challenges.

The Scholarship Fair allows students to register online and many students do this under the watchful eye of their school counselors. The online registration feeds into a central database and helps organizers keep track of who actually attends the event. It has been limited however, because a number of families show up on the day of the event and bring completed paper registrations, which may or may not have been entered into the database. VITA, by comparison, runs its streamlined, coordinated registration through a United Way sponsored service called Western New York 211. The VITA registration serves three purposes: (1) schedules individuals and families for its tax preparation session, (2) provides information regarding what participants need to bring to the session, and (3) provides reminder calls to ensure that people make it to their scheduled appointments or to fill those spots with others.

As a consequence of the abbreviated planning period, organizers were unable to effectively combine the registration processes for the scholarship

fair and tax preparation. The online system has the advantage that it allows students to register easily but it does not provide the sorts of safeguards the Western New York 211 system provides for the tax preparation service. It is possible that the lack of integration of these two systems resulted in the relatively low participation on the day of the event and the inconsistent turnout of those that actually registered for the tax service. The more important limitation of this model is that there are capacity constraints for a single one-time event. Given the space and the available financial aid volunteers, it would not have been possible to complete many more FAFSA forms during the four-hour event. Even if the tax-preparation service had doubled its output, there were not enough volunteers to assist with the FAFSA completions.

The capacity constraints are also driven by the two groups of volunteers, financial aid professionals and income tax servicers. CGS is staffed largely by financial aid professionals from local area colleges. They are experts in financial aid processing and are intimately familiar with the FAFSA form. VITA volunteers come from a range of backgrounds but all are trained and certified to complete a range of tax return forms. To date, the integration software developed by 2007 H&R Block Experiment has not been made publicly available and as a consequence, all information is entered manually, resulting in a large commitment of time. Neither set of volunteers has been trained in both processes, which may be a limitation, but in the context of CGS may have a negligible impact on the total number of families served.

Case 3. NCTC's Financial Aid U Grant – VITA's Impact on FAFSA Completion (Baltimore, MD and Philadelphia, PA)

The Baltimore CASH Campaign was formed in the fall of 2001 and was designed to help working families in Baltimore maximize their financial opportunities and resources. The campaign focused on “making work pay” by leveraging the tax code as a gateway to financial services for working families (Baltimore CASH Campaign, 2009). Similar to the CASH Buffalo program, Baltimore CASH is a coalition composed of non-profits, foundations, community-based organizations, government agencies, the IRS, and hundreds of volunteers. Since 2001, the Campaign has helped Baltimore city residents claim over \$59 million in total federal refunds and over \$26 million from the EITC (Baltimore Cash Campaign, 2009). Baltimore CASH connects people at tax time to opportunities to build their wealth, create savings opportunities, and meet financial needs.

In 2008, NCTC launched Financial Aid U (FAU) (Center for Economic Progress, 2011) and partnered with community agencies in large metropolitan centers around the country (Center for Economic Progress, 2011). By the third year of the initiative, 10 FAU partners were serving 3,184 clients located around the country. That year, Baltimore CASH applied for and was 1 of 10 recipients nationally to receive funding through the Citi Foundation to participate in FAU. They trained FAFSA coaches to work at tax sites and conduct additional trainings and orientations for tax preparers. Tax preparers were also trained to assist students and families in the FAFSA application process.

FAU required organizers to partner with schools and provide tax preparation services and FAFSA completion counseling for qualified students. Baltimore CASH partnered with College Bound, an organization that places College Access Program Specialists (CAPS) in Baltimore's public high schools to help students navigate the college-choice and selection process. According to organizers, CAPS were already helping students complete FAFSAs, which made a natural opportunity to bring tax preparation into the high schools. College Bound held 30 separate events at the high schools and filed 130 FAFSAs, which is low number of FAFSAs given the number of events held, but higher than Hartford and comparable to Buffalo. Additionally, they participated in CGS through their connections with College Bound and offered additional tax preparation services on that day in Baltimore City, but with similarly modest results. According to local organizers, their FAU grant was not renewed for 2011-2012 and they do not expect to continue the service.

The Baltimore CGS events were held at 10 different locations around the city. Two of those sites offered free tax-preparation services in addition to the FAFSA completion. Approximately 60 tax returns were prepared, which reflected 20% of the total attendees participating at those specific sites. The College Bound Foundation brought Baltimore CASH, who coordinates the VITA volunteers, into the CGS event. The CGS planning committee had been attempting to bring tax-preparation services to CGS for a few years, but the FAU grant made it possible. While the CGS coordinators were satisfied with the attendance and relayed positive sentiments regarding the coordinated effort, the VITA representatives felt the event was a failure in terms of tax preparation. Baltimore CASH reported the CGS event did not adequately market the event or serve the targeted population of low- to moderate-income families. Organizers indicated they did not expect to participate in 2012 due to funding cuts and their perception that the target audience was not addressed.

The advantage of the VITA initiated programs is that they draw from a larger pool of potential volunteers, offer more times and locations, provide a more formal training program, and employ a more standardized registration process. From a college access perspective, the program is limited because their traditional service locations did not include schools or pre-college outreach programs. By contrast, CGS occurs one day, typically in one location across the entire city, staffed by financial aid experts that rely on parents to bring their completed tax returns. CGS offers two advantages for communities seeking to integrate these services: (1) a strong and recognizable national campaign to encourage usage, and (2) strong partnerships with local school districts, allowing financial aid staff to target their efforts to those most likely to attend college. FAU provides a model for integrating these services into school partnerships so long as the districts are willing to participate.

The efforts of the Campaign for Working Families (CWF) in Philadelphia provide a useful contrast to the experience of Baltimore CASH. CWF was established in 2003 as a way to help working families in Philadelphia move up the economic ladder. In addition to offering free tax-preparation services and helping working families benefit from the EITC,

CWF manages the FAU initiative. Philadelphia, like Baltimore was 1 of the 10 metropolitan centers selected for participation in the NCTC program. FAU Philadelphia seeks opportunities to go into high schools and conduct onsite tax and FAFSA preparation and to follow up with students to ensure they are on the right path to fund their post-secondary education. The program relies on strong partnerships with existing college-access initiatives. This includes relationships with school counselors and access to local events including CGS. A CWF staff member discussed the importance of partnerships:

Usually one guidance counselor would sort of be excited to have us onboard and would take the initiative for helping us get a couple of events together. We would schedule a couple dates that we were going to be at the school. They would kind of help us out. The idea of having a project champion or site liaison was critical for our success in the schools.

In addition to their efforts associated with FAU Philadelphia and outreach at local schools, CWF has integrated FAFSA completion services into their VITA program through a comprehensive Intake Resource Center where volunteers are trained to identify needs and help families work toward financial goals. One Philadelphia participant described the level of integration and coordination with the Intake Resource Center:

We have a really organized program at our largest tax site. It is called our resource builder program. It puts every customer through an intake process where we can ask them sort of pointed questions targeted to the services we offer to try to identify what services we should offer to the family. One of the questions we ask is if the taxpayer or anyone in their household is planning to go to college the following fall and so that helps us kind of narrow down who we should be talking to about the FAFSA. All of the people that do the intake are also trained to do the FAFSA as well as a number of different things. Usually, they will start the FAFSA right then when they have their attention and then after they are done with the taxes they will come back and finish on the backend.

Baltimore and Philadelphia were both a part of the same large-scale national pilot project and, in many ways, were similar in terms of both the size and scope of their strategies. Both Baltimore CASH and the Philadelphia CWF had been in existence for 10 years and provided services at between 11-17 locations throughout their respective cities. The Philadelphia VITA program trained more than 700 volunteers annually, which is much larger than the number of financial aid professionals available for a local CGS program. According to both locations, Philadelphia CWF was more successful achieving its goals. A Baltimore organizer commented how grant renewal may indicate a successful program:

They (CWF Philadelphia) were a grantee for the last two years through the National Community Tax Coalition and have also been awarded another year. So they were awarded another year and are going to continue and I think they've had a lot of different experiences than we have had in Baltimore.

Last year CWF Philadelphia completed between 100-120 FAFSAs at the tax sites and around 300 FAFSAs at the schools. As part of their FAU grant, CWF expanded all of their services to include FAFSA completion with tax preparation and added school sites to their services. With their transition into schools, CWF organizers felt it was important to offer the free tax-preparation services as a way to entice parents to attend sessions with their children. CWF also felt that offering tax-preparation services was an effective way to build community support and gain trust and buy-in with the local high schools. They have secured funding through NCTC to continue the service in the schools through 2012; however, continued funding is uncertain. CWF plans to continue their onsite FAFSA completion and coaching in conjunction with tax-preparation services through the Intake Resource Center at their local VITA sites. The future of the FAFSA completion services at the Baltimore VITA sites is still being considered, but the program no longer includes FAU funding.

Comparative Analysis

Across the three cases, several models emerge as possible strategies for facilitating the integration of tax-preparation services and FAFSA completion in metropolitan centers. The state-support model found in the Bridgeport/Hartford case has some appeal for policymakers because it attempts to address the problem at the system level. However, state leaders and local program coordinators did not appear to have an effective coordination strategy and as such, their efforts were duplicative and poorly attended. The Connecticut's CACG, which not only provided tax-preparation and FAFSA completion, but also college counselor training and social marketing, amounted over \$419,000 in 2008 and \$1.5 million a year beginning in 2010. We conclude that the state-support model will be limited without effective local partnerships and tailored initiatives designed for the unique circumstances within communities, even when resources are available.

The CGS model, as illustrated by Buffalo, begins with a one-time event as the focal point of local FAFSA completion efforts and adds tax preparation to improve its chances for success with low-income families. The CGS model is focused primarily on college access and as such, targets the traditional college going cohorts in high-need communities. The event is comparatively easy to promote, which provides a platform to educate and inform parents and students about the actual cost of college. The CGS model suffers from three major limitations. First, in cases like Buffalo, the program can only serve a small number of students. Buffalo Public Schools graduates more than 1,600 students a year (New York State Department of Education, 2010) and as CGS organizers in Buffalo reported, only 120 received FAFSA assistance through the Scholarship Fair. Second, CGS occurs too early in the tax season for many to have completed their forms by the time of the event. Unfortunately, this timing may be difficult to adjust. Many colleges and universities set priority deadlines of March 1 for FAFSA submission because as they must make decisions about the allocation of institutional aid. Third, CGS has a much smaller base of volunteers than VITA programs, which places constraints on the number of students that can be served in a limited timeframe. The CGS model might prove to be a more viable alternative for families who

use the IRS pre-population feature of the FAFSA. Given the timeframe for the approval process, this model becomes a two-step process, which the H&R Block experiment suggests will not increase FAFSA submissions or college enrollment rates. We conclude that the CGS model may be an effective part of a larger strategy, particularly in terms of promoting tax preparation and FAFSA completion, but as a stand-alone program it is only marginally effective and is likely to reach only a modest number of targeted students and families.

The VITA program model starts with VITA services at the center of the strategy. VITA has a longer history, a larger network, and a more systematic training protocol than CGS, but it has not historically had the connections within schools or with the financial aid community. This model is most similar to the 2007 H&R Block Experiment in that completion of the FAFSA begins with the initiative of the family to seek out assistance with their taxes. The free services are more directly targeted to low-income families but that may or may not include parents of students preparing to enter college. Bettinger et al. (2009) found a much larger proportion of students served were non-traditional age and independent of their parents. The NCTC programs (Baltimore and Philadelphia) in our investigation both began with the VITA tax programs and developed partnerships with schools and community-based organizations in order to expand their reach to families of high school graduates. While both provided programs in schools, Baltimore spoke very little about the strength of the relationship with the district or the level of support it received. Philadelphia on the other hand, discussed explicitly, the importance of the school leadership and how it helped make their program successful. We suspect that this may have been a contributing factor to the success experienced in Philadelphia. We conclude that the VITA program model holds the greatest promise for scaling efforts to effectively integrate tax preparation with FAFSA completion. They have access to a larger number of trained volunteers, a greater number of sites, and significantly more opportunities to receive services during tax season. The FAFSA completion numbers are modest at these sites, suggesting there are existing barriers yet to be addressed.

Several important constraints must be considered for each of these efforts. All are powered by volunteers and can only expand their services to the extent that: (1) the programs can recruit and train more volunteers, (2) expand the number of dates, times, and locations that are available, or (3) create a more efficient process. From this perspective, the VITA model has a clear advantage. VITA has a well-established infrastructure and can reach a much larger number of potential low-income families. Training may be a related barrier, but again, VITA has an advantage. It is easier to train certified tax preparers to complete the FAFSA than it is to train financial aid staff to file tax returns. During the first year, the Buffalo model was the least efficient and subsequently the least effective because it relied on two separate groups of volunteers that were not cross-trained. For the few families that completed both forms during the CGS event, the time commitment was substantial.

To reach traditional-aged, college-going students, there must be a mechanism to make these services available to parents of recent high school graduates and that is where the experience of Philadelphia is instructive. They developed partnerships with local school leaders, including counselors, and established relationships in the schools through partnerships with college-access professionals who understand the college-going process. It can be challenging for outside organizations to develop effective partnerships with schools, particularly if there is not an established level of trust and the grant is both proscriptive and time sensitive. The College Bound partnership appeared promising in Baltimore, but the relationships between the CBO and the school district did not appear to translate into a more efficient or effective FAFSA completion project. It is important to develop the partnerships well in advance of the implementation and either include the schools or the district in the planning of the program or develop strong partnerships with those already in the schools.

Implications and Recommendations

While we remain optimistic about the potential of these efforts to link tax preparation with FAFSA completion, we recognize that even among the best models examined above, the impact on local communities is modest. These initiatives are still very much in the formative stages of development, and we believe they can be improved over time. Some of those improvements will require stronger local coordination and others will require action by policymakers to create the conditions for success. Based upon these case studies, we identify recommendations for both practitioners in local communities and policymakers at the federal level. We omit the state level because, while they are critical players in P-16 policy, they are unlikely to play a significant coordinating role in these efforts. The case in Connecticut exemplified the lack of oversight and coordination at the state level.

Capitalize on the IRS/FAFSA Partnership

Each interview discussed the new functionality offered through the IRS that allows for a pre-population of tax data into the FAFSA form, otherwise known as the IRS Data Retrieval Tool. The current strategies that provide tax preparation and FAFSA completion services attempt to service individuals at a single appointment rather than multiple visits. Therefore, the pre-population functionality goes unutilized. A more seamless integration of data would be ideal and would reduce the amount of time it takes to complete both the tax preparation and FAFSA. Under ideal circumstances, the VITA sites could find a seamless technological solution to import the tax data from the electronic program to the Web-based FAFSA. Currently, the 2007 H&R Block Experiment's software has not been made publicly available and the cost for a non-profit to develop it is prohibitive. Unfortunately, the data transfer between the IRS and the U.S. Department of Education does not occur in real-time. This creates a time lag of up to two weeks for the pre-population functionality to work properly. For practitioners, we suggest finding a new approach to following up with families after the tax completion visit. The NCTC grant emphasizes "follow up" as part of the overall program but none of the

communities demonstrated much success following up after initial contact at the VITA sites. Assuming the software used by the VITA sites allows filers to check the box granting permission to the IRS to populate their FAFSA forms, effective follow up could either be done by phone or managed by school-based partners. The current follow-up model assumes that most tax filers will not require a follow-up contact and as such, the expectation is not clearly established with clients filing their taxes. We suggest that if clear expectations for follow up are established at the initial meeting and a time is scheduled, either in person or by phone, successful follow up is possible.

We recommend to federal policymakers, perhaps in collaboration between the IRS and the U.S. Department of Education, to make the H&R Block software solution, or another version, available to VITA sites or other groups working with low-income families. The software solution minimizes the need for additional contacts and increases the chances families will submit the FAFSA. Currently, it is too costly for any single organization to develop this software and as a result, the programs are not able to operate at their peak efficiency. The checkbox on the electronic tax form effectively requires individuals to push their tax information to the IRS and then for the IRS to release the information to the U.S. Department of Education's FAFSA form. The H&R Block software allowed preparers to push the same data into both forms simultaneously (and to collect the other pieces of information for the FAFSA), which streamlines both income-tax and FAFSA filing for both families and service providers.

Develop the Volunteer Base

Both VITA and CGS rely on volunteers, CGS may have reached its capacity to serve prospective students (Institute for Higher Education Policy, 2007). It may be difficult for either program to recruit more volunteers. We do believe, however, that existing volunteers could be used differently in order to maximize their contribution. The most efficient solution pushes FAFSA completion to the tax preparation staff because they have most of the information already at their disposal. In order to do so, tax preparers should be trained in FAFSA completion. We recommend pilot testing the addition of FAFSA completion training to the IRS tax preparation certification training, particularly in communities funded as part of the NCTC grant program.

Second, we should utilize volunteers from higher education and the financial aid community to help students and families understand the cost of college once the FAFSA is completed. None of the models we examined addressed this challenge in a meaningful way. Financial aid counselors understand net cost of college better than anyone. They develop financial aid packages, they understand the nuances of state grant programs and federal aid eligibility, and they work with students as they progress through college to help them understand their loan burdens. Financial aid volunteers are already prepared to serve as experts on college cost, but the current CGS structure is not designed to utilize them in this capacity. We suggest that communities consider alternative partnerships

with their higher education partners. They should consider bringing financial aid counselors in after the forms are completed and/or award letters are received. We are not advocating the elimination of CGS. We believe it is a highly visible program that promotes the importance of FAFSA completion even when modest numbers can be served on the day of the event. Rather, we suggest that the event should remain a part of a larger strategy. The model may include an informational component for families who have already completed the FAFSA and/or are interested in interpretation and guidance regarding their potential financial aid packages.

Provide Better Information about the Actual Cost of College

In an effort to overcome the information asymmetries that negatively affect enrollment decisions at the margins, we must find more comprehensive strategies that can reach a broader audience while maintaining access to free tax preparation tied to FAFSA completion. As Dynarski and Scott-Clayton (2006) remind us, one of the important advantages of filing the FAFSA is to generate more reliable estimates of what college will cost a student or family after their financial need is taken into account. The cost of college is a critical barrier for low-income and first-generation students and the FAFSA is problematic. Nearly 90% of states participate in CGS and an increasing number have identified tax preparation as part of their strategy to increase FAFSA completion rates. However, none of these sites discussed plans for helping students and families understand what their costs will be if they choose to attend college. We contend that this may be the appropriate purpose for any follow up conversations – workshops or individual sessions – after taxes are prepared and the FAFSA is filed. We do not have any evidence to report from these four sites regarding how best to address this challenge, but it is an important reminder to policymakers and practitioners alike that FAFSA completion has the potential to address two barriers to college: (1) paying for the cost of attendance and (2) anticipating what their actual costs will be, given their demonstrated level of need. If students and parents are not better informed about their net cost of college, then many will continue to sort themselves out of the college-going process. The challenge, of course, is that students apply for financial aid after they make the decision to attend (or at least apply). If we hope to use this information to increase participation rates, then we need to develop strategies to educate students and families during the junior year or the fall of their senior year before they decide whether or not to apply. Those strategies might include utilizing the FAFSA Forecaster with data from the prior year's tax returns.

We are encouraged by the progress being made at all levels, but recognize that each new development poses a new set of challenges that must be addressed. The IRS Data Retrieval Tool has made it possible to streamline a substantial portion of the FAFSA form; however, the two-week approval process slows down the completion timeframe and may require launching new follow-up procedures in order for volunteers to effectively reach participants over an extended period of time. The NCTC effort has demonstrated that it is possible to expand the range of services currently provided to low-income families, but that sustainability is a concern given

the current funding structure and uncertainty surrounding continued support.

Many low-income families remain deeply skeptical regarding the release of personal information and specifically financial reporting. This is a potential barrier that was not addressed by the strategies considered in this study. Finally, we suspect that with any new advances in this area, students and parents will still need additional information and support to understand and to make sense of their Student Aid Report or the array of financial aid packages and maze of state-aid programs. For that reason, these educational intervention programs will be necessary for the foreseeable future and it is essential to learn from existing strategies, making every effort to maximize the potential of these efforts for the benefit of families with fewer resources and opportunities.

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Book Review: *The Financial Aid Handbook: Getting the Education You Want for the Price You Can Afford*

By Margot J. O'Meara

Margot O'Meara is a current undergraduate student at St. Mary's College of Maryland studying Economics and Public Policy. She was the NASFAA Dallas Martin Endowment Policy Intern for the summer of 2012, and a Financial Aid-Admissions Fellow at St. Mary's College of Maryland from fall 2011 until spring 2013.

The Financial Aid Handbook: Getting the Education You Want for the Price You Can Afford by Carol Stack and Ruth Vedik is a very timely publication due to the increased discussion regarding mounting student debt, the increasing cost of college, and the desire for more consumer information. The authors have a combined 70 years of experience in the college admission and financial aid fields, and currently work as principals at Hardwick-Day, an enrollment consulting firm that works with the admissions and financial aid offices of private colleges and universities. The *Handbook*, written primarily for high school students and their parents, presents its content in a way that allows students not only to learn the important information regarding college cost and financial aid, but also how this information can be utilized. It provides a very specific procedure for evaluating colleges and universities and deciding where to apply and attend. It dismisses the classic “reach” and “safety” school terminology and replaces the rhetoric with “funded” versus “unfunded”. This approach promises to make college affordable and keep indebtedness at a minimum; however, it has the potential to disregard other intangible benefits associated with a college experience. Overall, the content and information provided in the book is accurate and useful to students and families entering the college application process.

The *Handbook* can be broken down into three major areas of content: general financial aid information, loan indebtedness, and the cost-based college search. Each content area provides important insight to students and families about the higher education market and how they can be smart, rational consumers in an often confusing and concentrated market. The authors write in a clear, personable style that can be easily read and understood by high school students and their families. Predominately, the information provided in the *Handbook* is geared towards students with good academics, falling in the economic middle-class of society. The authors claim that many times these students are overlooked, as most existing information is developed for students demonstrating the most financial need or for students with outstanding academics qualifying for high merit awards. Therefore, Stack and Vedvik focus their attention on the average applicant who should not expect to receive large need-based aid or high merit awards. They clarify their assumption about the audience throughout the book, so that readers are aware of the authors' intentions; however, the general financial aid information provided in the book could be beneficial to all students: rich or poor, ingenious or average, traditional or non-traditional. It would be unfortunate if students are discouraged from reading the *Handbook* and miss out on valuable information as a result of a narrowing assumption made by the authors.

Due to the increased amount of consumer information financial aid offices are expected to disclose, resources are stretched thin and aid counselors are unable to always provide quality information to students. Pointing students to Stack and Vedik's Handbook would be a good interim step for counselors to ensure that all students are receiving well-constructed information. The authors effectively outline the financial aid process on both the federal, state, and institutional level. They include a chapter titled "The Basics" which contains a dictionary of 25 words and phrases that the authors deem necessary to know. These terms are often confusing to students as they consist of financial aid professional jargon, but the authors are able to simplify the terms while maintaining their meaning and quality. The *Handbook* also urges students to carefully consider the ramifications of taking on excessive student loan debt. Borrowing is only encouraged if it is absolutely necessary. They argue that the highest aggregate amount of loans students take on should be \$32,000 or about \$8,000 per year, assuming the student is traditional. Using the resources and tools the authors developed for conducting a cost-based college search, maintaining these loan levels is realistic.

While the push from the federal government for more information and transparency has been well intentioned, simply providing the terminology may not be enough for students to correctly apply it and make rational decisions. The Shopping Sheet under the *Know Before You Owe* White House and Consumer Financial Protection Bureau (CFPB) initiative is one example of such a tool directed at helping students be more informed (Muñoz, 2012). The cost-based college search section is what makes the Handbook stand out amongst other literary tools provided to students on the path to college. The cost-based college search takes the information provided in the earlier sections of the book and applies it to the actual college search process, closing the information gap that currently exists.

The college search process described in the *Handbook* provides students insight on how colleges view applicants and what considerations are taken into account when determining acceptance and financial aid awards. One beneficial tool that is designed to help students determine the likelihood of acceptance into a college and an offer of a merit award is the Merit Aid Profile (MAP). It requires students to do a significant amount of research, involving both a self-evaluation and an evaluation of colleges they may be interested in. This tool allows students to formulate expectations on which schools they can realistically attend based on their academics and extracurricular activities, as well as their finances.

Although this tool is useful in helping students determine which schools will offer them the most financial aid, it may threaten to limit their options overall. The book discourages students to apply to schools that might be a perfect fit, but fall out of their price range. While this advice may save students' wallets from being drained and hearts from being broken, it threatens to keep students from reaping the full rewards offered by a college experience, or as an economist would say, reaching their optimal utility. It is difficult to place monetary value on benefits associated with a college experience, but strictly comparing the costs of attendance with the earning potential associated with a degree can lead one to make inaccurate

cost-benefit comparisons. Other considerations include location, social activities, clubs and organizations, recreational activities, networking opportunities, alumni relations, career centers, etc. Although the MAP tool provided by the authors does take into account a student's interests, hobbies, and other personality traits that would match students with adequate schools, it may still be dangerous to strictly advise students to only apply to schools that will theoretically give them the most merit award money. There is always a chance that a school's applicant pool might be abnormal one year and a student that normally would not have received a merit aid can qualify to receive a grant.

The authors are both former employees of private, not-for-profit schools, and shed light on many of the misconceptions that students may have on the cost of private schools. Private schools often have higher sticker prices than public school, but many offer larger merit awards in the form of institutional aid. This is beneficial information because it may expand the options students have when looking at schools. However, while private schools are a good option to some, the authors seem to have a bias towards private schools over public schools, and public schools should not be discounted from a student's search. It is best for a student to take all kinds of schools into consideration.

As a first-generation college student, I regret that this *Handbook* was not available when I was about to start my college application process. Thankfully, I can say that I made the right college decision in terms of price and academic fit, but having this information available might have made the process less stressful. As a current undergraduate and intern in my institution's Admissions and Financial Aid offices, I recognize prospective students experiencing similar anxieties that I faced. I recommend to them this *Handbook* and also point them to the companion website (<http://thefinancialaidhandbook.com/>) that includes all of the resources and tools that are described in the book, and also provides links to other important websites including the FAFSA, FAFSA2caster, College Board, and College Navigator.

High school students and their families, high school counselors, financial aid professionals, admissions professionals, and other organizations interested in higher education should be encouraged to read this book. It is a quick and easy read, and provides invaluable information that offers important insight to college admissions and financial aid practices.

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The *Journal of Student Financial Aid* invites the submission of manuscripts that report original research or discuss policy or position issues. The Editorial Board also welcomes correspondence about financial aid issues or articles and letters appearing in the Journal.

Writing and Organizing Manuscripts

Authors should present their material in clear and concise language appropriate for the general reader as well as financial aid administrators. Attention should be given to the use of proper English. The presentation and development of the theme should be orderly, avoiding irrelevancies and wordiness. Generally, articles are structured into segments with headings that suggest the logical progression from introduction to conclusion. Headings reflect the manuscript organization and denote the relative importance of each topic.

Research Articles

A research article should begin with an introductory statement of purpose, which does not have a heading. It should proceed with a discussion of recent and related research, followed by a presentation of the methodology. The analysis of the evidence follows, then conclusions and implications directly related to the evidence presented.

Statistics, Charts, and Graphs

Statistical data should be summarized in the text. Figures and tables must be clear, comprehensible, and used only when they add to the presentation or when they reduce the need for a lengthy discussion in the manuscript. Particularly complex research (including statistical terminology) should be explained in an understandable way for readers not fully acquainted with research methodology and analysis. Complicated graphs should be submitted with actual plotting points indicated.

Issue Articles

An issue article should address a position or a perspective on a student aid policy or topic. The headings should reflect the organization of the article. The author presents the issue in the introduction, which is not headed. Unlike the components of a research article, the sections of an issue article are arranged by relationship. The sections display the perspectives of others, the evidence and logical argument, and positive and negative implications. The conclusion should suggest next steps or otherwise finalize what has been introduced and argued earlier.

Book Reviews

Scholarly book reviews on related topics critically examine the purpose, thesis, contentions, and methods of analysis. Thus, book reviews do not just summarize the book contents. Written in 1,000 words or fewer, book reviews evaluate the author's presentation of ideas while providing commentary on the book's contribution to the understanding of student aid and access. Strong book reviews present a discussion of the main ideas, types of sources and methods used, compelling points or shortcomings,

and how the book adds or changes current knowledge or discussions on student aid and access.

Style Manual

Questions of style should be referred to the most recent edition of the Publication Manual of the American Psychological Association (APA). Although APA style has been historically oriented toward research, the APA stresses the adaptability of the style to more theoretical manuscripts.

Authors unfamiliar with APA style should read the first chapter of the manual, "Content and Organization of a Manuscript," from which the primary points of these guidelines are derived.

Copies are available in most college and university bookstores or may be ordered by calling the Order Department of the American Psychological Association at (800) 374-2721.

Footnotes

Footnotes are generally avoided because they distract the reader. Reference citations are never footnoted, but are included in a reference list. Whenever possible, information germane to an article should be integrated within the text. Necessary supporting documentation may be included as an appendix. Table notes, author identification notes, and copyright permission footnotes are acceptable and are addressed in the APA Publication Manual.

References

The use of the APA reference is simple and straightforward. All references cited in the text must be listed alphabetically by author in a reference list at the end of the article. Since this list must enable the reader to locate the works cited, the reference data must be correct and contain all of the details necessary for identification and library research.

Reference materials not readily available to readers (unpublished works, papers presented at meetings, work in progress) should be cited only when they are essential to the article. They must be included in the reference list. As much information as possible should be noted, following the APA style, including: author, title, date, address from which material may be obtained, and whatever information is necessary to explain the source (for example, "Paper presented at the...").

Submission of Manuscripts

Articles should be submitted in Microsoft Word or WordPerfect format via email to jacob.gross@louisville.edu or on a CD mailed to Jacob Gross, Assistant Professor, College of Education and Human Development, University of Louisville, Room 338A, Louisville, KY 40292. Indicate in the cover e-mail or on the CD which format was used. If you wish to submit your article in a different format, please contact Gigi Jones at NASFAA, (202) 785-6943.

Manuscripts should be in upper and lower case. All copy, including indented material and references, should be double-spaced and generally no longer than 15 pages (including tables, figures, and references). Each page after the first page should be numbered. The title of the article should appear at the top of the first page of text.

Since the Editorial Board has a blind review policy, the author's name should not appear on any page of the text. A cover sheet should include the title of the manuscript, author's name, institutional affiliation, mailing address, phone number, e-mail address, and the date the manuscript is submitted. Authors are also asked to include on the cover page a 150-200 word abstract or a two- to three-sentence anecdotal description of the manuscript.

Acceptance Policy

Manuscripts will be acknowledged and then referred to members of the Editorial Board for review. When the Editorial Board completes its review, authors will be notified that their respective manuscripts have been accepted as submitted, accepted pending revisions, or rejected. The Editor retains the option to obtain final author approval for manuscripts that have been significantly altered in the editorial process.

Articles will be reviewed for substance and presentation. Please refer to "Writing and Organizing Manuscripts" above. The Editorial Board will consider the relevance of the article to current needs in the field, the significance of the idea or usefulness of the information, appropriate nature of any research method and/or logic of presentation, as well as clarity, syntax, and style, although these are the responsibilities of the author.

It is the general policy of the Editorial Board to accept articles not previously published elsewhere or not currently under consideration for publication elsewhere. Authors submitting a manuscript do so with the understanding that, if it is accepted for publication, copyright of the article will be assigned exclusively to the *Journal of Student Financial Aid*. The Board will not refuse any reasonable request by the author for permission to reproduce any part of it. The author alone is responsible for quotations from copyrighted materials.



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