

## Insight

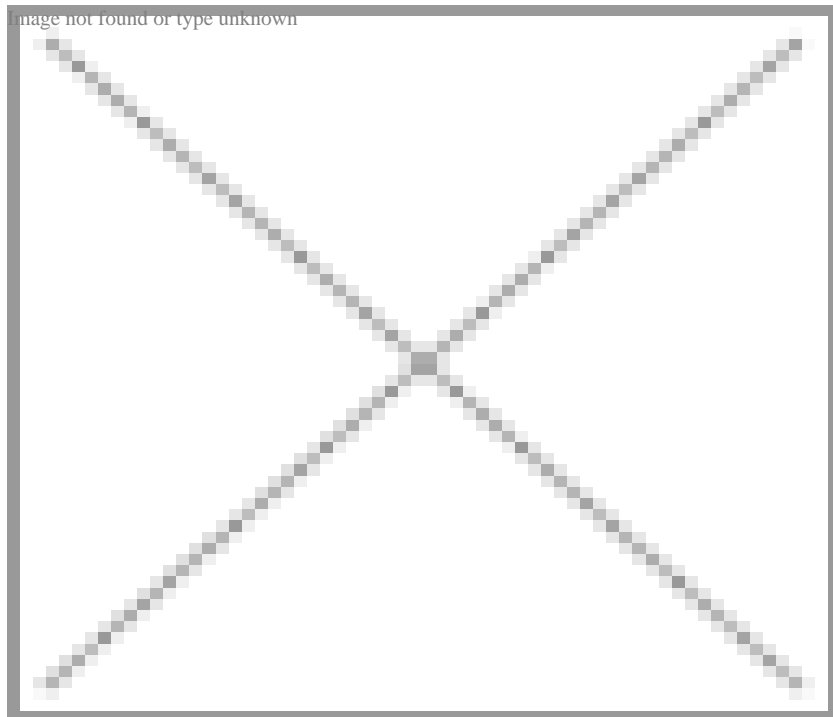


# A Missing Link between Academically Successful Students and Selective Universities

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Coauthored by Joel Chapman

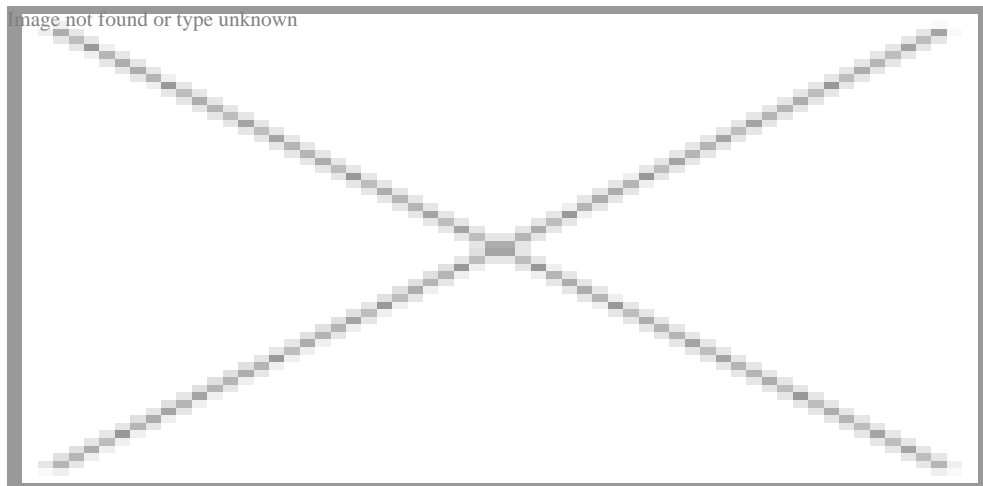
As another National School Choice week draws to a close, the underlying theme of elementary and secondary school choice resonates throughout the goal of the week. However, another question of choice is all too often left unexplored. Why are academically successful low-income students in America choosing not to apply to selective higher educational institutions? A recent trend among higher education finds smart, underprivileged students of all demographics are not applying to selective universities. This is troubling, as close to 40 percent of lower socioeconomic status students, have grades and SAT scores that place them in the top 10, or even top 5 percent, of all students.



Lower income students with practically the same grades as their richer classmates are [75 percent](#) less likely to apply to selective colleges. These students have put in the time and earned the grades, but they are limiting their own choices and future professional careers by deciding not to apply to highly selective colleges and universities.

What can our higher educational system do to improve the chances of these smart and well deserving students going to highly selective colleges across the country? One solution worth exploring would be to overhaul the federal financial aid system. This includes simplifying the financial aid process, which includes simplifying the Free Application for Federal Student Aid (FAFSA) process by using a shorter and simpler online application that skips unnecessary questions, and a web application that will let some families easily answer the remaining financial questions with data from the Internal Revenue Service (IRS). As well as [targeting federal resources](#) to students that are most in danger of not receiving a college education, because of issues of affordability.

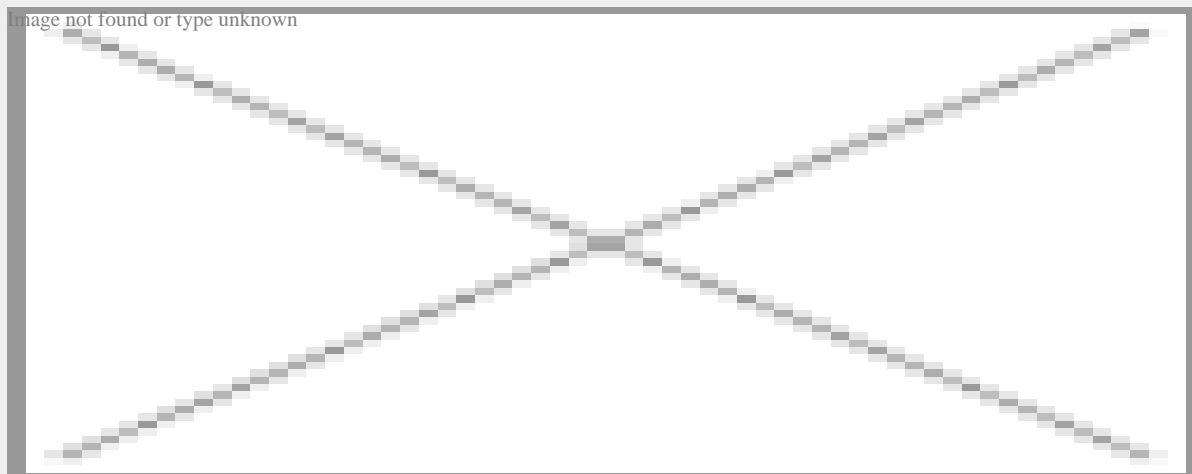
[Data](#) collected by researchers Caroline Hoxby and Christopher Avery suggest that low-income students pay considerably less out of pocket in relation to the selectivity of the university they attend. The data line up with the growing trend among more selective universities, like Harvard, who are encouraging students from lower income backgrounds to apply to improve the university's demographic and class composition.



As the graph above demonstrates, many selective universities are helping reduce the out of pocket costs socioeconomically diverse students would have originally paid so that they do not choose to attend their less selective counterparts where, in some cases, these students end up paying more out of pocket cost than the actual advertised sticker price of the university.

Furthermore, the U.S. Department of Education figured that around 29% of all high achieving lower income students who were eligible for state and federal financial aid choose not to apply.

#### High Achievement (3.50 or higher) Low Income Students who applied for Federal Aid



SOURCE: U.S. Department of Education, National Center for Education Statistics, 2007-08 National Postsecondary Student Aid Study (NPSAS:08).

Why aren't these students applying? According to the [National Center for Educational Statistics](#), college applicants who did not apply for financial aid cited various reasons for not doing so. Forty percent were under the perception that they would not qualify for aid, 10 percent cited the difficulty of the aid application process, 9 percent expressed concerns over their ability to repay loans, and twenty-four percent for other reasons. Authors, [Hoxby and Avery](#), suggest that most high achieving low-income students are unlikely to have met a teacher, counselor or older student who attended a selective college. Additionally, recruiters are more likely to interact with high achieving low-income students in metropolitan areas than in more rural settings.

As a result, it is up to the higher educational institutions in conjunction with local school districts to work with lower-income students to educate them on the benefits of applying to selective universities and for federal financial aid. Because traditional methods are not reaching these students, college admissions officers should expand efforts to reach low-income students through new and innovative means.

Any high achieving student should have the ability to apply to the college of their choice and if they are admitted should have the opportunity to pay for that college without assuming the yoke of a lifetime of debt. The current dilemma is that high achieving lower income students are not choosing to apply to any selective universities and nearly a third of them are not applying for financial aid. This can be corrected with an overhaul of the federal financial aid system to college students that are leaving many worried about affording selective institutions with huge tuition prices. Furthermore, higher education officials need to work harder in reaching out to academically successful lower income students as these are dispersed across this great nation and come from all walks of life. Consequently, without the proper guidance from friends, family, or school guidance officials these students have gone missing from our institutions of higher learning. The result is that we are losing these students, which will be detrimental to America's success, especially in a period where we are in need of more

highly skilled and qualified workers.