

ASHE/LUMINA FELLOWS SERIES

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Low-income, urban Latinas' student aid decisions: The effect of family ties

The impact of families' past and current living situations—*rather than simply family income*—affects college-going and financial aid choice for low-income Latinas.

Saturday, January 28, 2004, 8:00 a.m.: Gigi and her mother sit in the crowded high school cafeteria waiting for the opening ceremonies of “Cash for College” day. The room is full, exceeding the 250-person capacity noted on the wall. The brief opening ceremony begins with welcoming speeches in both English and Spanish and pledge of allegiance led by a few of the school's ROTC students. The local California State representative provides a brief statement. After the opening ceremony, Gigi and her mother rush to the library in order to get a good seat for the financial aid application workshop.

Gigi attends this session with her single, undocumented mother. This workshop marks the beginning of a six-month crash course on securing financial aid, as well as getting information on immigration and tax

policy as related to financial aid. Because Gigi is highly motivated by her goal of attending college, she is successful in making sense of the application forms for admissions and financial assistance. Ultimately, she succeeds in getting admitted, but almost decides not to enroll in college.

“I didn't know if it would be OK to leave my mom. She relies on me for so much, and I want to [be there for her]. I *choose* to be there for her and my brother too.”

The all-too-common scenario for low-income students described above provides a context that supports emerging research on the complexities involved when Latinas attempt to attend college, navigate the financial aid process and deal with family situ-

ations that often pull students away from college and/or hinder the ability to complete forms in a satisfactory and timely fashion.

This policy brief is based on a qualitative study of eight, low-income, urban, pre-college Latinas in California—see Table I. Data for this study were collected using a narrative approach, guided by two questions:

1. What are the experiences of low-income, urban Latina students seeking financial aid to attend college?
2. Based on their efforts, experiences, and final choices in financial aid decision-making, what are the outcomes for this student population?

The study participants, as the storytellers, offered detailed accounts of their “student aid” stories during one-on-one interviews over a 10-month period as they made their college and financial aid decisions.

Many aspects of Latinas' college-going processes are similar to their peers representing other income levels. Similar to other students who aspire to attend college, some take the SAT, and others do not. All work toward completion of academic

requirements and college applications. All consider applying for scholarships and other forms of financial aid. However, Latinas face multiple issues such as serving as financial support agents for the family, navigating the citizenship process, and being pulled

away from college housing to live with family. These additional cultural pressures mark key differences between the experiences of low-income Latinas and those of middle- and upper-class peers.

Table 1. Basic information: Aid and admission study participants

| | Angel | Darling | Georgina | Gigi | Ruby | Sally | Joane | Yvette |
|--|--------------------------------|----------------------------------|--------------------------------|---------------------------|---|-----------------------|-------------------------------------|---|
| Nationality | Mexican | Mexican | Mexican | Mexican | Mexican | Mexican | Mexican | Honduran/ Salvadoran |
| High School | Vista | Vista | Vista | Esperanza | Vista | Vista | Vista | Esperanza |
| Citizenship Status | Citizen | Citizen | Citizen | Citizen* | Not Citizen | Citizen | Citizen* | Citizen |
| Number of siblings in home (out of home) | 2(1) | 1(2) | (5) | 2(1) | 1 | 2 | 4 | 2 |
| Highest level of parent's education | Grade school (in Mexico) | High school | Grade school (in Mexico) | Grade school (in Mexico) | Grade school (in Mexico) | High school | High school | High school (in El Salvador) |
| In home parents' current occupations | Mother-at home; Father-laborer | Mother-not working | Mother-factory worker | Mother-laundry supervisor | Mother-at home; Father-laborer | Mother-factory worker | Mother-at home; Father-laborer | Mother-house cleaner; Father-construction |
| Family income (approx.) | \$34,000 | Less than \$10,000** | \$6,700 | Less than \$10,000 | Less than \$25,000 | Less than \$15,000 | Less than \$20,000 | \$37,000 |
| Student income status: | No savings or job | Supports self 30+ hours per week | One day per week, not reported | Savings | Works 30+ hours per week. Pays family bills | No savings or job | Works as lifeguard 8 hours per week | Savings, no job |

*Gigi's parents and Joane's stepfather were undocumented immigrants at the time of this study.

**Darling's family did not report income or complete taxes during the time of this study.

Family issues and complications experienced in the financial aid process

Low-income Latinas' participation in postsecondary education is linked to family considerations such as debt, income, citizenship status, living accommodations, and health care. Further, research shows that the extent to which Latinas are able to work through financial aid processes—including FAFSA (Free Application for Federal Student Aid), the CSS profile (College Scholarship Service) and other required institutional processes—will likely determine whether these students receive aid and ultimately enroll in college. Previous research has addressed issues impacting low-income students and the financial aid process (Levine & Nidiffer, 1994; Millett & McKenzie, 1996) as well as Latino/as' college-going patterns and receipt of student aid (Excelencia in Education, 2005; Haro, Gonzalez & Rodriguez, 1994; Zarate & Gallimore, 2005). These studies have concluded that the impact of families' past and current living situations—rather than simply family income—merits more attention in student aid policy development and implementation (Choy, 2001; St. John, 2006; Venegas, 2005).

Family and familial obligations, as well as perceived and real financial responsibilities low-income Latinas hold within their families, are often more complicated when compared to the experiences of middle- and

high-income youth who are almost twice as likely to attend college (Kahlenberg, 2004). Latinas in this study held misperceptions about college costs, had little knowledge of state- and federal-level programs, and struggled through the financial aid process, with parents equally uninformed about student aid programs.

It is not unusual for low-income Latino families to lack experience with some of the most basic financial processes, including establishing checking and savings accounts, securing car loans, or applying for credit cards. It is little wonder that completing a 96-question FAFSA form and disclosing assets and liabilities may pose significant challenges. Parents' social security numbers, income information and some asset information are required to complete the FAFSA and other scholarship and school-based forms. Parents' e-mail addresses are necessary to fill out the FAFSA online.

Latinas experienced situations where their parents were unable or unwilling to provide their social security numbers to complete the FAFSA. Three families were hesitant to participate in the FAFSA application process because of their citizenship status. Ruby's family had entered the United States more than 15 years ago and had yet to complete the complicated and expensive citizenship process. Though the family was

formally seeking citizenship at the time of the study, family members were only at the point of initiating the process and therefore had an unclear understanding of what was involved. In their view, they could not risk having their undocumented status revealed. They chose—correctly so—not to apply for federal or state financial aid.

BY THE NUMBERS: LATINAS IN POSTSECONDARY EDUCATION— PREPARATION AND COMPLETION

By the age of 25:

- 35% of Latinas have not completed high school
- Less than 25% of Latinas have completed an associate's degree or some college
- Less than 9% of Latinas have completed a bachelor's degree
- Less than 2% of Latinas have completed a master's degree or higher

The only similar age group with lower rates of associate's degree and bachelor's degree completion are Latino males.

Latinas are about half as likely to earn bachelor's degrees as their White and Black female counterparts.

Source: Excelencia in Education, 2005; NCES, 2005

In Gigi's case, her opportunity to apply for financial aid was influenced by the fact that her mother (her only custodial parent) was not a citizen. Because Gigi was a U.S. born citizen, she qualified for financial assistance, but only learned of her eligibility at the financial aid information meeting she attended with her mother. Gigi carefully chose whom she could ask questions, and quietly made her way to the different sessions. She indicated that she found a few "people who 'looked' like you could ask a question to" making it easier to inquire about her situation. The eligibility of students experiencing similar circumstances was never discussed at the main financial aid meeting, either in English or Spanish.

Angel's immediate family who had recently undergone the process of becoming U.S. citizens, as well as other family members, were told to carefully guard their social security numbers. As a result, Angel's parents were particularly concerned about identity theft or loss of their social security cards, which they erroneously believed could impact their citizenship status. Consequently, parents were very reluctant to provide information online. Angel elaborates:

"My dad didn't want me to put our numbers online. That's part of why I wanted to do it [the FAFSA] on paper."

In other cases, families were reluctant to complete tax forms, or as a result of their low-income status, had never previously filed taxes. The need to provide tax information was poorly understood. Parents often lacked an understanding of the importance of tax information in applying for and receiving financial aid, making them hesitant to participate in the process. While students understood the need for information, they varied on their willingness and ability to guide their families through this complicated process. Darling shared the following:

"I told her [my mother] that I needed her tax information, but she is usually late in getting it together. So asking her for it sooner is really hard. She is my mother, so it's not like I can push her for it."

Individual student choices and family needs: The case of housing decisions

Half of the Latinas directly contributed to their families' housing expenses. Each Latina carefully considered the impact of attending college in relation to family expenses and housing. Ruby's family relied on income from her after-school jobs to help pay for rent and save toward a down payment on a new home. The decision to attend college would mean that she would have to pay tuition rather than contribute to her family's housing expenses. Her family would be adversely affected within one month of her first tuition payment. As a conflicted, undocumented, community college hopeful, another student decided it was to her family's advantage that she put off attending college for at least a semester, or perhaps a year. Ruby shared her dilemma:

"Right now, I need to figure out how to keep saving money for myself while also finding money for college. I have to do both things at once—and not get caught up in anything."

Though not contributing to her family's income, Georgina's emotional contribution to her family could not be ignored. Both the student and her mother lived in a single room and shared a bathroom in a relative's home. Georgina indicated that:

BY THE NUMBERS: COLLEGE HOUSING AND LATINOS

- Latinos are *more likely* to live with their parents.
- About 30% of Latinos live at home, compared to less than a quarter of all undergraduates.
- 33% of Latinos chose not to complete or attend college so that they could stay closer to their families.

Sources: *Excelencia in Education*, 2005; Pew Hispanic Center Report, 2004

“My mom does want me to move, but [at the same time] she doesn’t. It will cost a lot we both think, and I won’t have a car to come home and see her as much as I need to. I don’t know if I will be able to afford both things [the car and on-campus housing].”

After much consideration and a missed housing application deadline, Georgina chose to remain at home while attending college, adding a one-hour commute and transportation expenses to her financial aid need, but maintaining her connection with her mother. During her sophomore year, her desire to be close to her mother would affect her enrollment. When her mother decided to move to another state, Georgina once again felt that the best choice for her was to stay with her mother. Though she was admitted as a transfer student at another college, she was forced to sit out a year in order to attain financial aid eligibility.

Confusion and misperceptions about financial aid eligibility

Confusion about financial aid eligibility was common among Latinas in the study. Two study participants relied on misinformation that permeated their school cultures while completing financial aid forms. A key misperception held by Latinas was the belief that they might be ineligible for financial aid as a result of their parent’s income level. Joane and Yvette came from families of seven and five. Fam-

ily income for both students was less than \$35,000 per year. Unaware of the difference between net and gross income and the impact of these figures on estimated family contribution for financial aid (which for both students would equal zero), Yvette mistakenly thought her concerns about family income level had been confirmed when she did not receive any form of response after submitting her financial aid application. She did not realize that it was necessary to check her e-mail to ascertain the status of her financial aid application. Not until she received a letter from the University of California, to which she had committed, did she learn of her eligibility for financial aid. Yvette typifies how students can often overestimate family income:

“My parents [construction worker and housecleaner] both work, so they make too much money for financial aid ... I mean, we have a house to live in ... we all can live together with my sisters and my baby brother ...”

Similarly, for Joane, having her family live together in one home defined a “good” situation. Seven family members were all supported on her stepfather’s income as a shopping cart retriever and her mother’s short-lived, part-time employment as a receptionist. Even when her mother had to go on disability for complications related to diabetes early in the financial aid season, Joane continued to perceive her financial situation as quite good:

“The only problem is that my mom doesn’t feel well. We worry a lot about that. I won’t be able to work this summer because I’ll help with the babies, but that’s OK ...”

Joane’s optimistic beliefs enabled her to continue to put off applying for financial aid. Fortunately, although Joane submitted her financial aid forms almost two months late, she was still eligible to receive full aid to attend a community college using a Pell Grant.

BY THE NUMBERS: LATINO/AS, FAMILIES AND STUDENT AID

- 50.7% of Latino families who apply for student aid have federally estimated family contributions of \$0-\$1,000.
- About 60% of college-bound Latinos who applied for and received any type of student aid are female.
- 51.7% of parents of college-bound Latinos have a high school education or less.
- 43.3% of Latinos have a family size of 4 or larger.
- Latinas, on average, received less financial aid than their male counterparts (Latinos)—\$5,213 to \$5,743 respectively.

Sources: Excelencia in Education, 2005; NCES, 2005

POLICY IMPLICATIONS AND SOLUTIONS

1. In addition to the simplification of forms supported by the Advisory Committee on Student Financial Assistance and others, federal policymakers should consider creating policies that support accessing and sharing of information requested on the FAFSA form.

Many of the questions that were problematic for the students in the study were related to particular issues regarding tax filing, citizenship status, and income eligibility. Some of these questions, such as issues related to custodial and non-custodial parent information, how to report state and national residence, and other concerns could be addressed in a revised and expanded version of the FAFSA worksheets and pamphlets, using common language and descriptive charts. Much of this information already exists, though it is not easy to locate on the FAFSA Web site, and virtually impossible to locate in print unless one is a financial aid administrator. The FAFSA form should be shortened, but the amount of information about *how* to complete the form should be explained.

Plan of action:

- Simplify the terminology employed in the FAFSA
- Simplify/add explanations related to: single parent, foster care, and immigrant households
- Adequately train FAFSA hotline representatives to appropriately respond to the aforementioned issues in English and Spanish
- Add a timeline for the completion, processing, and acceptance of the FAFSA application

2. State policymakers should become more proactive in ensuring that state and federal financial aid information is widely accessible to students and families.

Current California statewide efforts to promote participation in programs such as “Cash for College,” (College Goal Sunday, nationally) and the Cal Grant state aid program were rarely recognized by students and parents. When these programs were mentioned in workshops, college counseling sessions, and class information sessions, parents were not in attendance. A coordinated effort to involve families may influence them to be more proactive in the financial aid process.

Plan of action:

- Expand College Goal Sunday (CGS) program locations nationally
- Collaborate with local unions or employment sites to provide FAFSA workshops
- Send state grant applications to homes in addition to providing them at school
- Publish state grant applications in English and Spanish
- Widely publicize the state grant application deadline and acceptance timeline

3. Postsecondary institutions should enact programs and policies that enable financial aid advisers to provide more one-on-one advising to address complex situations faced by many low-income families.

This action would serve two purposes. First, the stress and confusion related to applying for aid could be relieved if students and families are given clear answers to their most complicated questions. Second, by becoming more familiar with the complexity of situations faced by many low-income students and families, financial aid advisers might be able to provide students with better-suited aid packages. Issues that occur much later in the financial aid process such as FAFSA renewal and money management once in college could also be addressed using this strategy.

Plan of action:

Provide four separate weeks of financial aid counseling on-site for high school seniors at the following points in the financial aid process:

- Before financial aid applications are due (November-December)
- While financial aid applications are being submitted (January-March)
- During the aid application review time (March-April)
- During award reviews and acceptances (May-June)

Special thanks to: Nana Osei-Kofi, Laura Perna, Laura Rendón, Ed St. John, Estela Zarate, Adrianna Kezar, Kristen Renn, Margaret Sallee, and José Cabrales for their assistance with this brief.

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Suggested Citation:

Venegas, K. M. (2007). **Low-income urban Latinas' student aid decisions: The effect of family ties**. (ASHE/Lumina Policy Briefs and Critical Essays No. 1). Ames: Iowa State University, Department of Educational Leadership and Policy Studies.

ISSN 1938-7830 (print)
ISSN 1938-7946 (online)