

## Factors Associated with Delayed FAFSA Submission

Andrew LaManque, PhD., April 3, 2008

### Abstract

This article presents the results of a survey of FAFSA applicants aimed at learning more about why some students delay their FAFSA application to the weeks and months just prior to college enrollment. The assumption is that an early FAFSA filer is more likely to receive a better financial aid package and might be more likely to succeed and persist in college than later FAFSA filers, with exactly the same need. This paper suggests that variance in knowledge about the college system can affect when the financial aid application is submitted. To test the assumption, this paper uses a segmentation analysis that relies mostly on behavioral rather than demographic variables. The results suggest that there is a direct relationship between FAFSA knowledge and the timing of the FAFSA application. Financial aid offices might use the approach outlined in this paper to focus outreach efforts on students who may be more likely to delay their FAFSA application.

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## Factors Associated with Delayed FAFSA Submission

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DRAFT

This article presents the results of a survey of FAFSA applicants aimed at learning more about why some students delay their FAFSA application to the weeks and months just prior to college enrollment. The survey was supported by the financial aid outreach office at a large community college as a way to better target its efforts. Community College students who make their decision to attend college in the weeks before classes start may be hampered by reduced and delayed financial aid awards because of the lateness of their application (King, p7 and Cochrane, p 10). An important reason for delayed decision-making may involve a students' perception of the cost and benefits of attending college. This perception may be based on differential access to information and thus vary by student group (Post, p176).

A late financial aid application can result in less aid awarded for students with equal need because there are funds that are not available to later applicants. For example, in California, Cal Grant Entitlement Grants have a deadline of March 2 (postponed to September 2 in 2007), Cal Grant Competitive Grants have a September 2 deadline, EOPS grants are finite and awarded early in the term to students with completed applications, and federal campus-based funds (SEOG, Perkins Loan, Work-Study) are finite and can run out sometime in the summer/early fall (Cindy Castillo, 2008). Earlier application is more likely to result in less need to take out a loan or work extra hours to make up a deficit in funding. The ramifications may also extend to the family called on to support the student. The assumption is that an early FAFSA filer with a better financial aid package might be more likely to succeed and persist than later FAFSA filers, with exactly the same need.

This paper suggests that variance in knowledge about the college system can affect when the financial aid application is submitted. To test the assumption, this paper uses a segmentation analysis that relies mostly on behavioral rather than demographic variables. The results suggest an approach financial aid offices can use to focus outreach efforts on students who may be more likely to delay their FAFSA application.

### Literature Review

Cochrane (2007, p19) outlines the "The Deadline Dilemma" students face in the California financial aid application process. For example, the deadline for the Cal Grant program is March 2 while application for federal financial aid has no deadline. The variance in deadlines can be confusing for students unfamiliar with the process. The community college open admissions process, where late registration is allowed, means that completing the FAFSA is often considered after, rather than before, the admissions application.

Tierney and Venegas discuss the role peers play in the college and financial aid processes. They introduce the importance "Fictive Kin" may play in increasing "awareness about college going" (Tierney and Venegas, 2006, p1692). Under their definition "fictive kinship among peers is one that is based on close ties and can

constitute a type of social capital to increase awareness about college going (p1692). It may be defined by race but may also involve relationships and interactions in other group settings. The authors suggest that colleges “develop intentional groups with a college going identity” (p1701) as a way to increase access to college “for students who attend low-income” high schools (p1701).

Expanding on the themes outlined by Tierney and Venegas, De La Rosa (2006) reiterates that the research suggests that “plans and behaviors about going to college are connected with an awareness of college affordability (p1671). They conclude that  
“From the findings, it is clear that low-income students make sense of this information within their school culture, core beliefs about college affordability, and family backgrounds (p1685).

This point is also supported by Perna’s (2006) work:

“But information is not available to all students and / or not being used by all students, as research suggests that many students and their families are poorly informed about college costs and financial aid (p1632).

Dynarski and Scott-Clayton (2006) use a theory based approach to analyze the impact of reducing the information required by the FAFSA. They use a rationale choice approach to argue that, “Simply put, potential college students cannot respond to a price subsidy if they do not know it exists” (p2). Low income students often lack personal experience with the aid system:

“This lack of college-going peers and relatives blocks a channel that could communicate information about need-based aid to the target population” (p13).

“In sum, poorer families are likely to face greater costs of learning about the aid system, collecting the required documents, and completing the aid form” (p14).

During the summer of 2007 the reauthorization act debate included a discussion of simplifying the FAFSA. In the winter of 2008, Bettinger, Long, and Oreopoulos (2007) are conducting a pilot with H & R Block to increase the number of FAFSA filers as well as promoting early submission. Their intervention targets low income individuals and previous pilot results were promising. The premise is that simplification can be a powerful mechanism for improving FAFSA participation and result in earlier FAFSA application.

In summary, these articles and others (see The Institute for College Access and Success, 2008) imply that the more knowledgeable a student is about the “college system” – the application and financial aid processes – the more likely they are to apply and apply early. That is, college system knowledge is associated with the timing of the decision as well as the decision itself. Rational economic theory suggests that a person will act in their own best interests, given the information “known” to them. The more a student truly understands the costs and benefits of applying early for financial aid, the earlier a student might complete the FAFSA. If knowledge of the system is important,

then variation in the knowledge is also likely to influence the timing of the decision to apply for financial aid. This suggests that students that know about the college system are more likely to apply to college and complete the FAFSA in the winter and spring months when all aid sources are available, rather than waiting until the weeks before college enrollment starts.

### The Sample

De Anza College enrolls about 25,000 students each quarter. Although located in a relatively affluent area of Silicon Valley (Cupertino-the home of Apple Computer), the college draws about 40% of its students from the relatively less affluent areas in East San Jose. While average incomes may be higher than other parts of the country – the cost of housing and transportation make even the low community college tuition (about \$800 a year for a fulltime student) out of reach of many students. About 15% of De Anza College students select ethnicities of Hispanic origin and about 8% select Vietnamese on the student application. About 30% of Hispanic or Latino students receive some type of financial aid, compared to 15% of White and Chinese students. Vietnamese students make up more than 20% of all financial aid recipients, with 50% of Vietnamese students receiving some type of financial aid. 75% of Vietnamese students reside in East San Jose.

The sample began with an extract of all students (7,726) noting De Anza College on their 2007-08 FAFSA application by October 26, 2007. The 6,750 students with a valid email address (976 did not have an email address on file) were sent the survey via email on November 13, with a 179 email “bounce backs.” A reminder email was sent on November 19 to 5,988 students, which did not include prior bounce backs or respondents to date. A prize was offered as an incentive requiring students to give contact information to be eligible. 1,269 students responded. Only students answering all questions were included in the final analysis of 1,074 students (195 students were excluded -- 68 were excluded because they could not remember their FAFSA application date and they did not enter a valid email address and 19 because they did not list their parent’s education).

Of the 1,074 students included, 991 (92%) listed an email address for the prize. Of the 1074, 83 did not list an email and another 160 listed an email different than given on the FAFSA application. The lack of an email match for 240 students limited the analyses which relied upon data from the student information system, including dependency status.

The 1,074 students matched the larger group in terms of gender and ethnicity. 2006-07 financial aid recipients were also used as a comparison group with similar results. The final group represented about 14% of the population of applicants. This response rate is typical for De Anza College email surveys.

Approximately 1/3 of the respondents indicated that they could not remember when they submitted their FAFSA. For the students that could not remember their application date and included a valid email address, the date of the FAFSA application was pulled from the database and included in the survey results. The results were similar to the overall group of students, with about 2/3 filing before July.

There were 134 students listing “Multi Ethnic”, “Not Listed above” or no selection for ethnicity. For these students data from the survey question inviting students to enter their ethnicity was used for 86 students. For the 48 remaining students a link was made to college application to determine ethnicity for 36 students with 12 students remaining as “Not Listed Above” or “Multi Ethnic”.

## The Results

Figure1 summarizes the results from the survey. 65% of respondents indicated that they filed the FAFSA prior to July (“early”), with 19% of the respondents filing in July or August (“summer”), and 16% of the respondents filing in September or October (“late”). The fall 2007 term started on September 23, 2007. The groupings, early, late, summer, were based on the a priori assumptions of the financial aid office – that these groups would best allow the targeting of outreach efforts. These 3 groups – early, summer, late, will be analyzed in more detail below. Later, under the segmentation analysis, the groups will be relaxed.

22% of respondents were Vietnamese, which is consistent with the overall percentage of students receiving some type of financial aid at the college. 48% of respondents rated their experience filling out the FAFSA as either a 1 or 2 on a scale of 5, with 1 being “very easy.” The respondent group was split fairly evenly in terms of parental education with 30% of parents having a college education and 19% of parents having some high school. 32% of respondents were the first in their family to attend college. 40% of the respondents indicated that it was their first year at De Anza. 44% of respondents were working more than 20 hours a week with 70% attending college full time.

Of note, only 29% of respondents were aware that fees had been reduced the previous year. This is lower than the 47% found by Zarate and Pachon (2006, p 5), although their group of respondents included mostly current community college students and they indicated that the percent was lower for students who had never attended college. In the results here, 40% of the students were first time De Anza College students. On this question, results are consistent with Zarate and Pachon’s findings that many students have “misperceptions of nominal college costs (2006, p6).”

Figure 1

Summary of FAFSA Applicant Survey Responses

N = 1,074

	Feb-June	July-Aug	Sept-Oct		
When did you submit your FAFSA?	65%	19%	16%		
	Myself	Friends / Parents	High School	College	Other
What or who prompted you to submit the FAFSA in that month?	31%	28%	11%	16%	14%
	Viet.	Chinese	White	Latino	All Other
How do you describe your ethnicity?	22%	17%	18%	16%	27%
	Yes	No			
Did you list multiple colleges on your FAFSA?	38%	62%			
Did you know that enrollment fess were reduced last year?	29%	71%			
Is this year the first time you completed the FAFSA?	44%	56%			
Are you the first person in your family to go to college?	32%	68%			
Do you have any family members who have applied for financial aid?	48%	52%			
Is this your first year at De Anza College?	40%	60%			
Are you enrolled in 12 units or more this fall?	70%	30%			
Are you currently working 20 or more hours per week, on average?	44%	56%			
	Before FAFSA	Same Time	After FAFSA	Did Not Apply	
When did you apply for admission to De Anza?	54%	17%	27%	2%	
	Awarded Aid	Loans Only	Do Not Know	Incomp. App	
What is the current status of your financial aid application?	60%	17%	13%	10%	
	Attending De Anza	Attending Other	Not Attending		
What is your current enrollment status?	89%	7%	4%		
	College Graduate	Some College	H.S. graduate	Some H.S	
What is the highest education level of either parent?	30%	25%	26%	19%	
	De Anza East SJ	De Anza District	Other S.C.C.	Other	
What is the zipcode where you live?	49%	23.5%	23.5%	4%	
	1 Very Easy	2	3	4	5 Very Difficult
Experience filling out FAFSA:	20%	28%	34%	14%	4%
	Assume Not Eligible	Seems Too Complic.	Trouble Getting Info From Parents	Takes Too Much Time	All Other
... most important reason why students do not complete the FAFSA?	43%	15%	11%	10%	21%

Early, Summer, and Late Filers

When viewed from the timing of the FAFSA application, most students applied before July. Of the students applying late, 10% were Vietnamese, 14% Chinese, 19% White, and 17% were Latino. The Vietnamese population has a strong history of participating in financial aid at De Anza and 76% Vietnamese respondents reported applying early.

Figure 2

Ethnicity by Filing Time								
Ethnic Group	Early		Summer		Late		Total	
	N	%	N	%	N	%	N	%
Chinese	133	71%	27	15%	26	14%	186	100%
European White	118	62%	35	19%	36	19%	189	100%
Hispanic / Latino / Latina	91	55%	47	28%	28	17%	166	100%
Vietnamese	183	76%	34	14%	23	10%	240	100%
All Other	171	58%	66	23%	56	19%	293	100%
Total	696	65%	209	19%	169	16%	1,074	100%

Filing Time by Ethnicity								
Ethnic Group	Early		Summer		Late		Total	
	N	%	N	%	N	%	N	%
Chinese	133	19%	27	13%	26	15%	186	17%
European White	118	17%	35	17%	36	21%	189	18%
Hispanic / Latino / Latina	91	13%	47	22%	28	17%	166	15%
Vietnamese	183	26%	34	16%	23	14%	240	22%
All Other	171	25%	66	32%	56	33%	293	27%
Total	696	100%	209	100%	169	100%	1,074	100%

There were only slight variations in the education levels of respondent parents (see Figure 3). 34% of late filers compared with 24% of early filers had parents with only a high school diploma. Interestingly, 20% of early filers compared with 16% of late filers had parents with less than a high school degree.

Figure 3

Filing Time by Highest Education Level of Either Parent								
Education Level	Early		Summer		Late		Total	
	N	%	N	%	N	%	N	%
College Graduate	207	30%	70	33%	50	30%	327	30%
Some College	185	27%	47	22%	35	21%	267	25%
High School Graduate	164	24%	56	27%	57	34%	277	26%
Some High School	140	20%	36	17%	27	16%	203	19%
Total	696	100%	209	100%	169	100%	1,074	100%

As noted in Figure 4, 45% of the early filers, compared with 24% of the late filers had listed multiple colleges on the FAFSA. 31% of the early filers, compared with 24% if the late filers knew enrollment fees had been reduced. 38% of the early filers, compared with 57% later filers were first time FAFSA applicants. These 3 variables will be returned to later in the segmentation analysis.

37% of new De Anza students applied early, compared with 63% of continuing students. 73% of the early filers, compared with 60% of late filers were enrolled fulltime. For the question what or who prompted FAFSA filing, most students responded "Myself" or the categories that included parents and friend. 66% of the early filers, compared with 40% of the late filers had been awarded aid of some kind (See Figure 4 for comparisons). These results lend support for the argument that the more knowledgeable a student is about the financial aid process, the more likely they are to apply early and the more likely they are to be awarded aid.

Figure 4

Summary of FAFSA Applicant Survey Responses by Filing Time

N = 1,074

		Early	Summer	Late	
		Feb-June	July-Aug	Sept-Oct	N =
When did you submit your FAFSA?		65%			695
Early			19%		209
Summer				16%	169
Late					1,074
Total					

		Myself	Friends / Parents	High School	College	Other
What or who prompted you to submit the FAFSA in that month?		30%	27%	15%	14%	14%
Early		34%	30%	8%	18%	10%
Summer		30%	32%	19%	2%	17%
Late						

		Percent Answering Yes		
		Early	Summer	Late
Did you list multiple colleges on your FAFSA?		45%	24%	24%
Did you know that enrollment fess were reduced last year?		31%	28%	24%
Is this year the first time you completed the FAFSA?		38%	52%	57%
Are you the first person in your family to go to college?		30%	35%	33%
Do you have any family members who have applied for financial aid?		51%	48%	37%
Is this your first year at De Anza College?		37%	44%	46%
Are you enrolled in 12 units or more this fall?		73%	68%	60%
Are you currently working 20 or more hours per week, on average?		41%	48%	49%

		Before FAFSA	Same Time	After FAFSA	Did Not Apply
When did you apply for admission to De Anza?		47%	17%	34%	2%
Early		65%	20%	15%	0%
Summer		70%	15%	14%	1%
Late					

		Awarded Aid	Loans Only	Do Not Know	Incomp. App
What is the current status of your financial aid application?		66%	17%	9%	8%
Early		58%	20%	13%	9%
Summer		40%	14%	30%	16%
Late					

		Attending De Anza	Attending Other	Not Attending	
What is your current enrollment status?		87%	9%	4%	100%
Early		92%	4%	4%	100%
Summer		94%	1%	5%	100%
Late					

		1 Very Easy	2	3	4	5 Very Difficult
Experience filling out FAFSA:		20%	26%	36%	14%	4%
Early		18%	35%	30%	13%	4%
Summer		23%	24%	34%	15%	4%
Late						

		Assume Not Eligible	Seems Too Complic.	Trouble Getting Info From Parents	Takes Too Much Time	All Other
... most important reason why students do not complete the FAFSA?		43%	16%	11%	12%	18%
Early		47%	12%	9%	10%	22%
Summer		38%	17%	13%	9%	23%
Late						



It appears that the respondents had similar income levels. The Expected Family Contributions, for those where information was available, were similar across filing times. 74% of late filers, compared with 75% of early filers were eligible for a Pell grant (Figure 5). This information lends support for the argument that late filers, who were just as likely to get a Pell Grant, were unaware of their likeliness to receive aid. If they had more knowledge of their aid status, and the deadline for programs like Cal Grant, the assumption is that they might have been more likely to apply earlier.

Figure 5

<b>Expected Family Contribution by Filing Time</b>								
Expected Family Contribution Group	Early		Summer		Late		Total	
	N	% Col.	N	% Col.	N	% Col.	N	% Col.
less than \$4,100	411	75%	112	69%	90	74%	613	74%
\$4,100 to \$10,000	77	14%	28	17%	18	15%	123	15%
\$10,000 and higher	49	9%	21	13%	13	11%	83	10%
Application Incomplete	13	2%	1	1%			14	2%
Total	550	100%	162	100%	121	100%	833	100%

Note: Only includes respondents with an email match to the FAFSA application.

### College and Financial Aid Knowledge

Segmentation analysis is a methodology often used in industry “where customer segmentation is a hallmark of companies with effective marketing and customer relationship management practices” (Johnstone, December 2003. p1). The methodology used in this analysis is a step wise approach with a defined group of respondents first “pulled out” into a group and the remaining respondents then broken into other groups in similar fashion. The result is mutually exclusive groups.

The segmentation groups outlined below are based on 2 variables that represent behaviors and 2 variables that are proxies for knowledge about the financial costs of attending college or the financial aid process. The groups might be seen as representing a continuum of College / Financial Aid Knowledge. The selection and order of variables is based on experience and potential use and was not statistically driven.

The first group uses a demographic rather than behavioral variable and was selected based on previously observed outcomes of the group at De Anza College. At De Anza College Vietnamese students have the highest rate of financial aid participation with about 50% receiving some type of financial aid. About 75% of Vietnamese students reside in “low income” areas of East San Jose. These students tend to be second generation immigrants with their parents coming to the United States as refugees after 1975. For many in this group the government provided relocation assistance as they attempted to start a new life in the United States. In addition, this community appears to have close extended family relationships that place a high value on education and as noted by Tierney and Venegas (2006) these types of “fictive kin” relationships may lead to greater awareness of the financial aid process. Future research is needed to test these assumptions and shed light on why these characteristics may lead to greater financial aid awareness for some groups but not others. If these assumptions hold, we would expect this group to have a high propensity for completing the FAFSA application early. Based on the De Anza College experience, Vietnamese students are analyzed separately.

The second group is students that responded yes to the question “Did you apply to multiple colleges on the FAFSA.” The act of applying to multiple colleges demonstrates that these students are aware of the financial aid and admissions processes. This awareness more than likely should lead to an earlier FAFSA application. These students likely have been thinking about and planning for college during their high school years. Since they are “College Bound” they are likely to make their college decision partly based on the aid package awarded at each college in which they applied.

The third group, after taking out Vietnamese students and multiple college FAFSA applicants, is made up of students that answered “Yes” to the question “were you aware that fees were reduced last year.” These students have demonstrated an awareness of college costs and likely the role of financial aid in assisting them. Since they are aware of college costs these students might be more inclined than other groups to apply earlier. This group has not applied to multiple colleges and they may not have been thinking about the college decision throughout the high school years, or are planning to continue at De Anza College, but they are clearly motivated to attend college.

The fourth group includes students who had previously completed the FAFSA. These students, while not exhibiting the behaviors noted above, are still likely to be aware of the FAFSA process having been through it before. They may not be as motivated towards using financial aid to facilitate college attendance or are skeptical as to whether they will be eligible for financial aid grants, but are aware of the process.

The fifth and final group includes all students left after applying the four categories above, namely, first time FAFSA applicants that did not apply to multiple colleges, were not aware fees were reduced, and who are not Vietnamese. These students have applied for financial aid, demonstrating a degree of knowledge about financial aid and motivation to attend college. However, the lack of other behaviors suggests that they may lack a plan for the future. These students may not be sure of or be skeptical of the assistance financial aid can provide them. As a whole this group may be most likely to apply late.

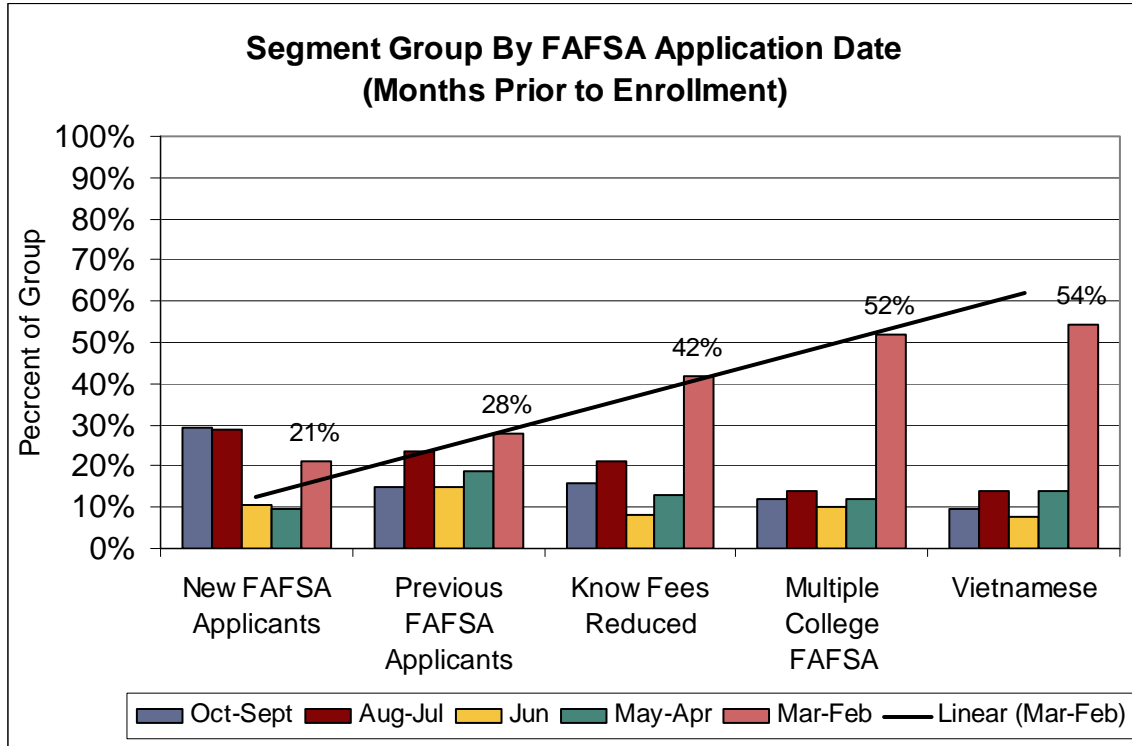
The five groups represent distinct categories of respondents. The purpose of these groups is to allow a comparison of survey responses based on largely behavioral factors rather than demographic characteristics alone. As depicted in Figure 6 below, the average month of FAFSA application appears to be correlated with the groups and with the hypothesis that when students apply is related to knowledge of the college and financial aid process. New FAFSA Applicants had the lowest average, with respondents applying in June on average, compared with Vietnamese students who applied in April on average, 2 months earlier.

Figure 6

Average Month of FAFSA Application

Vietnamese	6.45
Multiple College FAFSA	6.31
Know Fees Reduced	5.75
Previous FAFSA Applicants	5.33
New FAFSA Applicants	4.39

1=October, 6=May



When viewed from the perspective of the five groups, there appears to be minimal differences between ethnic groups (Figure 7). Not including Vietnamese students, the ethnic breakdown consists of 22% Chinese, 23% White, 19% Latino, and 35% All Other. The Know Fees Reduced group had slightly higher percentages of White (27%) and Latino (22%) students compared to the overall breakdown.

Figure 7

Ethnicity by Segment												
Ethnic Group	Vietnamese		Multiple College FAFSA		Know Fees Reduced		Previous FAFSA Applicants		New FAFSA Applicants		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
	Chinese	0	0%	67	36%	32	17%	38	21%	49	26%	186
European White	0	0%	61	32%	46	25%	44	23%	38	20%	189	100%
Hispanic / Latino / Latina	0	0%	56	34%	38	23%	38	23%	34	20%	166	100%
Vietnamese	240	100%	0	0%	0	0%	0	0%	0	0%	240	100%
All Other	0	0%	107	37%	54	18%	60	20%	72	25%	293	100%
Total	240	22%	291	27%	170	16%	180	17%	193	18%	1,074	100%

Segment by Ethnicity												
Ethnic Group	Vietnamese		Multiple College FAFSA		Know Fees Reduced		Previous FAFSA Applicants		New FAFSA Applicants		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
	Chinese	0	0%	67	23%	32	19%	38	21%	49	25%	186
European White	0	0%	61	21%	46	27%	44	24%	38	20%	189	18%
Hispanic / Latino / Latina	0	0%	56	19%	38	22%	38	21%	34	18%	166	15%
Vietnamese	240	100%	0	0%	0	0%	0	0%	0	0%	240	22%
All Other	0	0%	107	37%	54	32%	60	33%	72	37%	293	27%
Total	240	100%	291	100%	170	100%	180	100%	193	100%	1,074	100%

As depicted in Figure 8, which includes a question on first generation status, there is little variability between the groups. This suggests that having other members attend college before you, does not necessarily lead to an earlier FAFSA application. In terms of family experience with financial aid, 69% of Vietnamese respondents, compared with 36% of New FAFSA Applicants reported having other family members that had applied for financial aid. Yet the two groups were similar (about 18%) in first generation status. In other terms, for both groups about 82% were not the first in their family to attend college but the financial aid savvy were more likely to have other family members also apply for financial aid.

Figure 8

Percent of Segment Answering Yes												
Question	Vietnamese		Multiple College FAFSA		Know Fees Reduced		Previous FAFSA Applicants		New FAFSA Applicants		Total Yes	
	N	%	N	%	N	%	N	%	N	%	N	%
	List multiple colleges/FAFSA?	117	29%	291	71%	0	0%	0	0%	0	0%	408
Know fees reduced last year?	65	21%	76	24%	170	55%	0	0%	0	0%	311	100%
First time completed FAFSA?	96	20%	120	26%	60	13%	0	0%	193	41%	469	100%
First person in family/college?	68	20%	95	28%	59	17%	54	16%	66	19%	342	100%
Other family applied for aid?	165	32%	131	25%	72	14%	81	16%	69	13%	518	100%
First year at De Anza?	102	24%	121	28%	37	9%	35	8%	134	31%	429	100%
Enrolled in 12 units or more?	196	26%	204	27%	117	16%	99	13%	133	18%	749	100%
Working 20 or more hours?	80	17%	130	28%	83	18%	97	20%	81	17%	471	100%

New FAFSA Applicants were least likely to indicate the reason for students not to complete the FAFSA was that they assumed they were not eligible (Figure 9). 35% of New FAFSA Applicants indicated either Seems to Complicated or Takes too Much Time for why students do not complete the FAFSA. This compares with 27% for the Multiple College FAFSA groups and 18% for Know Fees Reduced group. If this question can be seen as relating to how these respondents feel, the results indicate that the New FAFSA Applicants may have a tendency to apply late, not so much because they think they are

not eligible, but because they believe the FAFSA is too complicated and will take too much time. 1/3 of Late Filers were New FAFSA Applicants (Figure 10).

Figure 9

<b>Most Important Reason Why Students Do Not Complete the FAFSA by Segment</b>												
Segment	Assume Not Eligible		Seems Too Complicated		Limited Info / Parents		Takes Too Much Time		All Other		Total	
	N	%	N	%	N	%	N	%	N	%	N	%
Vietnamese	109	45%	41	17%	24	10%	20	8%	46	19%	240	100%
Multiple College FAFSA	119	41%	46	16%	38	13%	33	11%	55	19%	291	100%
Know Fees Reduced	86	51%	21	12%	14	8%	11	6%	38	22%	170	100%
Previous FAFSA Applicants	74	41%	22	12%	17	9%	18	10%	49	27%	180	100%
New FAFSA Applicants	72	37%	36	19%	23	12%	30	16%	32	17%	193	100%
Total	460	43%	166	15%	116	11%	112	10%	220	20%	1074	100%

Figure 10

<b>Filing Time by Segment Group</b>									
Segment	Early		Summer		Late		Total		
	N	%	N	%	N	%	N	%	
Vietnamese	183	26%	34	16%	23	14%	240	22%	
Multiple College FAFSA	215	31%	41	20%	35	21%	291	27%	
Know Fees Reduced	107	15%	36	17%	27	16%	170	16%	
Previous FAFSA Applicants	111	16%	42	20%	27	16%	180	17%	
New FAFSA Applicants	80	11%	56	27%	57	34%	193	18%	
Total	696	100%	209	100%	169	100%	1074	100%	

One of the most striking results in the survey related to what motivated students to apply for financial aid. 85% of the students selecting “High school guidance counselor” applied early, with only 2% applying late (Figure 11). This pattern holds across groups, with even 76% of New FAFSA Applicants indicating influence from high school counselors, also applying early. Clearly, high school guidance counselors can play a very important role in getting students to file the FAFSA early.

Figure 11

<b>High School Guidance Counselor Prompt by Segment</b>								
Segment	Early		Summer		Late		Total	
	N	%	N	%	N	%	N	%
Vietnamese	32	82%	7	18%			39	100%
Multiple College FAFSA	45	86%	5	10%	2	4%	52	100%
Know Fees Reduced	7	100%					7	100%
Previous FAFSA Applicants	7	88%	1	12%			8	100%
New FAFSA Applicants	13	76%	3	18%	1	6%	17	100%
Total	104	85%	16	13%	3	2%	123	100%

Financial need appears to be similar between the segmentation groups, with the exception of the Vietnamese students. When looking at the Expected Family Contribution (Figure 12) for students where the information is available (note Figure 1 includes all respondents, with 10% indicating the status of their application as incomplete), 85% of the Vietnamese respondents compared with 72% of New FAFSA Applicants were eligible for a Pell Grant. The percentage of Pell eligible for the other segmentation groups varied from 69% for Multiple College FAFSA group to 74% for Previous FAFSA Applicants. These results, like the results by filing timing, seem to suggest minimal linkage between financial aid knowledge and actual need.

Figure 12

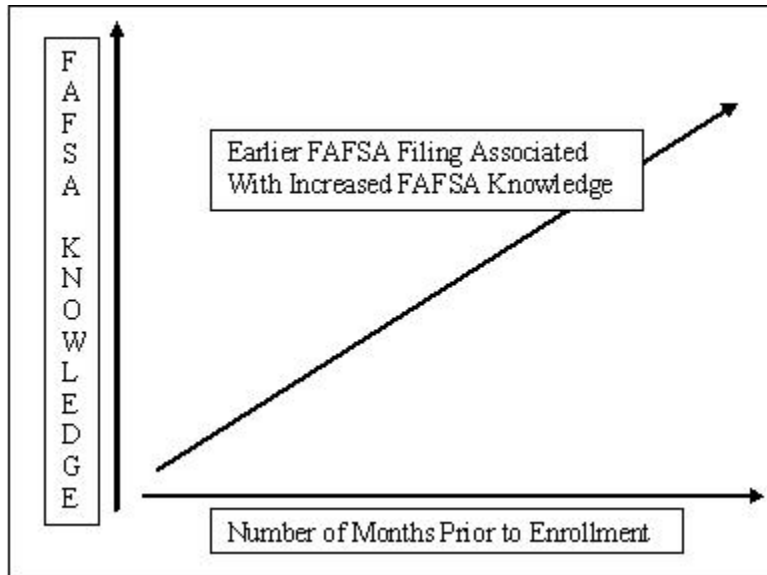
Expected Family Contribution Group	Expected Family Contribution of Survey Respondents by Segment											
	Vietnamese		Multiple College FAFSA		Know Fees Reduced		Previous FAFSA Applicants		New FAFSA Applicants		Total	
	N	% Col.	N	% Col.	N	% Col.	N	% Col.	N	% Col.	N	% Col.
less than \$4,100	164	85%	155	69%	90	68%	101	74%	103	72%	613	74%
\$4,100 to \$10,000	19	10%	36	16%	25	19%	21	15%	22	15%	123	15%
\$10,000 and higher	9	5%	30	13%	17	13%	11	8%	16	11%	83	10%
Application Incomplete	2	1%	5	2%	1	1%	4	3%	2	1%	14	2%
Total	194	100%	226	100%	133	100%	137	100%	143	100%	833	100%

Note: Only includes respondents with an email match to the FAFSA application.

Conclusions

The results here are consistent with other research demonstrating the importance of knowledge of the college and financial aid processes in a students’ decision-making. The research in this paper has suggested that variations in financial aid knowledge are related to the timing of the FAFSA application. The simple graph in Figure 13 depicts the idea of a direct relationship between FAFSA Knowledge and the timing of FAFSA applications. Additional research is needed to determine the applicability across institutions.

Figure 13



This paper has suggested that including behavioral variables can increase the strength of the analysis. The five segment groups might be given names such as those depicted in Figure 14. The group names are meant to highlight the idea that behaviors represent differing levels of knowledge. Information helps in decision-making by allowing individuals to plan ahead and thus reduce uncertainty about the outcome of the decision. Students that are least informed about the process are more likely to be uncertain about the decision to attend college and apply for financial aid. This uncertainty can then lead to delayed financial aid as well as college application, all else equal. In the end, uncertainty stemming for a lack of information can result in less financial aid awarded and lower student persistence.

Figure 14

<u>Segment Name</u>		<u>Conceptual “Customer” Group</u>
Vietnamese Student Segment	→	Financial Aid Knowledgeable
Multiple College FAFSA	→	Planned College Goers
Know Fees Reduced	→	Informed College Consumers
Previous FAFSA Applicants	→	Experienced Applicants
New FAFSA Applicants	→	Uncertain College Goers

As noted by Mundel and Coles (2004) future research should look more deeply at the transmission of knowledge about college and financial aid. The categorizations used in this paper may provide a unique way to identify students likely to apply late; more research is needed to further define and pre-identify students likely to apply late to encourage earlier FAFSA application.

While data limitations would not allow a complete matching of survey and institutional records, preliminary analysis indicates that the New FAFSA Applicant segmentation group received less aid on average than other groups. In addition, the New FAFSA Applicant segmentation group lagged behind other groups in persistence to the spring quarter. The linkage between financial aid knowledge, a late application, reduced award amounts, and student persistence, makes the study of financial aid knowledge an important part of efforts to improve student success.

The data suggests that the De Anza financial aid outreach office might focus its energy on new students that are likely to be first time FAFSA applicants. Perhaps technology can be used to cross reference late college applications against FAFSA applicants to better target students not completing the FAFSA prior to the college application.

Students that are prompted to complete the FAFSA by high school guidance counselors nearly all applied early. Outreach to high school guidance counselors by the financial aid office might bring results. This effort might be separate from the general college admissions’ efforts. The goal would be to cultivate a greater understanding of the financial aid process, among high school counselors.

While the survey gives us some clues as to the types of students the financial aid office might reach out to, to reduce the number of late filers, it is less clear on how. Friends and family seems to be important although many early filers say they were prompted by themselves. Parents’ education seems to have only a small association with the time of application. The Vietnamese community may give us some insight into the transmission of college / financial aid knowledge.

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Appendix A – Email Letter

Subject: De Anza College Financial Aid Survey  
From: De Anza College <DeAnzaCollege@saturn.deanza.edu>  
Date: Tue, 13 Nov 2007 17:31:44 -0800  
To: Andrew Lamanque <lamanqueandrew@fhda.edu>

Dear Andrew,

The Financial Aid Office at De Anza College needs your feedback!

You have been sent this survey because our records indicate that you submitted a Free Application for Federal Student Aid (FAFSA) listing De Anza College.

Please take a few minutes to complete the survey and then enter into the drawing for a free gift card (we are giving away fifty \$10 cards that might come in handy for shopping during this holiday season)!

Survey Link:

Thank you for participating.

Questions can be addressed to:  
Andrew LaManque, Ph.D.  
De Anza College Institutional Research and Planning



## De Anza College Financial Aid Date of Application Survey

You have been sent this survey because our records indicate that you submitted a federal application for financial aid (FAFSA) listing De Anza College. The Financial Aid Office is interested in your input so that it can improve its services.

The purpose of this survey is to collect information about the reasons why students apply for financial aid at the time they do (whether it is March or August). This survey will be used for research purposes only. All information will be held confidential. You may choose not to answer any of the questions.

Thank you for participating.  
De Anza College Research

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### 1. How would you rate your experience in filling out the FAFSA?

- 1 (very easy)
- 2
- 3
- 4
- 5 (very difficult)

### 2. Did you list multiple colleges on your FASFA?

- Yes
- No

### 3. When did you submit your FAFSA?

- February
- March
- April
- May
- June
- July
- August
- September
- October

I cannot remember

..... **What or who prompted you to submit the FAFSA in that month?**

Parents

Friends

High school guidance counselor or workshop

De Anza College advertising

De Anza College financial aid staff

De Anza College instructor

Myself - no one else mentioned it to me

The bill for tuition and/or books

The March 2nd CAL Grant deadline

My registration date

**4. When did you apply for admission to De Anza College?**

Before I completed the FAFSA

About the same time as I completed the FAFSA

After I completed the FAFSA

I never applied for admission to De Anza College

**5. What is the current status of your financial aid application?**

I was awarded aid

I was not eligible for grants and I did not want loans

My application is incomplete and I am having trouble completing it

I do not know

**6. What is your current enrollment status?**

I am attending De Anza College

I am attending another college

I am not going to college this fall

..... **if you are NOT attending college, please tell us why?**

**7. What is the highest education level of either parent?**

Some high school

High school graduate

Some college

College graduate

Yes No

8. Are you the first person in your family to go to college?

9. Do you have any family members who have applied for financial aid?

10. Is this your first year at De Anza College?

11. Is this year the first time you completed the FAFSA?

12. Are you enrolled in 12 units or more this fall?

13. Are you currently working 20 or more hours per week, on average (not including Work Study)?

14. Did you know that enrollment fees were reduced last year?

15. What is the zip code where you live?

16. How do you describe your ethnicity?

- African American
- Asian Indian
- Chinese
- European (White)
- Filipino
- Hispanic / Latino / Latina
- Middle Eastern
- Native American
- Pacific Islander
- Vietnamese
- Multi Ethnic
- Not listed above

..... if not listed above please enter here

**17. At De Anza College fewer than one third of all students complete the FAFSA, what do you think is the most important reason why students do not complete the FAFSA?**

- It takes too much time
- Students assume they are not eligible
- Students have trouble getting information from their parents
- Students think they missed the deadlines
- They receive money from other sources
- They are only attending part-time and don't need the help
- The FAFSA form seems too complicated
- Not sure

**18. We know that students who apply earlier for financial aid can be more successful in college. What ideas do you have for De Anza College to get students to apply earlier?**

**19. If you would like to enter into the drawing for a free gift card (we are giving away 50, ten dollar cards) please enter your name, email, and telephone number here:**

Name (Last, First):

E-mail:

Telephone (###-###-####):

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