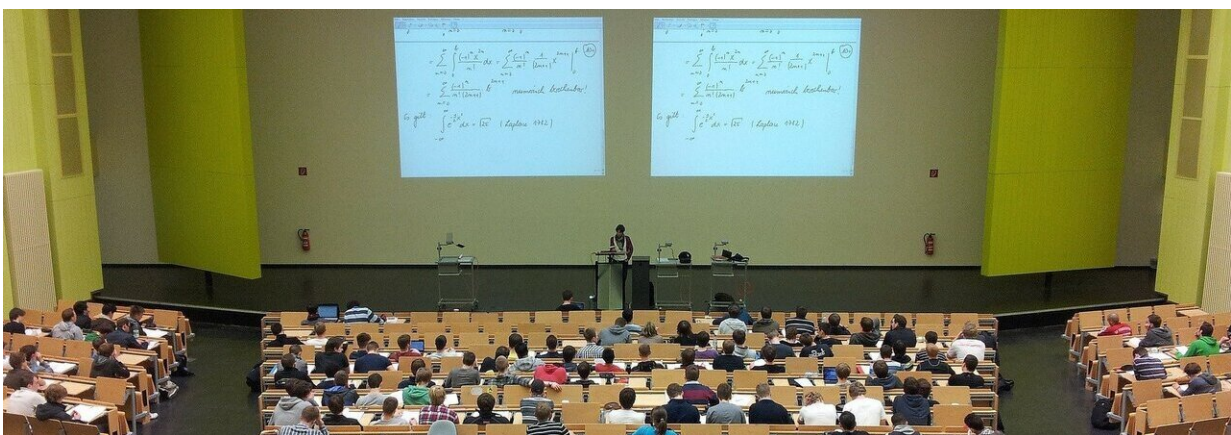


After COVID-19 hit, federal financial aid applications dropped sharply among first-year students

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After the COVID-19 crisis hit last March, federal student aid applications among potential college freshmen in California dropped 14 percent between mid-March and mid-August, relative to prior years. While there were also initial declines in applications among current undergraduates and graduate students, these quickly recovered and ended 8 percent higher relative to prior years. The findings, published today in *Educational Researcher*, a peer-reviewed journal of the American Educational Research Association, are from the first academic study conducted on this topic.

Using data from the California Student Aid Commission and the American Community Survey, study authors Oded Gurantz and Christopher Wielga, both at the University of Missouri, compared trends in the total volume and characteristics of submissions of the Free Application for Federal Student Aid (FAFSA) across California from mid-March through mid-August 2020, relative to three prior submission cycles, and analyzed individuals' background information to identify neighborhood income and ethnic characteristics.

The authors found a 21 percent decline in submissions among incoming first-year undergraduates with no prior college experience and a 7 percent decline among those with some prior experience. Increases in submissions among continuing students were directly tied to grade level, being the smallest for incoming sophomores (1.9 percent) and largest for students entering graduate programs (34.1 percent).

"COVID is tough and it makes sense that it may make potential first-year students feel they can't go to college, due to either overwhelming commitments or an understandable judgment that [online education](#) may not suit them in the short-term," said Gurantz, an assistant professor at the University of Missouri. "But we know that short-term stop-outs often harm long-term outcomes, and in the long run it's important that these students earn their degrees."

The authors noted that their findings parallel enrollment figures reported by the National Student Clearinghouse last fall that showed a decline in 2020 undergraduate enrollments nationally, and in California, driven by first-time students. The clearinghouse also found that the deepest enrollment drops were at two-year institutions—the type of institution chosen by most students who submitted FAFSAs during March through August in prior years, according to Gurantz.

When comparing neighborhood characteristics for FAFSA filers,

Gurantz and Wielga found a 5 percent drop in applications from zip codes in the top third in terms of percentage of Black and Hispanic residents. In contrast, neighborhoods in the middle third for Black and Hispanic residents saw applications rise 4 percent. Neighborhoods in the lowest third for Black and Hispanic residents saw applications rise 10 percent.

Gurantz and Wielga found similar results with year-over-year declines in low-income zip codes and increases in high-income zip codes.

"Our results paint a bleak portrait, suggesting that without immediate investments in outreach and support, traditionally underrepresented students will be less likely to attend college and more likely to take on debt," Gurantz said. "More outreach is needed to make sure that missing students find their way to college, and that current students who are struggling get the support they need."

"The turmoil and economic uncertainty of the pandemic are creating substantial barriers to college entry, and the trend in FAFSA applications is likely to exacerbate enrollment gaps by income, race, and ethnicity," said Gurantz.

According to the authors, states could help increase FAFSA submissions by improving their early outreach to students, providing reminders, and flagging students who have not submitted by a specific date. The authors also suggest the federal government could consider simplifying the FAFSA process, reducing the number of individuals who are asked to verify their income through additional documentation after they submit their applications, or simplifying the appeals process. Extending deadlines for FAFSA submissions and college applications could also help to facilitate greater access. In January, the Education Department issued guidance to [college](#) financial aid administrators encouraging them to exercise their professional judgment to adjust financial aid eligibility

based on a [student](#)'s special circumstances.

"Providing additional funding to community colleges, which are experiencing the largest downturns in enrollment, may also be necessary," Gurantz said. "These institutions will be central to promoting the kinds of programs and resources needed to ensure that more of these missing students are successful over the coming years, should they choose to return."

More information: Oded Gurantz et al, How Have FAFSA Submissions Differed During COVID-19?, *Educational Researcher* (2021). [DOI: 10.3102/0013189X21992059](https://doi.org/10.3102/0013189X21992059)

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