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**The Financial Aid Grapevine: The Role of Social Capital in Undergraduates'  
Experiences with College Cost\***

**or**

**“I Heard about It through a Friend”: The Role of Social Capital in  
Undergraduates' Experiences with Financial Aid and College Cost**

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## **“I Heard about It through a Friend”: The Role of Social Capital in Undergraduates’ Experiences with Financial Aid and College Cost**

### **ABSTRACT**

Using a social capital framework, this study examines the role of others in helping and hindering undergraduates’ understandings of college cost and financial aid and their ability to finance college. Based on interviews and focus groups with 82 black, Latina/o and white undergraduates at a large, public university, the authors reveal how students perceived friends, family, school administrators, counselors, the university, and the federal government as impacting their college financing. In general, students identified individual caring administrators or peers as facilitators and the university or federal government as roadblocks. Some students shared the information they learned to ease their peers’ future efforts to gain accurate information about college financing. The roadblocks students experienced reveal breakdowns in the networks that serve as resources for students and illustrate how social capital gained through some scholarship programs can limit the extent to which students seek out additional opportunities, which can be problematic when their governmental sources are reduced or eliminated. This research illustrates the positive and negative consequences of social capital.

## **“I Heard about It through a Friend”: The Role of Social Capital in Undergraduates’ Experiences with Financial Aid and College Cost**

Costs associated with attending colleges and universities are rising in the United States, even at public universities. Federal funding in the form of financial aid has not kept up with rises in tuition (College Board, 2007a). These factors make accurate knowledge of financial aid all the more important. This knowledge about financial aid is lacking for many students, particularly for first-generation college students whose parents are unable to guide them through this process (Horn, Chen, and Chapman, 2003; McDonough and Calderone, 2006; Tierney and Venegas, 2006). If students and their families do not possess such information themselves, members of students’ social networks may possess this knowledge. Research shows that social networks play important roles in helping students gain access to college and persist in college (e.g., Ceja, 2006; Tierney and Venegas, 2006). This would suggest that these same social networks also are important resources for helping students understand college cost and their ability to finance college. This paper investigates this claim. Through the use of interview data, we uncover positive and negative consequences of social capital: social networks both help and hinder students’ ability to understand college cost and pay for college.

### **Research on Financial Aid**

The price of college has steadily increased since the 1980s (College Board, 2007a). During the 1987-88 school year, the average costs of tuition, fees, room and board at a four-year public institution was \$4,199; twenty years later, the price has risen to \$13,589. More recently, in one school year, from 2006-2007 to 2007-2008, in-state tuition and fees increased 6.6 percent (College Board, 2007a). Families have taken note of increases in college pricing. Between 1970 and 1992, the price of a four-year public institution has gone from taking 10 percent of a middle-income family’s income to 18 percent (Mumper, 1996).

After the passage of the Higher Education Act of 1965, the federal government created programs to provide financial aid to college students (NCES, 2000). One such program, the Pell Grant, was created in 1972 to help low income families afford college (Mumper, 1996). Although the number of students receiving this grant and the grant's total expenditure has persistently increased, the maximum Pell Grant award has decreased in terms of percentage of tuition and fees and room and board covered (College Board, 2007b). With such federal programs decreasing and the cost of college increasing, families are increasingly dependent on loans to finance their children's educational needs. Student borrowing has continually increased for all students regardless of family income (College Board, 2007b). As college pricing goes up and the availability of financial aid (especially the availability of grants) goes down, college enrollment decreases; this pattern is particularly strong for low-income students (Heller, 1997, 1999).

Receiving financial aid is important for the persistence of college students (Paulsen and St. John, 1997; St. John, 1991; St. John, Paulsen and Starkey, 1996). Even more so, students' perception of financial factors (including both college pricing and financial aid) plays a role in their college choice and their persistence thereafter. Paulsen and St. John put forth the financial nexus theory which proposes that students' cost awareness can affect their persistence decisions. They argue that students weigh the costs and benefits of financial factors prior to and during their college matriculation process and make enrollment and re-enrollment decisions accordingly (Paulsen and St. John, 1997; Paulsen and St. John, 2002; St. John, Paulsen and Starkey 1996). A main factor that keeps low-income students from enrolling in college is a lack of information about and a perceived lack of financial aid (Flint, 1993; St. John, 2003). The process of applying for financial aid is a maze for many students, particularly for first-generation college students.

The rising cost of college and the relative decrease in many sources of financial aid combined with a lack of information compounds the difficulties many students experience. Counselors are an important resource to high school students who apply for financial aid, but their influence is often limited by multiple factors including institutional sources and “student passivity” (McDonough and Calderone, 2006:1709). Although there have been many studies regarding the impact of demographic and background factors on financial aid, college choice, and persistence decisions (e.g., St. John, 1991; St. John and Asker, 2001), we know little about the sources from whom and the processes by which students gain information about financial aid and college cost.

### **Research on Social Capital**

Social networks—the relationships that students build with friends, family, counselors, and other individuals—have the potential to help students make it to and through college. The theory of social capital is based on the belief that membership in social networks is valuable. More specifically, social capital refers to the actual or potential resources or social goods available from the social ties between individuals or between individuals and social structures (Bourdieu, 1986; Coleman, 1988; Portes, 1998; Putnam, 2000). Social capital has many benefits; for example, social capital can be activated and converted into economic resources and cultural capital (Bourdieu, 1986; Portes, 1998) and has the potential to provide information (Coleman, 1988). However, social capital also has a downside. Portes (1998:15) discusses four negative consequences of social capital: “exclusion of outsiders, excess claims on group members, restrictions on individual freedoms, and downward leveling norms.” In addition, social capital is not distributed evenly among the population and can contribute to inequalities. Bourdieu (1986), for example, implies that social capital reproduces class distinctions and

inequalities. Financial aid is intended to reduce such distinctions and inequalities. Using social capital as a framework allows us to examine the role of social network ties on information about financial aid and college cost.

Social capital has been shown to impact many educational processes and outcomes. Researchers have used social capital to examine the role of supportive relationships in facilitating access to and persistence at college (Ceja, 2006; Farmer-Hinton and Adams, 2006; Perna and Titus, 2005; Palmer and Gasman, 2008; Smith, 2007; Tierney and Venegas, 2006). This research finds that relationships with peers, older siblings, other family members, and school officials can be crucial in helping students gain access to and succeed in college. Ceja (2006), for example, finds that in the absence of parents' knowledge about the college choice process, Chicana high school seniors found themselves learning about the process from older siblings, who already experienced the college choice process, or learning about it on their own.

Although research has established the importance of students' social networks in making decisions about college, little research has examined their role in paying for college and understanding the financial aid process which are essential to college access and persistence. In fact, only two studies focus on the role of significant others in helping students understand financial aid (Luna De La Rosa, 2006; Tierney and Venegas, 2006). Using survey results from students in Los Angeles high schools, Luna De La Rosa (2006) finds that students received financial aid information primarily from teachers, counselors and coaches; college representatives, family members, friends, and the internet were other common sources. The other study on this topic found that being a peer counselor helps shift students' identities to that of a "college goer" and provides them with a network of support through a "fictive kin" group (Tierney and Venegas, 2006). Although these studies are important first steps in understanding

the role of significant others in helping students understand financial aid, they are focused only on the college application time period (i.e. high school) and they are limited in either providing only numerical information about the sources of information, rather than the process, (Luna De La Rosa, 2006) or to students in a peer counseling program (Tierney and Venegas, 2006).

In this paper, we focus on how undergraduates describe the role of others in the financial aid process using social capital theory as a theoretical framework. Using interview data from a diverse group of students from a large, public, four-year university, we investigate patterns in the individuals and institutions that students describe as helping and hindering their ability to understand the cost and college and pay for college and how they discuss these experiences.

### **Research Design, Data Collection, Data Analysis, and Sample**

The project on which this paper is based uses a multi-methodological approach aimed at better understanding students' friendships and their experiences within academic and social life on a large, predominantly-white campus. Data come from 68 individual interviews and 4 focus group interviews conducted with a racially-diverse group of undergraduate men and women at a public, Midwestern university. In the interviews, respondents were asked about many topics regarding their friendships and academics including: their decision to attend college, in general, and this university, in particular; their perceptions of their college experiences (including academic and social life); their friends' involvement in their academic, intellectual, and social life; how their participation in student groups/organizations influenced their friendships and academics; and their future goals. Before the interviews, participants completed background information sheets, which ask for demographic and attitudinal data. These data are part of a larger study on students' academic and social experiences that includes ethnographic observations and ego-centric network data on friendship ties.

The site for this study is Midwest University (hereafter referred to as MU), a large, public, Carnegie Foundation Doctoral/Research University - Extensive. The student body is predominantly white; the entering class of 2004 was approximately 85% white, 6% black, 2.5% Latino/a, 3% Asian-American, and 4-5% other. MU enrolls approximately 30,000 undergraduates and has a vibrant undergraduate social life, yet is characterized as “selective” in its undergraduate admissions with many graduate/professional programs ranked in the top tier. This site was chosen because large state universities, such as this one, educate the majority of black, Latino, and white students enrolled in higher education in the U.S. (NCES, 2005).

To increase variation with respect to students’ gender and racial identities and among students’ relation to social and academic aspects of college life, participants were recruited through theoretical sampling of various sites on campus, including (1) academic clubs, (2) identity-based groups for women students and students of color, (3) dormitories, residential living-learning centers, non-residential learning communities, (4) Greek organizations, including “mainstream” (traditionally-white), historically-black, Latino/a, and multicultural sororities and fraternities, and (5) students who are not members of any of these clubs or organizations. Snowball sampling also was used to purposively sample from the student population. The interviews were conducted by the first author, a young white woman, and were recorded and transcribed verbatim. The interviews lasted approximately two hours and were conducted at the participants’ choice of location, typically the university library, the respondents’ dorm or house, or the researcher’s office on campus. All names used in this paper, for individuals as well as organizations, are pseudonyms. Quotations presented in this paper have been edited for clarity.

A grounded theory approach was used to generate the themes presented in this paper. This project was not designed to focus on financial aid, but on students’ friendships, academics,

and social experiences. The broad focus of the interview design enabled students to discuss issues that were salient to them outside of those initiated by the interviewer. Although it is possible that students may not mention financial aid issues unless specifically asked about it, it seems unlikely that they would do so if the issue was important to them given the semi-structured design of the interview. Students initiated topics often during the interviews. Furthermore, the collaborative and peer-initiated nature of these discussions and shared stories retold for the researcher suggest that focusing on these topics did not seem unusual to students. The topic is “stressful,” however, as students note in the interview excerpts to follow. Although finances can be perceived to be a personal matter, financial aid did not appear to be an issue students were shy or reticent to discuss. Approximately two-thirds of participants initiated discussions of college cost or financial aid during our interview.

Most of the discussion of financial aid and college cost was at the beginning and ending of the interview. The first questions asked dealt with how participants decided to attend college in general and MU in particular. Students frequently mentioned financial constraints in and benefits to their decision. Students also mentioned college cost frequently towards the end of the interview when asked about the biggest obstacles in achieving what they would like academically and socially and what has been most helpful to them academically and socially. Atlas.ti, a computer-assisted qualitative data analysis software package, was used to facilitate coding of all discussions of financial aid and college cost and the creation of analytic memos. Through a grounded theory analysis of student transcripts, including coding and memoing about students’ discussions of college cost, we identified the conceptual theme of social capital.

The sample includes 82 individuals (68 in individual interviews, and 14 additional students in 4 focus groups). The average age of the sample is 20 and includes relatively even

distributions of students by college year (first through fifth year students). Half of the students are first-generation college students, as determined by their parents' levels of education.

Approximately one-fourth of the students self-reported that their families were upper class, 44 percent were middle-class, and 29 percent were lower class. Whites compose half the sample (49%); blacks (28%), Latina/os (18%) and Asians and Indians (5%) make up the other half.

## **Results and Discussion**

How does social capital benefit and hinder college students' understandings of financial aid and ability to afford college? Who are the individuals and institutions responsible for serving either as a helping hand or as a roadblock? Results suggest that many students struggle to gain the necessary knowledge to understand how much college costs and how to go about acquiring the resources to pay for college (Tierney and Venegas, 2006); this is true even for students who enroll at a four-year university. Parents also may lack an accurate understanding of the process (Luna De La Rosa, 2006), as Angela, a black senior, explains:

I know some of these students in Team Up [a scholarship program for first-generation students], their parents didn't save money for them to go to college, and my parents didn't save money for me to go to college...When your parents have never been to college, they don't know what it's like. They don't know how much college costs. They don't know what it's like to go to college. So, most of the time the responsibility's on that student to figure out how they're going to get into college.

Many students rely on family, friends and high school counselors to help them understand the cost of college and to supply them with information on programs at MU, such as Team Up, that could provide them with financial aid assistance. Once students become members of these programs, they receive several benefits of the organization, including financial aid assistance. Some go on to pass on this information to their peers. But the social capital they gain through

these programs may also hurt students as they become dependent on the organization and the benefits that come with membership.

### ***Positive Consequences of Social Capital: Sharing Information***

The most frequent way that social capital was discussed in reference to college cost and financial aid was in terms of how others helped students understand the financial aid process and afford college. Black, Latino, and white students discussed counselors and programs in high schools that provided important resources for them and their families when making financial decisions related to college; however, specific individuals who provided key advice and resources were more often the focus of students' reflections than were institutionalized sources.

As the earlier quote from Angela suggested, the first-generation status of many of these students (50% of those in the sample) leaves them dependent on others to fill in the college process information gap. High school counselors are responsible for sharing a wide range of college-related information to their students, so it is no surprise that several students reported their high school counselors as being one of the first sources of information. Counselors played a mediating role in transmitting knowledge concerning the benefits provided by several programs for first-generation students and students of color at MU. Margaret, a black senior, describes how she found out about one such program, Team Up:

I had already applied for MU and then my counselor gave me the information for Team Up and I was like, "Well maybe." I'd already applied to come here... Once I filled out the application for Team Up and I was accepted, I just said, "Well, hey, they're going to help pay for some of my college."

Students heard about financial assistance through friends as often as they did from high school counselors. Friends are often able to point students to the programs that can offer them financial assistance. These friends, in many cases, were able to help because they themselves had experienced the process first hand. Valerie, a black first-year

student, found out about the Successful Scholars program through a friend who encouraged her to apply:

I heard about it through a friend who actually applied; he went to my high school, and he applied for it. He was like, “Yeah, you've got to apply for it!” It was real late [close to the deadline]...I applied for it and I got it.

Students often rely on friends within their networks to supply them with beneficial information.

In cases such as these, friends become more than just friends, they become resources.

Friends can also become mentors by leading by example. John, a fifth-year senior from a “poor or working-class” background, describes how a friend helped him understand that he could attend college and how he could afford it:

I wasn't really brought up to think, go to college or something. But I had a friend who was applying for schools and stuff, and me and him were really, really, really close. Me and his family were really close. He applied to schools. We had the same classes and stuff. My grades were okay. So, I applied for the same. To me it was just like, I just did what he did and I got accepted to schools. And then once I got to be a senior, it just became that much more of a reality. Like, this could really happen. Maybe I could really go to college! Before then, I was just like, naw, not me. I had thought about post-high school, but I didn't think college. It really was just a friend. The fact that I could get in school and my mom would not have pay, that helped a lot.

John's friend served as a role model for him as he followed his friends' actions and re-envisioned his future path to include college. John's perceptions were changed by the model of one friend.

Students' social networks, including peers and friends, can be powerful forces in shaping educational aspirations and financial considerations.

Students' home communities and families can also be important sources of information regarding college cost and financial aid. The value of social networks in students' home communities includes not only strong ties, such as immediate family members, but also weak ties or individuals outside students' immediate circle. Richard, a black senior, encountered a member of his social network from his home community who provided a range of information

that helped him pay for college. This man attended the same church as Richard's family and once he found out that Richard was planning to attend MU, he began talking with him about financing college. Richard explains:

He actually set me up with the job [at a university program]... He helped me get a job. Most of the organizations that I've looked at and things that I do, he suggested... He's like, "Well, yeah, you should look into this and apply." I was like, "Ok, that sounds good," and I ended up getting like \$4000 for each year for the rest of the time I'm here... Yeah, he's opened a lot of doors for me on campus. Just talking to him is really good for me.

Social networks often extend beyond counselors and friends. Members of the community, weak ties, can serve as social capital, supplying vital new information to students.

After students learn about the financial assistance available through MU's scholarship programs from counselors, friends and community members, they seek membership within these groups to receive the needed help. Once in, they begin to utilize this new source of capital in order to obtain the benefits that come with membership in the particular network, as Jason, a Latino senior, explains:

I don't have money. There's nothing I can do. [But] the Team Up program gave me that money that I needed, like the financial need [determined from the FAFSA]. They got it for me, which should have been done, but wasn't done. They went ahead and did it for me. Like they made sure I got the money and everything. They said, "All you got to do [is] fill them [loan forms] out [they are] subsidized, you don't have to worry about paying it back until you graduate." And I'm like, "Ok!" The first person who really tried to help me was the Team Up program and those people in it. That's how I ended up going to college.

Jason was able to obtain financial assistance by participating in the Team Up program. He credits the organization as a whole as key to his ability to pay for college. Jason detailed how the Team Up program got him to college when he expected to be "going to the military or I was going to sell drugs." When he started looking at attending college, he understood he was on his own financially as he knew, "I wouldn't be getting assistance from my mom." He talked to the

guidance counselor at his high school and “Filled out my FAFSA, [but] something happened to it. It ended up [that] I got no money at all. I had a financial need of like thirteen thousand dollars - pretty much the whole price of college.” Jason saw the Team Up program as “an opportunity. It might be my only way. And as it came out, it was my only way.”

Other students identify specific individuals who were able to help them because of their group membership. For example, Ana describes how a caring administrator within the Team Up program helped her find money for college and understand the complicated financial aid process when she felt lost and overwhelmed:

I had to come up with this money. I spent a whole two months stressing over it [and] trying to make sure my bills were paid. I was terrified! I had to get a job. That’s how I landed up with my second job. I have two jobs... I applied for other loans and they told me I didn’t get them. So I finally went and talked to my Team Up advisor, and she helped me, and she got me some more money and stuff, which was really great.

Like many students, Ana initially tried to navigate the financial aspects of college on her own; however, she found this path filled with stress and uncertainty. Serendipitously, she decided to turn to her advisor from the Team Up program who served as an important source of financial information and aid for Ana.

Caring individuals in other programs also made a difference in the experiences of individual college students. Keisha, a black woman who entered college with a new baby and little money, explains:

I really have one very big mentor to me. She is over this program called Teach Troop. It’s for multi-cultural diversity and they help with scholarships... Everybody had applied already for the year, and she wanted to talk to me personally. She let me have a personal interview and everything! I had missed every deadline that there was! She talked to me and she was just like, “There’s just something about you.” She said, “I see you have a lot of situations and it’s hard, but I’m going to take a risk on you.” She said, “I’m going to get you this scholarship money and I’m going to get you in the program.” She was like, “I know that it’s going to help you and that you’re going to do good.”

Through Keisha's membership in Teach Troop, her mentor was able to offer financial, emotional, and academic support. As Valenzuela (1999) has found, the importance of a caring environment and of caring individuals can not be underestimated given the educational climate for students of color.

Through their social networks, students are able to receive significant information about their financial options at MU. Students activate the resources available in their networks and convert this social capital into economic resources to pay for college. Their counselors, friends, and community members are able to relay information about financing college, particularly through scholarship programs.

Once they become members of the group, some students choose to share the information they have learned with others to ease students' future efforts to gain accurate information about college cost and financial aid. Above, students provided examples of how they were able to learn about MU's scholarship programs from friends who decided to help them. Through the use of their social networks students are able to pass on valuable information.

Students discussed older siblings of friends as good sources of information on financial aid. In turn, students discussed the importance of talking with younger family members about college financial issues so they can learn from their mistakes. Keisha, for example, explained:

I talk to my sister about it a lot because she's getting ready to graduate [from high school] in a year. I can share so many things with her - so many experiences that I think will help her a lot... You can tell someone, make it easier for them... I share with her just financially what school is like. Dealing with financial aid and paying for classes and for books. There's been times when I've had financial aid and there's been times where I didn't get it because I had a bill, so I had to work and pay it off and then re-apply. All the applications [and] the paper work - I share with her all the things that I've learned to do from trial and error.

Similar to telling a younger sister, some youth shared the information with younger peers in their home communities. During a break between academic semesters, Ana, a Latina

sophomore, returned to her high school to talk to and encourage youth from her community to attend college through Team Up:

I go back [home] and I visit [the high school], and they [students at the school] are like, “How’d you get to MU? Why’d you choose MU?” And I’m like, “I went to Team Up. Go to Team Up! Go back to your counselor.” I’m like, “It’s not hard! You fill out an application and your financial papers. That’s all you do! Your summer’s paid; they pay your summer [tuition, room and board]. Then, your freshman year, they give you money because you came to Team Up.” I’m like, “It’s great. Then sophomore year, yeah, you’re on your own more or less, but you’ve got a head start on it. You’ve already got a year and half behind you...There’s money out there. Don’t be discouraged.”

In her retelling the story, Ana illustrates how she shares practical and concrete financial information with younger peers about how they can afford to attend college. She relates both some pros and cons of the scholarship program and answers questions that these high school students have about the process. She serves as a role model and a source of information for youth from her high school in a low-income, predominantly black and Latino community.

In addition to informal discussions, several students described formal presentations by older peers in their high schools as instrumental to alerting them to the opportunities available from scholarship programs such as Team Up. For example, Justin, a white senior, explains:

They came to my high school and they told us about the program, about how it was free for a whole summer and you got credit for courses and they also were going to provide financial aid your freshman year. So, I thought, Hell, why not?...I’m definitely going to go where the opportunities are.

Through Team Up, students can choose to participate in formal mentoring of their younger peers.

For example, Natalie, a white senior, advises high school students, as Ana did, but in a more structured way. Natalie explains the mentoring and why she feels it is important:

After my freshman year, I just felt like, how can I give back to this program [Team Up]...So, we put on programs for freshman! We went and talked to them during the summer...It was stuff that just makes it all worthwhile because I feel like that’s, oh gosh, the most important thing that’s gotten me through money wise, help wise, tutor wise, and it was a safe place to go during my college career. Yeah, I feel like I owe a lot to them.

These students emphasize the importance of sharing the information they have about college cost and financial aid with others. Because students do not want others to struggle as they did, they communicate the advantages that come along with group membership. The benefits of social capital are evident. But what is not so clear is how social capital can hurt these students

### ***Negative Consequences of Social Capital: Blockages in the Flow of Information***

While black, Latina/o and white students all named specific individuals who helped them understand college cost or pay for college, white students did not discuss others as hindering their ability to understand college cost or pay for college. In contrast, over one-quarter of students of color (28%) discussed such barriers. The form that these barriers took also differed from that described in the previous section. Although students of color occasionally named individuals who impeded their ability to pay for college, they were much more likely to name the university, its bureaucracy, and the federal government as barriers. These barriers illustrate the downside of social capital through revealing breakdowns in the networks that serve as resources for students and illustrating how the social capital that students gain through their participation in scholarship programs can limit the extent to which they seek out additional opportunities. While the latter is not always problematic, it can be when the governmental sources of these programs are reduced or eliminated.

Some students undergo situations in which members of their social network are unable to offer the assistance in which they were depending on. Mya, a black senior, suffered a breakdown in her network when her mom left the state:

Then my mom moved out of town, like moved down south with the rest of our family. That's when the financial problems started kicking in because she, by her moving away, made me [an] out-of-state student because I was filed under her taxes [as a dependent].

Because her mom left the state, Mya was forced into having to pay out-of-state tuition. Her financial woes were the result of a change in her ability to turn social capital into economic capital. In this particular instance, Mya's ability to afford college depended on her mother to continue to reside in state, granting her the financial benefits that came with being a resident of the state.

Another breakdown in students' social capital occurred when the university, as an institution, was perceived to hinder their ability to pay for college and to understand the financial aid process. Chris, a black sophomore, explains:

I just have a problem with MU all together. I just think MU is very money hungry. It's *crazy!* They charge you money for *everything*. ... It's okay to be two or three weeks late with *my* refund check but if I'm late, you charge me with a late fee. And y'all only reason for being late is, "Well, we haven't got to it yet." I mean, Well, *get* to it... I understand there are a lot of people out here that go to the school, but...

This idea of MU being "money hungry" and uncaring was discussed frequently during the interviews, focus groups, and ethnographic observations done for this project. Students perceived that the university makes decisions based on increasing profits rather than helping students graduate. They perceive these decisions as particularly hurting students of color, who graduate at lower rates than white students at MU (Carey, 2008). During a focus group with six black students, students raised the issue of MU caring more about profits than students:

*Rachel:* Most colleges are concerned about graduating students and making sure they have money to stay in school. But, here at MU...they're mostly concerned about—

*Aaliyah:* Oh, how can they up tuition this year?!

*Oba:* They just make it stressful.

*Rachel:* It's just ridiculous!

Students view financial aid information as difficult to understand and the university as unresponsive to their individual situations and concerns. They feel that the university, unfortunately, blocks rather than facilitates their ability to understand financial information and to figure out how they will pay for college.

During the interviews and focus groups, students provided many examples of the universities' actions and inactions that made it more difficult for them to afford college and manage the maze of financial aid requirements and paperwork. Aaliyah, a black sophomore, describes a recent challenge navigating this maze:

I was not fully registered in my classes... [and] I didn't go to class for two weeks because I didn't know what was going on. I was just seeing this three thousand dollar deal [on her bill from MU] and I'm like, "Man, school just came back, why do I got a bill that's three thousand dollars?" And they [the Bursar] said that you can't register until you pay these bills...I go talk to a financial advisor and they tell me that all I owe is ninety-two dollars. (*laughing*) They would not let me register until I paid that ninety-two dollars! Now, that is crazy! That is literally—that is crazy...This is stressful talking about this.

Difficulties penetrating through the bureaucracy of financial aid plagued many students, even those who had secured sufficient financial aid. Chris provides another example:

Like with my girlfriend, all they [the university] got to do is download her grant information and they didn't do it... We [are] caught in the middle. They [say], "I don't know. It's not showing up." But we called the people that actually gave her the grants [and] they said, "We sent them out." ... They called her back, "Well MU just didn't download the grants" (*sighs*). What are you doing? It's crazy!

As the examples provided by Alliyah and Chris demonstrate, the bureaucratic system that the school worked under was often experienced as a burden. Students struggled against the university and its bureaucracy to figure out how much they owed for college and how they would pay for it.

Because students are responsible for payments made to MU, they depend heavily on the financial help of their respective scholarship programs. But programs are not always able to

assist them financially year-to-year because these particular programs depend on government funding for assistance. In this particular situation, reliance on the social capital acquired through their group membership can hurt. If money is no longer available within their program, students are left with few other financial options. Angela, a black senior, describes a recent change to one of the scholarship programs that she participates in:

After everyone graduates that's in Teach Troop right now, then Teach Troop will be no more because before it was funded by the [federal] government. We got money from the government for Teach Troop, but now the College of Education is paying for our scholarships because the Bush Administration doesn't support Teach Troop and doesn't think that it's a good program. So our money was cut... It'll die out, which really sucks!

Angela goes on to express frustration with the lack of funding available for Teach Troop. She states that funding has been decreased in the past. This type of sentiment with government policy was expressed by other students as well. They pointed fingers at the government, specifically the George W. Bush Administration, for cutting other sources of financial aid as well, including Pell Grants and other scholarship programs that were once available for students of color.

Social capital theory tends to focus on the more positive aspects of social life. But as shown here, reliance on networks can have negative consequences as well. If one is heavily dependent on his or her network and the benefits that are byproducts of membership, the ability to seek help outside of the particular group is inhibited. Once funding is cut, students must scramble to try to secure funding elsewhere.

## **Conclusion**

Social capital allows students to obtain a great deal of information regarding college. Through the use of their networks, details regarding the financial aid process are shared and students learn ways to secure money to further their education. With the cost of college continually increasing, students and their families are constantly searching for ways to afford

higher education. Many students within our study were unaware of all of the financial options available to them. We sought to understand how students activate their social capital in order to navigate the financial aid process.

Counselors, friends and community members within students' networks were able to serve as guides in this process and point students to programs at MU that could provide funding to them. Once they become members of these new networks at MU, they reap the benefit of group membership in the form of financial assistance. Once students secure membership, some students take on the role of the helping other and pass on the same information that helped them pay for college. Students do this by speaking to those within their networks, college hopefuls in their community back home and visiting high schools.

But dependency on group membership can create problems. Those that students depend on are not always to provide the help that they were expecting. Students identified the school as an institution, its employees and bureaucracy, and the George W. Bush administration as obstacles in securing funding. Because students depend on their group to fund their education, once the group can no longer continue to offer financial aid, students must scramble to find other sources of money, which may or may not be available.

Research tends to focus on the positive consequences of social capital and often overlook its negative consequences (Portes, 1998). We add to the theoretical literature by highlighting not only positive but also negative aspects of social capital for students' ability to understand college cost and pay for college. This study compliments other research that highlights the importance of social capital for facilitating educational success (e.g., Ceja, 2006; Tierney and Venegas, 2006). We supplement this literature by exploring a wide range of social capital sources (e.g., friends, counselors, social structures) and in doing so for a crucial, yet underexplored, factor

facilitating school persistence - securing adequate funding for college (Paulsen and St. John, 1997; St. John, 1991; St. John, Paulsen and Starkey, 1996).

In addition, we focus on two aspects of the downside of social capital illustrated in our data. First, we found that students experience breakdowns in the networks that serve as resources. Although counselors, friends and community members were able to help students, at times, to better understand college cost and pay for college, students still experienced difficulties in this process. For example, when students ran up against the bureaucracy of the university's financial processing, network members were not there to guide them through this maze. It is possible that some students do not have individuals in their social networks who can serve as resources. It is also possible that potentially-valuable network connections are not being activated when students need them and converted into the economic resources required to pay for college. To put this in social capital terms, either the connection is absent or the exchange is not being effectively activated and mobilized.

Second, the social capital that students gain through their participation in scholarship programs can limit the extent to which they seek out additional opportunities. Heavy dependency on this type of relationship can hurt when resources to these programs are cut, leaving students unable to mobilize this social capital into the economic resources they need. This relates to the negative consequence of social capital identified by Portes as "restrictions on individual freedoms." Although reliance on these scholarship programs did not restrict students' freedoms as generally as Portes' discussion might suggest, we found that students' options were limited specifically when the economic resources directed to their scholarship program were reduced or eliminated. This eliminated the ability to transform this source of social capital (i.e. the scholarship program) into economic capital (i.e. the scholarship they were using to pay their

college tuition). Because students expected to be able to convert this source of social capital into economic capital, they did not seek out other resources. Thus, their options were limited and they experienced this particular source of social capital as a barrier, although it had previously been experienced as assistance. Acquiring and using social capital can be a complicated process.

In addition to these theoretical implications, the results of this study suggest practical implications for higher education policy and practice. Students reported a wide range of individuals, including peers, who served as resources for them in understanding financial aid and how to pay for college. While it is fortuitous that many students did report a key individual who provided information, it seems an unwise policy to leave this process to chance. Many sources of financial aid, including the Pell Grant and several scholarship programs discussed here, were created to assist low-income students in affording college. If it is left up to luck that students are able to navigate the financial aid maze alone or to encounter someone along the way who can help, then the intent behind these programs is not fulfilled. Because students often discussed the hassle of dealing with the bureaucracy of the financial aid information, an increase of programs, including mentoring programs, that guide students through this process would be beneficial. Because students often turn to each other, information regarding college financing should be distributed on a larger scale in multiple venues, including the continued use of peer-based programs. Students not only found information from peers to be helpful, they also seemed to enjoy sharing this information with others and giving back to the programs that they perceived as helping them. And, finally, a continuance of funding these scholarship programs that help students should be considered. These programs help a large number of students every year and dependency on programs that help students pay for college should not be a punishment.

As with much qualitative research, this study does not represent a national sample nor is it representative of all students at MU. This study was exploratory in nature and used purposive and snowball sampling techniques. Future research is needed that tests the applicability of these findings about the role of social capital in the financial aid process in representative samples and in other settings. For example, research should study the relationship between nationally-funded scholarship programs, such as the ones presented here, and school populations within and across different types of colleges, such as Historically Black Colleges and Universities (HBCUs) and small private colleges. In addition, as mentioned earlier, no white students reported any hindrances in their financial aid process. Future research should explore this pattern further by investigating the role of others in helping and hindering throughout the financial aid process for different groups using a larger, representative sample.

In summary, through data generated from interviews with black, Latino, and white undergraduates, we provide a corrective to much research on social capital that only investigates its benefits. We found that social capital has both positive and negative outcomes for students' understandings of college cost and their ability to finance college. The benefits of social capital are seen through individual caring administrators, peers, and community members who facilitate students' ability to finance college as well as through students own efforts to pave the way for their peers by sharing financial information. The downside of social capital is seen when students' networks are not able to provide the necessary information and when the social capital that students gain through their participation in scholarship programs can limit the extent to which they seek out additional opportunities. While the later is not always problematic, it can be when the governmental sources of these programs are reduced or eliminated.

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