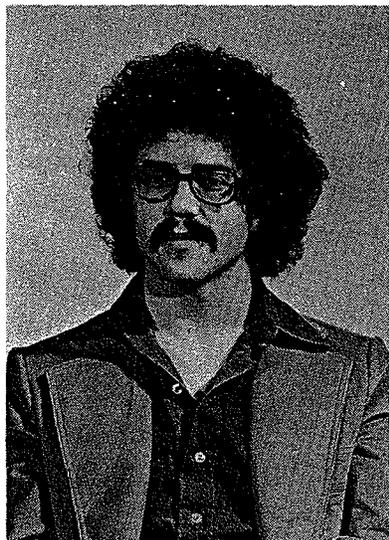


ALTERNATIVES IN COMMUNITY COLLEGE FINANCIAL AIDS ADMINISTRATION

By Chad Lewis

Introduction

Much has been written lately regarding the enigma of the two-year colleges in financial aid administration. Russo (1976) and Gladieux (1975) both point to the lack of administrative support and lack of training opportunities for community college financial aid officers as major problems in the two-year colleges.¹ Another difficulty cited repeatedly in the literature lies at the other end of financial aid administration — the “non-traditional” student population being served. It has been established that community college students, as a group, are older, less affluent, and more likely than students in four-



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¹ Lawrence E. Gladieux, “Distribution of Federal Student Assistance: The Enigma of the Two-Year Colleges”, A Policy Study from the Washington Office of the College Entrance Examination Board, June, 1975.

Joseph A. Russo, “Community College Student Aid — A Hard Look From Within”, *The Journal of Student Financial Aid*, Vol. 6, No. 1 (February 1976) 20-28.

year schools, to be members of minority groups or veterans.² Also, many, if not most, community college students do not spend much time on-campus. The orientation of these students generally lies off-campus which further complicates the problem of information dissemination. It could be argued that community college students as a consequence of their backgrounds and orientation tend to be less organized and not as well informed as their four-year college counterparts. It is unfortunate that many of these students are least likely to "learn about the system and least able to successfully overcome the hurdles of forms, annual needs analysis and repeated trips to the financial aids office."³

In part, the solution to the problems described above may be found in adopting alternative methods of financial aid administration directed toward meeting the needs of the non-traditional student. Congressman O'Hara (1973) said it well when he noted:

"I think also, that we should re-examine and perhaps disregard one of our most common assumptions about students. We must stop thinking that what works well for young, mostly unmarried, mostly dependent men and women just out of high school trying to learn a trade and get a start will work well for postsecondary students as a whole."⁴

Alternative administrative practices have evolved in the Financial Aids Program at Fort Steilacoom Community College.⁵ The purpose of this article is to describe that institution's procedures and their supporting rationale. The procedures to be discussed involve use of the Basic Grant Student Eligibility Report (SER) or application as the source document for needs analysis using the uniform methodology, the charging of an institutional processing fee for financial aid applications, and hand-processing for needs analysis.

Use of the Basic Grant Application as a "Common Form"

At Fort Steilacoom Community College, students applying for financial aid are required to submit only an institutional application and a SER, or if there are time restraints, a completed Basic Grant application.

There are several advantages to be gained from this type of application process. First, it simplifies financial aid application requirements. For example, it becomes unnecessary for parents of dependent students to file two comprehensive statements — one to the Basic Grant Program and one to a central processing agency (CSS, ACT) — for an application to be completed. Simplifi-

² Gene S. Miller, "The Community College: Upstart On The Financial Aid Scene", *The Journal of Student Financial Aid*, Vol. 1, No. 2, (November 1971) 22-27.

³ CSS Student Advisory Committee, "What 250 Students Say About Financial Aid Problems" Reprinted from *The College Board Review*, No. 100, Summer 1976.

⁴ James G. O'Hara, Speech to WASFAA Annual Conference; Santa Cruz, CA, May 1974.

⁵ Fort Steilacoom Community College has a full-time, on-campus student population of 3,000. More than 50% of these students are veterans. The average student age is 28. There are presently 475 students receiving financial aid and 35% of these students are members of minority groups. The financial aid operation is covered by a full-time financial aid officer, and two full-time and one part-time support staff.

cation of the application process in this manner would seem to encourage application from the type of high need student, oftentimes found in the community college, who is least equipped to wade through a myriad of forms and requirements. Furthermore, such simplification is consistent with the recommendation for a common form proposed by the Keppel Task Force (1975). Use of the Basic Grant application as a "common form" means a student need only submit one financial statement to an institution to be considered for virtually all forms of financial assistance. Put another way, we believe, "two applications, one for BEOG and one for other forms of financial aid is a waste of time, money and energy."⁶

Use of the SER as a source document for needs analysis also encourages maximum use of the Basic Grant Program as a resource for those applying for financial assistance and may well improve institutional utilization of the Basic Grant Program. Such improvement appears to be needed in the community colleges. For example, Gladioux cites evidence related to the actual operation of the Basic Grant Program which suggests that students from the two-year colleges are participating at lower rates than might be expected.⁷

Finally, emphasizing the Basic Grant Program in this manner is consistent with the philosophical premise that the Basic Grant Program is to be used as the foundation from which all other financial assistance is built.

Processing Fee

Lack of adequate financial support for in-service training and additional staffing and equipment has been a major contributor to the present enigma of the community colleges in financial aids administration. The charging of an institutional financial aid processing fee is by no means a wholly adequate solution. Yet, it does offer some opportunity financially to support or upgrade a financial aid program for the benefit of students.

If the Basic Grant format is used as described, it becomes possible to charge students an institutional fee for processing financial aid applications. This is because the College Scholarship Service (CSS) and the American College Testing Program (ACT) do not have a copyright on the uniform methodology and their data collection forms would not be used. At Fort Steila-coom Community College, students are being charged \$3.50 for this service for 1976-77.

From the perspective of the non-traditional student, there is some advantage to paying the institution, rather than a central processing agency. There is first the advantage of simplicity. As would be the case with the application process, students would be primarily dealing with the institution in completing an application for financial aid. Further, an institution can offer a processing service at a comparative savings to financial aids applicants. There can also be institutional control over waiving the fee itself if unusual circumstances warrant a waiver.

⁶ Robert N. Jones, "Making the Basic Grant Program More Effective", *The Journal of Student Financial Aid*, Vol. 4, No. 3 (November 1974) 20-25.

⁷ Lawrence E. Gladioux, "Distribution of Federal Student Assistance: The Enigma of the Two-Year Colleges", A Policy Study from the Washington Office of the College Entrance Examination Board, June 1975.

In charging a processing fee, students should not be charged if they have already paid a fee and produced a needs analysis report from another source. Also, students applying only for a Basic Grant do not pay a processing fee, as there is no cost involved in making application for this program.

Disadvantages?

It could be argued that the advantages of a simpler application process, a revenue source in the form of a processing fee for program management and improvement and perhaps more effective Basic Grant Program utilization could be negated first, by the "incompleteness" of the information available on a SER. This raises the issue of how much and what type of information is required for needs analysis in *most* cases? The Keppel Task Force in its development of a common form prototype felt that 56% of the questions on the financial statements in use at the time of the study were redundant or superfluous.⁸ Further, how often is additional information required? In central processing, for example, only about 6% of the financial statements submitted by dependent students and their parents require additional information.⁹ Nevertheless, there is a need to deal effectively with the "exception to the rule." There is also a need to offer parents the opportunity to address the question of "other debts outstanding" (aside from those offset directly against assets) if those debts affect their ability to contribute. This question is not covered on the Basic Grant application.

The award letter used at Fort Steilacoom Community College emphasizes an invitation to parents of dependent students to respond in writing if there have been significant changes in family financial conditions or unusual circumstances, such as excessive past debts, which would affect their ability to contribute. This letter then becomes a part of the documentation contained in a student file supporting any decision made to adjust an individual case.

The college's need to collect additional information from parents occurs infrequently. Seen in perspective, when upwards to 70% of a student population is classified as independent, as frequently is the case in a community college, the emphasis in terms of data collection is on current year information. Most, if not all, of the information necessary for the initial processing of self-supporting students can be obtained from an institutional application alone. An institutional application can also be used, as it is at Fort Steilacoom, to gather information such as parental assistance for the independent student and "other benefits" not covered by the Basic Grant application.

Institutions using the services of ACT or CSS can receive year-end institutional summary data helpful in preparing a tripartite application. Meaningful summary year data is not available if the SER is used as the source document for needs analysis. How much of a problem this poses depends

⁸ *Draft Report of the National Task Force on Student Aid Problems*, by Francis Keppel, Chairman (DHEW, Office of Education, Bureau of Postsecondary Education, Washington, D.C.) April 1975.

⁹ Conversation with James Sanderson, Associate Director, Western Regional Office of the College Entrance Examination Board, May 21, 1976.

on the institution. For example, how reliable is the summary year data available to community colleges where many student aid applications are hand-processed, either because they are received late or because they come from independent students? This problem is characteristic of many community colleges and would tend to skew any summary year data available from CSS or ACT.

For many community colleges, the only apparent "disadvantage" to using the Basic Grant application or SER as a source document for needs analysis using the uniform methodology would be the need for hand-processing of financial aid applications.

Hand-Processing

For the past two years, the Fort Steilacoom Financial Aids Program has used its own data collection instrument and hand-processed all financial aid applications. The development of the uniform methodology, improvements in information collected by the Basic Grant application, with the removal of that program's April 1, 1973 deadline and inclusion of the part-time students, and the need to continue efforts to simplify the application process brought the college to the present practice of using the SER as a source document and, subsequently, continuing need for hand-processing.

The primary criticism of this practice lies in the time it consumes.¹⁰ However, any simplification of application requirements saves time and trouble for both student and institution. Further, when working with a high percentage of financial aid applications from independent students, a disproportionate amount of time need not be spent hand-processing applications because many self-supporting students present a less complicated financial picture than their dependent counterparts. Many community college financial aid officers find themselves already heavily involved in hand-computation because of the many late applications received and the high turnover of students throughout the year resulting in a constant flow of financial aid applications. Russo states with regard to community college financial aid officers that, "unlike most of his four-year colleagues the community college financial aid officer has to learn to deal with late and incomplete applications as a normal part of this routine."¹¹

The described practice of hand-processing applications, besides benefiting both students and financial aids administration, has coincided with the realities the financial aids administration faced. This practice has proved convenient and has

¹⁰ There are programs available for programmable calculators that can generate needs analysis reports and conceivably, reduce time spent on hand-processing. Victor has a model 4900 calculator and Rockwell a model 930-3 calculator which can handle needs analysis programs using the uniform methodology. Both companies have programs available which can make use of either ACT or CSS data forms.

At present, there is no program using the Basic Grant application or SER as a source document being marketed. Consequently, we are in the process of developing a program using a Monroe 1860 programmable calculator the institution already owns.

¹¹ Joseph A. Russo, "Community College Student Aid — A Hard Look From Within", *The Journal of Student Financial Aid*, Vol. 6, No. 1 (February 1976) 20-28.

provided the opportunity of reviewing applications from a first-hand perspective — certainly no disadvantage to either student or institution.

Conclusion

The procedures described are directed towards simplifying financial aid administration for the benefit of the non-traditional student attending a community college. In emphasizing the applicability of these procedures in the community college, it was not intended to suggest they would not be applicable in other types of institutions. Rather, it was to say many community college financial aid programs and students have needs that might be better served through an "alternative" approach.

Community colleges and their students are certainly not all alike, and procedures suitable for one institution may not be applicable to another. Regardless, the need for a simpler application process and more financial support for financial aids program administration are needs common to virtually all types of institutions. Hand-processing Basic Grant Student Eligibility Reports or applications and charging a processing fee for this service, as is the practice at Fort Steilacoom Community College, is only a partial solution and hopefully, transitory.

It is unfortunate that Keppel Task Force recommendations for the support of financial aids administration and the development of a common data form for determination of eligibility for all federal student aid programs are not yet realities. Such provisions would greatly benefit both community college financial aids administration and non-traditional students.

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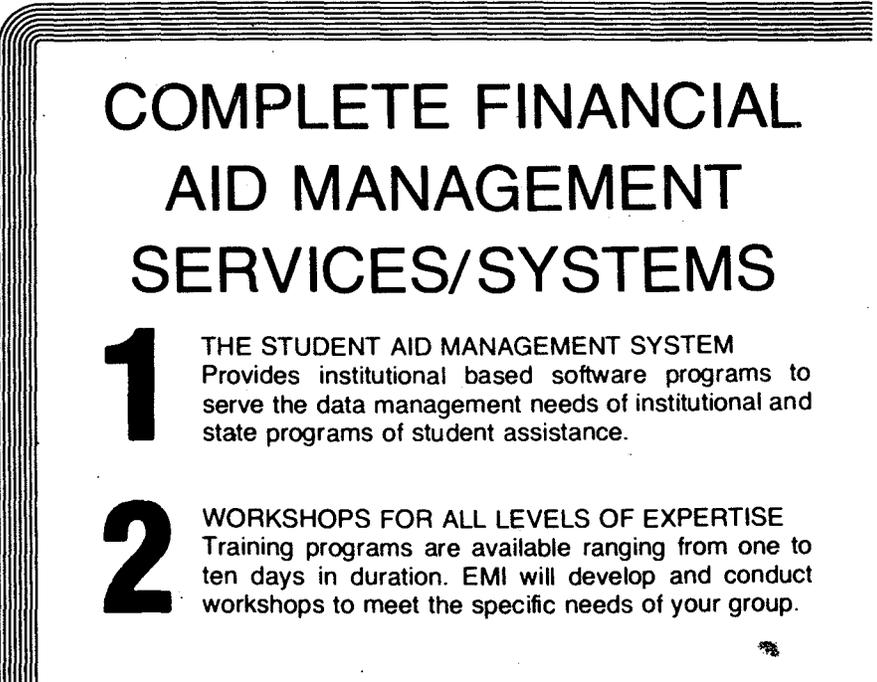
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