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College Costs and Influence of FAFSA Changes on **Student Behaviors:**

What are students, parents, and counselors saying?

Executive Summary

This report provides a summary of findings from national surveys of three groups: (1) college-bound high school students, (2) parents of college-bound high school students, and (3) high school guidance counselors. Each group was asked about students' college search, financial considerations, and how the timing change for the FAFSA—the availability of the application in October and families' use of prior-year tax data—may affect their applications and enrollment plans. You'll learn about the importance of financial aid when making enrollment decisions and the chief concerns students and parents have about a college education. Specific recommendations are provided for enrollment managers as they position themselves to support families in this changing environment.

On the following pages, you'll discover:

- Student, parent, and counselor awareness of FAFSA changes.
- How the FAFSA application timing may affect application and enrollment behaviors.
- How parents and students are planning to finance the student's education.
- What resources dominate the search for information regarding financial aid and FAFSA changes.
- The chief concerns students and parents have about a college education.
- What aspects of a college education students and parents value most.

Key findings include these:

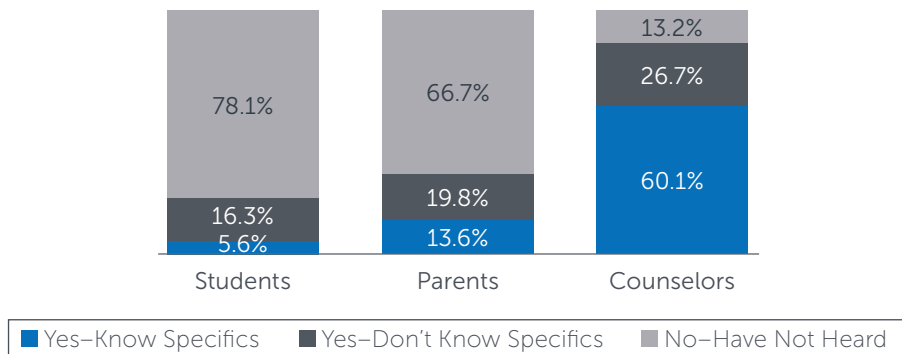
- › Less than one-quarter of students and about one-third of parents have heard the FAFSA would be available three months earlier than in previous years; the majority of counselors are aware of the change.
- › A notable percentage of students, parents, and counselors believe students will begin their college searches earlier, submit applications earlier, and make their enrollment decisions earlier as a result of the earlier access to the FAFSA.
- › The majority of parents and students indicated the student will apply for scholarships; while most students believe they will qualify for scholarships, less than half of the parents surveyed believe their child will qualify.
- › The majority of parents and students indicated the student will apply for financial aid, but less than half believe the student/family will qualify for aid. The majority of parents and students plan to complete the FAFSA.
- › Most parents and students reported they rely on college websites for information about financial aid, while most counselors rely on the FAFSA website. For information about the FAFSA application, specifically, all three audiences rely on the FAFSA website.
- › The primary concern for both parents and students is college costs. Concern about cost is greater for parents now than in 2012.
- › Parents and students are equally concerned about how much financial support they will receive and whether they can afford the student's first-choice school.
- › In terms of what they get for the cost of a college education, parents and students value successful job placement after college most.

Key Findings

1. The majority of parents and students plan to complete the FAFSA, but most do not know about the specific change to the timing of the FAFSA and the implementation of prior-prior year (PPY).

The majority of parents (87.6%) and students (79.9%) indicated they plan to complete the FAFSA. However, only a small percentage of parents of students who are affected by the changes (parents of current sophomores and juniors) and current high school sophomores and juniors (13.6% and 5.6%, respectively) indicated they know specific details of the FAFSA changes. A higher percentage of both parents and students (19.8% and 16.3%, respectively) had heard of the changes but did not know the specifics. Most counselors indicated they know the specific details regarding the changes (60.1%) or know about the changes, but not the specifics (26.7%).

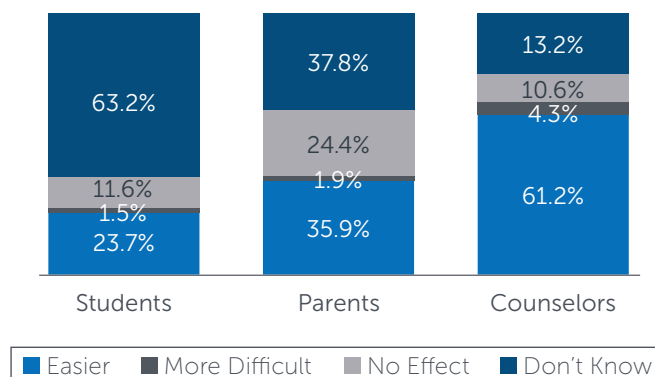
Aware of FAFSA Changes?



2. A significant number of students, parents, and counselors believe the FAFSA changes will affect students' application experiences and enrollment decisions.

Perhaps due to the timing of the surveys, many students and parents were uncertain of the effects of the FAFSA changes; however, the majority of counselors think the FAFSA changes will make the application process easier for students. Almost one-quarter of students and 36% of parents indicated the same.

Overall Effect of Change to the FAFSA



When asked if earlier access to the FAFSA will affect the timing of students' college searches, counselors and students were more likely than parents to indicate students would begin their college searches earlier.

Effect on Timing of Search	Student Percent	Parent Percent	Counselor Percent
Begin search earlier	28.9	20.2	36.4
Begin search later	0.5	0.4	0.6
No effect on timing of search	49.4	62.5	48.5
Don't know/Unsure	21.3	16.9	14.6

And again, when asked if earlier access to the FAFSA will affect the timing of students' applications, counselors and students were more likely than parents to indicate students would begin submitting applications earlier.

Effect on Timing of Application Submissions	Student Percent	Parent Percent	Counselor Percent
Start applying to schools earlier	34.4	28.1	41.2
Start applying to schools later	1.0	0.5	1.5
No effect on timing of applications	38.2	54.0	43.6
Don't know/Unsure	26.4	17.4	13.6

While a significant majority of students, parents, and counselors do not believe the FAFSA change will affect the number of applications a student submits, it is noteworthy that some believe students will apply to more schools.

Effect on Number of Applications Submitted	Student Percent	Parent Percent	Counselor Percent
Apply to more schools	16.7	10.7	12.9
Apply to fewer schools	1.8	1.1	3.4
No effect on number of applications	55.3	70.3	66.2
Don't know/Unsure	26.2	17.8	17.5

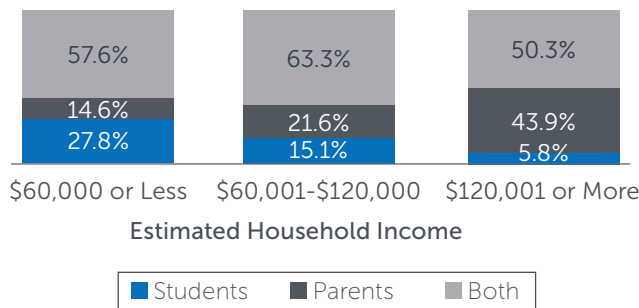
When asked if earlier access to the FAFSA will affect the timing of the student's enrollment decision, almost half of the counselors and more than one-quarter of the parents believe students would make their enrollment decisions earlier; 20% of the students indicated the same.

Effect on Timing of Enrollment Decision	Student Percent	Parent Percent	Counselor Percent
Make enrollment decision earlier	20.2	26.1	49.3
Make enrollment decision later	1.5	1.1	1.6
No effect on timing of enrollment decision	45.4	51.3	31.2
Don't know/Unsure	32.9	21.6	17.9

3. A higher percentage of parents than students think parents will cover all college costs.

Most students (58.4%) and almost half of the parents (48.9%) believe they will share the cost of the student’s education. More parents (44.5%) than students (26.7%) believe parents will be solely responsible for paying for the student’s education, and more students (14.8%) than parents (6.6%) believe students will be responsible for paying for the student’s education. The parents surveyed indicated that students from lower-income households are more likely to be solely responsible for paying for their education. The chart below shows breakdowns by household income.

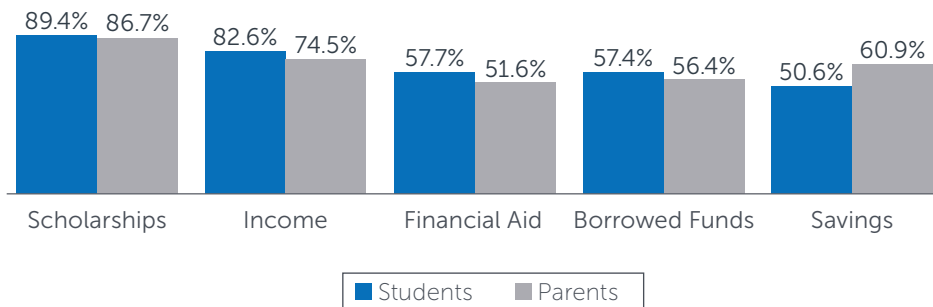
Who will pay for college?



4. Most parents and students believe students will receive scholarships.

When asked what sources of funding they will use to pay for the student’s education, the majority of parents and students believe scholarships will constitute some of the student’s college funds. While not as many, the majority of students and parents expect financial aid will constitute a portion of the student’s college costs.

While most parents and students surveyed indicated they planned to apply for financial aid—86.4% of parents and 80.2% of students—most (70.3% of parents and 57.1% of students) don’t think they will qualify for financial aid. Similarly, most parents and students plan to apply for scholarships (98.7% and 97.9%, respectively). However, the expectation for qualifying for scholarships is much higher than qualifying for financial aid; 71.9% of students and 42.9% of parents expect the student to qualify for scholarships.



5. College websites are a primary source of information for students, parents, and counselors when gathering information about financial aid.

When asked what sources of information they use to gather information about financial aid, most students and parents reported they are using college websites; other resources include counselors, letters/email from colleges, and the FAFSA website. Most counselors reported they use the FAFSA website, college websites, and colleges' financial aid officials.

Resources used for general financial aid information	Student Percent	Parent Percent	Counselor Percent
College/University websites	79.4	71.4	87.5
High school counselors	56.5	41.4	18.2
Letters/Emails sent to me from colleges/universities	53.2	32.9	N/A
FAFSA website	41.6	55.0	97.8
Other college-related websites	39.5	32.5	37.3
Financial aid officials at a college or university	20.9	27.6	83.2
State-supported websites	19.2	20.6	58.4
Letters/Emails sent to me about the FAFSA	13.6	8.0	N/A
Paid college or financial counselor	9.6	7.1	8.7
Phone calls to colleges/universities	7.7	7.9	43.8

In terms of resources used for FAFSA information, specifically, the vast majority of students, parents, and counselors are going directly to the source—the FAFSA website. Students are also using family members, and both parents and students are using high school counselors as a resource. For counselors, their peers (other counselors), financial aid information sessions, and college officials are top sources of information about the FAFSA.

Resources used for FAFSA information	Student Percent	Parent Percent	Counselor Percent
FAFSA website	87.2	90.7	97.2
High school counselor	61.8	45.2	72.2
Class/Information session on financial aid	23.9	30.5	64.5
Other college-related websites	26.7	30.0	31.2
Friends who have already completed it	30.8	26.8	N/A
College/University official	16.0	24.7	62.0
Other high school staff	22.5	13.8	22.1
Paid college or financial counselor	7.4	7.7	11.5

6. Cost is the greatest concern for both parents and students; parents' concerns about cost and their child's safety on campus have increased significantly since 2012.

Top concerns for parents and students are related to college costs (49.6% and 45.1%, respectively). A secondary concern for parents is whether the school where their child enrolls will be a good fit (17.4%); students' secondary concern is being admitted to their first-choice school (13.2%). Both parents and students are concerned about the amount of debt they may incur (13.3% and 11.9%, respectively).

When URP surveyed parents in 2012, one-quarter of parents indicated cost for their child to attend college was a primary concern. Three years later more than one-third of parents indicated the same. Parents' concern for their child's personal safety on campus has increased over 150% since 2012.

Ranked as Top Concern	Student Percent	Parent Percent
The cost of attending college	21.8	36.3
Whether the student will be admitted to first-choice school	13.2	8.7
The amount of debt student/family may incur	11.9	13.3
The amount of financial aid/scholarship the student will receive	11.4	NA
Whether the college where the student enrolls will be a good fit	9.5	17.4
Whether the student will be able to get a job after graduation	8.0	5.8
Whether the student will be successful in college	6.8	4.8
Whether the student will make friends in college	1.1	0.4
The student's personal safety on campus	0.5	9.8
The student's exposure to drugs and alcohol on campus	0.2	1.4

Ranked as Top Concern by Parents	2015 Percent	2012 Percent
The cost for child to attend college	36.3	25.0
Whether the college where child enrolls will be a good fit	17.4	13.9
The amount of debt family/child may incur	13.3	NA
Child's personal safety on campus	9.8	3.8
Whether child will be admitted to first-choice school	8.7	8.8
How much financial support will be provided	NA	10.6

When asked what specific financial concerns they have, most parents and students indicated they were concerned about how much financial support they will receive and whether they could afford the student's first-choice school. Many students also expressed concern about whether their grades and test scores would be sufficient to qualify for scholarships. It is noteworthy that more than one-quarter of parents and almost 37% of students indicated concerns about completing the required financial aid applications.

Financial concerns	Student Percent	Parent Percent
How much financial support the school will provide	79.3	79.0
Whether family can afford student's first-choice school	68.4	69.7
Whether student's grades and test scores will qualify for scholarships	69.9	59.4
Whether family will qualify for financial aid	61.1	52.3
Whether family can afford any college	41.0	36.8
Whether the cost of attendance will increase after student's enrollment	39.4	36.7
Completing the required financial aid applications	36.6	26.5

Students indicating they were concerned about completing the required financial aid applications were more likely to be first in their families to attend college, from low-income households, and students of color. Parents indicating concern about completing financial aid applications were more likely to have lower incomes and to be working with their first college-bound child.

Concerned about completing the required financial aid applications	Student Percent
First-generation	44.3
Non-first-generation	34.9
Low income (\$60,000 or less)	46.5
Middle income (\$60,001–\$120,000)	34.0
High income (\$120,001 or more)	26.1
African American	42.3
Asian	45.3
Hispanic/Latino	44.8
Caucasian	33.7

Concerned about completing the required financial aid applications	Parent Percent
First child in high school	30.1
Not first child in high school	19.1
Low income (\$60,000 or less)	43.2
Middle income (\$60,001–\$120,000)	26.3
High income (\$120,001 or more)	16.0

7. In terms of the college cost-value proposition, parents and students find the greatest value in successful job placement after college.

Parents and students were asked what they value most, given the price they are paying for the student’s education—that is, what characteristics and outcomes are worth the cost of attending college. The greatest number of both parents and students indicated they value successful job placement after college most, followed by excellence in teaching and a supportive environment where students can thrive. Parents value strong support services for students’ academic success and a safe and secure campus environment more than students do.

What is most valuable for the price paid	Student Percent	Parent Percent
Successful job placement after college	25.6	20.9
Excellence in teaching	19.7	19.7
Supportive environment where students can thrive	9.0	15.0
Successful graduate school placement after college	6.9	6.4
Modern, state-of-the-art classrooms, laboratories, and other academic resources	6.1	3.3
Strong support services for students’ academic success	5.7	9.3
National/International reputation	4.8	5.0
Internship opportunities	3.6	NA
Small class sizes	3.4	3.1
Tuition is “guaranteed” to remain the same all four years	3.2	3.4
Study abroad opportunities	2.3	NA
Safe and secure campus environment	2.1	9.1
Abundance of extracurricular activities	1.0	0.1
Religious affiliation	1.0	NA
Opportunity to play competitive sports	0.9	0.4
Modern, state-of-the-art residential, dining, and/or recreational facilities	0.8	0.3
Faculty mentors	0.5	1.4
Strong service culture	0.5	0.2
Strong institutional traditions	0.4	0.5
Supportive alumni network	0.1	0.2
Opportunity to play intramural/recreational sports	0.1	0.0

Recommendations

Students and parents share concerns about college costs and will also share the financial burden of a college education. Information about financial aid should be shared early and with both audiences. Parents and students are using college websites as a resource for information about financial aid, and college officials are encouraged to make information easily accessible and targeted to both prospective students and their parents. High school counselors are an important resource for students and parents, and colleges can support counselors in this role by providing necessary information on their institutional websites.

While the majority of students reported they plan to complete the FAFSA, few students who will be affected by the changes to the FAFSA know the specific details regarding the changes. Although most students are looking to the FAFSA website, family members, and high school counselors for information and assistance, college officials are encouraged to be proactive in sharing information about the changes. The same opportunity exists for counselors. In addition to information on the FAFSA website, high school counselors are relying on information sessions and college officials for information about the FAFSA. Targeted communications and information on your institutional website can enhance goodwill with counselors during this potentially challenging transition period for them.

While students and parents can speculate about how earlier access to the FAFSA may affect college search, application, and enrollment behaviors, the reality is we—and even they—will not know how their behavior will change until the application is available in October. Almost half of the counselors—professionals who have tremendous insight into student behavior—believe students will make their enrollment decisions earlier due to the change. And more than 40% believe students will begin college applications earlier. However, parents who have already shepherded a child through the process are more likely than parents who have not done so to indicate they don't think the change will make a difference in the timing of student behaviors. Whether the parents or the counselors are correct, college officials will benefit from being prepared.

About the study

Royall & Company's University Research Partners surveyed national samples of college-bound high school students, parents of college-bound high school students, and high school counselors between November 2015 and February 2016. The study investigated the chief concerns students and parents have about college, how families plan to fund the student's education, awareness of changes to the FAFSA, and how earlier access to the FAFSA may affect search, application, and enrollment behaviors.

Profiles of the participants follow.

Student Sample

- › Sample size: 2,615
- › 54% are high school seniors, 46% are juniors
- › 55% female, 45% male
- › 15% will be the first in their families to attend college
- › 33% from low-income (\$60,000 or less), 37% from middle-income (\$60,001 to \$120,000), 30% from high-income (\$120,001 or more) households
- › 75% Caucasian, 12% Hispanic/Latino, 10% Asian, 10% African American
- › 30% reside in the South, 27% in the Midwest, 25% in the West, 18% in the Northeast

Parent Sample

- › Sample size: 2,518
- › 58% have a high school senior, 45% a junior, 9% a sophomore, 11% a freshman; 22% have more than one child in high school at this time
- › 74% female, 26% male
- › 22% from low-income (\$60,000 or less), 36% from middle-income (\$60,001 to \$120,000), 42% from high-income (\$120,001 or more) households
- › 80% Caucasian, 10% Hispanic/Latino, 7% African American, 6% Asian
- › 35% reside in the South, 25% in the West, 21% in the Northeast, 19% in the Midwest

Counselor Sample

- › Sample size: 3,027
- › 97% counsel seniors, 93% juniors, 84% sophomores, 76% freshmen
- › 81% female, 19% male
- › 81% are from public high schools, 19% from private high schools
- › 31% have been a counselor for less than 5 years, 24% for 5-9 years, 22% for 10-15 years, 24% for more than 15 years
- › 28% have a counseling load of 40 students or fewer, 22% have 41-63 student load, 29% have 64-100 student load, 21% have more than 100 student load

For additional information about this study or other research on higher education, please contact Pamela Kiecker Royall, Ph.D., Head of Research, at pkiecker@royall.com or 800.899.7227.



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