

AN ABSTRACT OF THE DISSERTATION OF

Julie M. Suchanek for the degree of Doctor of Philosophy in Education presented on April 14, 2009.

Title: Exploring the Move to Include Non-Need in Community College Institutional Financial Aid Policies.

Abstract approved:

George H. Copa

The purpose of this study is to explore the factors that led to the move to include non-need aid in community college institutional financial aid policies. The following questions guided the research: (1) What meaning do those involved in the formulation of institutional financial aid policy at community colleges give to need and non-need as criteria for financial aid? (2) What internal factors influenced the decision to include non-need in institutional financial aid policies at community colleges? (3) What external factors influenced the decision to include non-need in institutional financial aid policies at community colleges? and (4) What explains the move away from need-based towards the inclusion of non-need in institutional community college financial aid policies? The research design included an interpretive social science philosophical approach and case study method with four community colleges selected using unique case sampling.

The recognition of the meanings given to need and non-need aid by the colleges in this study provided context for the decision to include non-need in institutional financial aid policies from the perspective of those involved in the formulation of financial aid. The meanings of need and non-need identified by the colleges were found to be similar to the meanings given to need and non-need in the literature.

The findings also included identifying internal and external factors which influenced a community college's decision to include non-need aid in institutional

financial aid policies. Internal factors identified by the participating community colleges were: (a) award performance, (b) shift in culture, (c) increase enrollment, (4) access to education, (5) strategize goals, (6) increase retention, and (7) incentivize attendance. External factors were: (a) competitors, (b) federal aid policy, (c) state aid policy, (d) state education policy, (e) funds, (f) student performance, and (g) donor base. The study concluded with an analysis of the interplay between the internal and external factors identified by the community colleges in this study. Two major findings emerged through this analysis. First the internal factors identified by a majority of community colleges in this study were more important than the external factors in the decision to include non-need in institutional financial aid policies. Second, four themes emerged from the cross-case analysis that offer possible explanations for the decision to include non-need in institutional financial aid policies: (1) increase access, (2) raise the profile of community colleges, (3) cultural shift within the community college, and (4) strategize goals.

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Exploring the Move to Include Non-Need in Community College Institutional
Financial Aid Policies

by
Julie M. Suchanek

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APPROVED:

Major Professor, representing Education

Dean of the College of Education

Dean of the Graduate School

I understand that my dissertation will become part of the permanent collection of Oregon State University libraries. My signature below authorizes release of my dissertation to any reader upon request.

Julie M. Suchanek, Author

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DEDICATION

“The most wasted of all days is one without laughter” – E.E. Cumming (1894-1962)
To Seth, Faith, and Aidan may you find laughter in all you do.

To my Grandmother Marjorie Marie Church who valued education for the sake of
education and to my Papa Suchanek whose strength gave me strength.

Exploring the Move to Include Non-Need in Community College Institutional Financial Aid Policies

CHAPTER 1 - FOCUS AND SIGNIFICANCE

In the 1960s and 1970s, alleviating student financial need as a barrier to accessing college dominated financial aid policy. Led by the enactment of the Higher Education Act of 1965, financial aid policy in the United States focused awards based on filling the gap between the cost of attending a postsecondary institution and the resources available to the student (Porter, 1984). As President Richard Nixon stated in a message to the U.S. Congress in 1970:

No qualified student who wants to go to college should be barred by lack of money. That has long been a great American goal; I propose that we achieve it now. (Nixon, 1970, ¶ 1)

In the last two decades, however, a fundamental shift in postsecondary education financial aid policy has occurred. More and more grants are being awarded based on non-need¹ (Heller, 2006a). The rise in non-need aid throughout the United States (U.S.) has been well-documented (Heller 2006a, 2006b; National Association of State and Grant Aid Programs, 2005). Since 1981, need-based² grants have grown from \$0.9 billion in 1981 to \$4.5 billion in 2003, while spending on non-need grants increased at approximately twice that rate from less than \$100,000 in 1981 to \$1.6 billion in 2003 (Heller, 2006a). The rise in non-need aid nationally is also seen in the distribution of grants at the institutional level. According to the National Association of Student Financial Aid Administrators, non-need grants accounted for \$7.3 billion of all college-financial aid grants in the U.S. for the 2003-2004 academic year, compared to \$1.2 billion a decade ago (National Association of State and Grant Aid Programs, 2005).

¹ Non-need grants are defined as financial assistance awarded to postsecondary students selected on the basis of test score, performance, class ranks, grade point averages, athletic or artistic skills or other such criteria of achievement. For the purposes of this study, non-need grants are examined only as they relate to academic achievement.

² Need-based grants are defined as financial assistance awarded to postsecondary students who meet some standard of need. Need is often defined as the difference between the student's cost of attendance and the expected family contribution. The most popular need-based grant in the United States is the Pell Grant.

The transformation from need-based financial aid policy to an increasing reliance on non-need is echoed in the financial aid policies for institutional grants at community colleges. From 1995-1996 to 2003-2004 total community college institutional grant awards increased by 124 percent from \$299 million in 1995-1996 to \$672 million in 2003-2004. Of the total community college institutional grant awards, need-based grants increased by 53 percent (\$111 million), while non-need grants increased by 297 percent (\$261 million) (Heller, 2006a). To better understand the move to non-need financial aid policy in community colleges, an exploration of the factors that have led to the decision to include non-need in institutional financial aid policies at selected community colleges was needed.

Research Purpose and Questions

Research has illustrated move to non-need in community college financial aid policy has occurred, but the reasons for the move to non-need remain unknown in the research. The purpose of this research study was to provide insight into this gap by focusing on the factors that led to the inclusion of non-need in institutional community college financial aid policies. My intent in conducting research with selected community colleges was to give voice to those community colleges that have moved to include non-need in institutional financial aid policies and the opportunity to reflect on their institution's journey to transform financial aid policy in this direction.

Four research questions guided the focus of this study:

1. What meaning do those involved in the formulation of institutional financial aid policy at community colleges give to need and non-need as criteria for financial aid? The rationale for this question was to verify whether the meanings given to need and non-need as criteria for financial aid in the literature were similar to the meanings those involved in the formulation of institutional financial aid policy at community colleges gave to need and non-need.
2. What internal factors influenced the decision to include non-need in institutional financial aid policies at community colleges? The rationale for this

question was to identify factors internal to the community colleges that led to a change away from need-based awards towards awarding of non-need grants.

3. What external factors influenced the decision to include non-need in institutional financial aid policies at community colleges? The rationale for this question was to identify factors external to the community colleges that led to a change away from need-based awards towards awarding of non-need grants.
4. What explains the move away from need-based towards the inclusion of non-need in institutional community college financial aid policies? The rationale for this question was to examine the interplay of internal and external factors in the formulation of institutional financial aid policy at community colleges, as well as, the relative importance of the various factors in the formulation process.

Significance of Study

The purpose of this research study was to explore the factors that led community colleges to include non-need financial aid in their institutional financial aid policies. There are four reasons for the significance of this research study:

- (a) postsecondary education advances opportunities for the individual and society;
- (b) financial aid is used by students to offset costs, particularly those most in need;
- (c) financial aid in community colleges has moved towards the inclusion of non-need aid; and
- (d) there is a lack of understanding regarding the basis for the decision by community colleges to include non-need in institutional financial aid policies. Each of these reasons is described in more detail below.

Postsecondary Education Advances Opportunities for the Individual and Society

The individual and societal benefits of postsecondary education are significant in the United States, "...in a world where economic opportunity is increasingly defined by the learning that students obtain beyond high school" (Carey, 2006, p. 1). According to The College Board (2005), in 2003 the median annual salary of an

American worker with only a high school diploma was \$30,800, compared with \$37,600 median for those with an associate's degree and the \$49,900 median for those with a bachelor's degree. In addition to higher salaries and benefits, postsecondary education is associated with other individual benefits including higher employment rates, higher savings levels, improved working conditions, and personal and professional mobility (The Institute for Higher Education Policy, 1998).

Both public and private benefits are derived from the higher incomes of those who have attended college. Financially, the increased income from those individuals who attend college leads to an overall improvement in the national economy through increased tax revenues, greater productivity, increased consumption, increased workforce flexibility, and decreased reliance on government assistance. Socially, postsecondary education also produces large benefits including reduced crime rates, increased quality of civic life, and improved ability to adapt to and use technology (The Institute for Higher Education Policy, 1998).

Financial Aid is Used by Students to Offset Costs, Particularly Those Most in Need

The personal and public benefits of postsecondary education and the demand for postsecondary credentials in the workforce are potentially compromised by the rising costs of postsecondary education. In the last two decades, the cost of attending postsecondary institutions has risen faster than inflation and family income. From 1992 to 2001, tuition at community colleges increased faster than family income in 34 states (The National Center for Public Policy and Higher Education, 2002).

In addition, the share of family income that is needed to pay for tuition and other college expenses has increased. The percentage of family income needed to cover net college costs after grant aid for public, two-year institutions in 2003 was 37% for families in the lowest income quartile (\$0-\$34,000) compared to 7% of families in the highest income quartile (\$94,000 and over) (U.S. Department of Education, 2006, p. 10). Furthermore, the rising costs of higher education are competing with already scarce family resources in the United States that must make up

for declining employer-provided benefits, increasing health care costs, increasing debt levels, and declining personal savings (Perna & Li, 2006).

Each year millions of students access federal, state, and institutional financial aid programs to subsidize the rising costs of attending a postsecondary institution (The College Board, 2006). In 2005, over half of all undergraduates in America received some form of financial aid (Wilkinson, 2005). The ability of students to access financial aid programs is one element in the successful pursuit of a postsecondary credential. These credentials are in high demand in the United States. Ninety percent of the fastest-growing jobs in the new knowledge-based economy will require some postsecondary education (U.S. Department of Education, 2006, p. 1). In high demand fields, such as health care and computer science, the need for postsecondary credentials and skills is likely to increase as nearly four million new job openings emerge by 2014, while jobs that require only on-the-job training are expected to experience the greatest decline during this same time period (U.S. Department of Education, 2006).

Postsecondary education is a critical gateway experience to accessing the necessary degrees and certificates to participate in the current and future workforce. Not only does a postsecondary education provide access to employment, but it offers both rich personal and societal benefits. How community colleges use student aid resources is important to understand because it is a primary way millions of students' access and pay for a postsecondary education to advance professionally and personally.

Financial Aid in Community Colleges has Shifted to a Non-Need Focus

Since the beginning of postsecondary education in the United States, the purpose of student financial aid has moved back and forth between access and choice and attracting talented students. Though there are no hard dates that signify the end of one purpose and the beginning of the other at the federal, state, or institutional level, a move away from need-based policies towards policies that emphasize non-need can be seen in the changes of financial aid policy over the last 30 years.

Since the mid-1970s, need-based aid has held on as the primary criterion for postsecondary institutional financial aid policy. From 1974 to 1996, nine independent surveys focused on no-need or non-need scholarships were conducted (Wick, 1997). In an overview of the nine surveys, Wick (1997) determined though need continued to be a primary purpose and reason for awarding financial aid, a real and increasing turn towards non-need aid had occurred in the last 20 years.

Since Wick's overview, the growth of institutional non-need has accelerated at American postsecondary institutions. According to Heller (2006a):

Over the last decade, there has been a fundamental shift in the awarding of scholarships to undergraduate students in the United States. More and more, these grants are being made not based on the financial need of the student and her family – which has been the predominant criterion since the passage of the Higher Education Act of 1965 over 40 years ago – but instead, are being awarded using measures of academic non-need without consideration of financial need. Of the three major providers of these grants, higher education institutions, state governments, and the federal government, this shift toward the use of non-need has been most pronounced in the first two. (p. 1)

The transformation from need-based financial aid policy to a greater reliance on non-need is echoed in recent changes in institutional grants at community colleges. As Table 1 shows, from 1995-1996 to 2003-2004, need-based community college institutional grant dollars grew from \$212 million to \$323 million -- an increase of 53% of total grants. During that same period, non-need community college institutional grant dollars grew from \$88 million to \$349 million, an increase of 297% (Heller, 2006a). Nationwide, non-need grants represented 52% of total institutional grants awarded at community colleges in 2003-2004 (Heller, 2006a).

The increase in the growth of institutional non-need grants at community colleges is even more stunning when compared with the growth of institutional non-need grants at four-year public and private institutions. Between 1995-1996 and 2003-2004, community colleges experienced the largest growth in spending on institutional non-need grants (297%) compared to 221% at public, four-year institutions and 189% at private, four-year institutions (Heller, 2006a).

Table 1

Institutional Grant Awards by College Sector, 1995-1996 and 2003-2004 (\$ millions)

Sector	1995-1996	2003-2004	Change
1. Total grants			
1. Total grants			
Community colleges	\$299	\$672	124%
Public 4-year	1,492	3,467	132
Private 4-year	4,815	9,014	97
2. Need-based grants			
Community colleges	\$212	\$323	53%
Public 4-year	824	1,321	60
Private 4-year	3,238	4,463	38
3. Non-need grants			
Community colleges	\$88	\$349	297%
Public 4-year	668	2,145	221
Private 4-year	1,577	4,552	189
4. Non-need grants as % of total			
Community colleges	29%	52%	
Public 4-year	45%	62%	
Private 4-year	33%	50%	

Note. From "Non-need Aid and College Access," by D.E. Heller, 2006, Symposium on the Consequences of Non-need-Based Student Aid, Wisconsin Center for Advancement of Postsecondary Education, University of Wisconsin, Madison. Copyright 2006 by Donald E. Heller. Reprinted with permission of the author.

Lack of Understanding Regarding Basis for Community Colleges Move to Non-need Financial Aid Policy

Since the establishment of the Higher Education Act in 1965, financial aid has been well researched with regard to benefits, costs, awards, and student awareness of financial aid programs (e.g., Advisory Committee on Student Financial Assistance,

2001; Horn, Peter, and Carroll, 2003; and National Association of State Grant and Aid Programs, 2005).

Despite the contributions prior research has made to financial aid, there remains limited research available to the academic community which explains why community colleges moved towards the inclusion of non-need institutional financial aid policies in the last 10 years. The lack of research on financial aid policy at community colleges has created a gap in the literature regarding the reason for the move towards the inclusion of non-need at community colleges and the impact:

We (the nation) lack data to carefully examine the allocation of institutionally awarded financial aid. We do not know how much is non-need and how much is need-based. What we do know is that this number has grown rapidly over the last two decades. (Mortenson, 1999, p. 5)

Summary

In the United States, a postsecondary education credential is necessary to meet the demands of the knowledge-based economy. To attain a postsecondary education, millions of students each year participate in financial aid programs to offset postsecondary education costs. In the last two decades, a fundamental shift in postsecondary education institutional financial aid policy, a leading source of funds for students, has occurred at community colleges and four-year public and private institutions. Despite the move to non-need, there is limited research available on the reasons that underlie the movement from institutional financial aid policies focused on need to those focused on non-need, especially at community colleges.

I have stated that the overall purpose of this interpretive social science study was to explore the factors that have led community colleges to move from need-based institutional financial aid policies towards the inclusion of non-need policies. By exploring the internal and external influences that have guided the move towards the inclusion of non-need institutional community college financial aid policies, rich descriptions of the journey selected on which community colleges have embarked will be available to inform future research, policy decisions, and postsecondary education practices.

To implement the study, I identified four community colleges which have made the decision to include non-need in their institutional financial aid policies. I interviewed representatives from each community college with regard to the following major research questions:

1. What meaning do those involved in the formulation of institutional financial aid policy at community colleges give to need and non-need as criteria for financial aid?
2. What internal factors have influenced the move to include non-need in institutional financial aid policies in community colleges?
3. What external factors have influenced the move to include non-need in institutional financial aid policies in community colleges?
4. What explains the move from need towards the inclusion of non-need aid in institutional community college financial aid policies?

CHAPTER 2 - REVIEW OF THE LITERATURE

My goal with respect to exploring the decision by community colleges to include a non-need component in their institutional financial aid policies was to study the factors that led to the decision to include non-need. The review of literature addresses the historical context for financial aid policy in the United States, the perceptions of need and non-need criteria in the formulation of financial aid policy, and finally, postsecondary institutional financial aid policies. Implications were also drawn for the design of the study.

Approach to Review of Literature

The Oregon State University online library and the Portland State University library were used in searching literature that discussed non-need aid, no-need aid, need-based aid, and community colleges. The primary data sources were the Oregon State University Research Database and the Summit Catalog. FirstSearch, EBSCOhost, and Dissertation Abstracts were used as search tools. The primary search strategy included dissertation abstracts, peer reviewed journals, and references from reports and articles selected for the literature review. Higher relevance was placed on more recent studies with emphasis on works written within the past 30 years. The last 30 years span the transformation of financial aid from a need-based focus to a non-need focus. According to Cunningham and Parker (1999), the last 30 years represent a shift from The Universal Access Era of the late 1970s for financial aid to The Diffusion of Purposes Era beginning in the early 1980s.

In performing the literature review, key variables and phenomena cited in academic and postsecondary organization sources were shown to be important. A variety of key word search techniques were utilized with phrases such as: non-need aid, need-based aid, no-need aid, institutional aid, community colleges, postsecondary education, access, and financial aid. Determining what literature not to include in this review proved to be a difficult task. There is abundant material that focuses on financial aid policy in the United States; therefore, works were chosen with the

purpose of the proposed study in mind. This study was based on exploring the factors that led to the inclusion of non-need in institutional community college financial aid policies through the lived experience of those who formulate community college institutional financial aid policies in the cases under study. The following criteria were used to further narrow the selection of literature reviewed: (a) they aided in understanding the historical underpinnings of financial aid policy in the United States, (b) they aided in understanding and grounding the concepts of non-need and need-based criteria within the context of institutional financial aid, (c) they provided a guide to selection of research methodology, design, and questions, and (d) they provided a knowledge of the context of postsecondary institutions in regard to the challenges community colleges face in the formulation of institutional financial aid policies.

Organization of Review of Literature

The use of postsecondary need-based and non-need aid at the federal, state, and institutional levels is complex and the factors that influence the decision to award aid based on non-need, especially at the institutional level is not fully understood as described in the related literature. What existed was a wealth of research in three major areas relevant to the purpose of the proposed study: (a) the historical context for financial aid policy in the United States, (b) research on the perceptions of need and non-need criteria in the formulation of financial aid policy, and (c) literature about postsecondary institutional financial aid policies. The literature review begins with the identification of key concepts related to exploring the factors that have led to the inclusion of non-need aid in institutional financial aid policies at American community colleges. Then the literature review examines in greater detail the wealth of research that exists in the three major areas noted above to provide background and relevant information for the purpose of this study. Figure 1 is a visual diagram for the organization of the literature review. The introduction of each section of the review of literature includes an explanation of and rationale for how that section contributes to the study's focus and design.

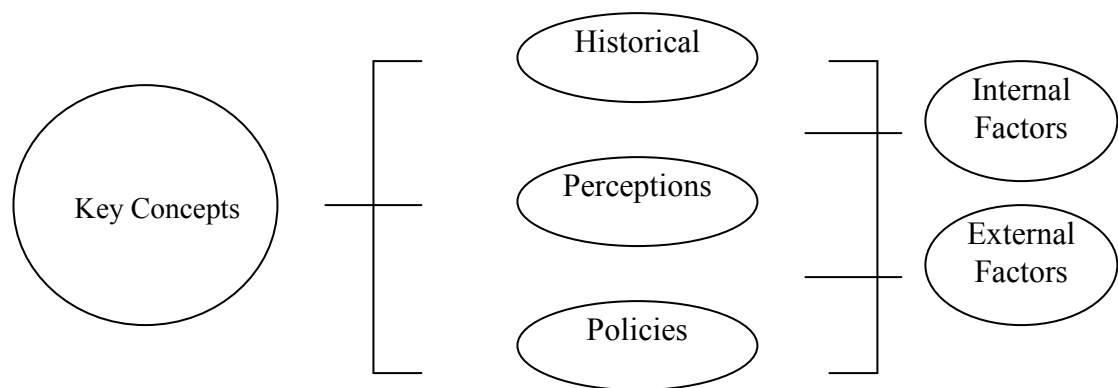


Figure 1. A visual diagram for the organization of the literature review.

Key Concepts

The key concepts related to this study identified below are well defined within the literature. The presence of these key concepts throughout the literature provided a basis for comparison of the meaning given to non-need and need in the literature with the meanings held at the community colleges that were studied. They are included to provide clarification of terminology for this study.

Institutional Aid: Student financial aid funded from postsecondary institutional dollars. According to Huff (1983), institutional aid is defined as “assistance where the college or university decides on the recipient and makes the award from funds (other than federal or state funds) under its control” (p. 77). Institutional aid is different from financial aid received by the institution from the federal government to be disbursed to students, such as the supplemental educational opportunity grant program or work-study.

Need-based Financial Aid: Recipients must meet some standard of need. Need is defined by financial aid administrators as “the difference between the total cost of an education at a particular institution and the amount a family and/or the student is able to contribute to that cost” (Wick, 1997, p. 3). In her dissertation, Porter (1984)

confirmed the definition identified by Wick as “the difference between what it costs to attend the institution of choice and what the family can reasonably be expected to contribute toward those expenses” (p. 23).

Non-need Grants or No-Need Academic Scholarships or Merit Awards: Recipients are selected on the basis of test score, performance, class ranks, grade point averages, athletic or artistic skills or other such criteria of achievement. Porter (1984) defined non-need awards as “monetary grants or scholarships given to a student based singularly on academic non-need;” in other words, the student’s level of financial need is not taken into consideration (p. 29). For the purposes of this study, non-need grants were examined only as they relate to academic achievement. The term non-need, though interchangeable with the term merit, was selected for the study title and used throughout the study because it is used in the professional literature on this topic.

Historical Context for Financial Aid Policy in the United States

In order to better understand the factors that have led to the inclusion of non-need in institutional community college financial aid policies in recent years, I found it insightful to understand how postsecondary financial aid policy has developed in the United States. The first step in understanding the formulation of financial aid policy was to know how financial aid has developed in the last 60 years. The last 60 years, from 1945 to the present, were emphasized in this review for two reasons related to the purpose of this study. First, the last 60 years represented the formulation of financial aid policy in the United States as a national policy and illustrated the shift from financial aid policies based on access to postsecondary education to policies with multiple purposes, ranging from access to enrollment management. Second, it was during the past 60 years that the comprehensive community college, which was the focus of my study, had come into existence in the United States.

The development of financial aid policy in the United States will be examined in this section using the eras identified by Cunningham and Parker (1999). According to Cunningham and Parker (1999), after examining the historical patterns of financial

aid and the multiple purposes financial aid has come to serve in the past 60 years, student aid policy can be viewed as three distinct periods: (a) the national economy era, when financial aid was targeted to meet the goal of advancing the nation's economic development; (b) the universal access era, when the focus shifted to issues of individual access and need-based student aid programs; and (c) the diffusion of purposes era, when the scope of student financial aid was expanded creating programs to meet specific needs and expanding the purposes of existing financial aid programs. Relevant literature identifying the major events and financial aid policies that shaped the past 60 years were examined within the three distinct periods at the federal, state, and institutional levels. In addition, the connections between the major events and federal and institutional financial aid policy identified during the past 60 years were explored. The examination of financial aid policy at three different levels provided the opportunity to explore the relationship of need and non-need financial aid policies at the federal and state level to the relationship of need and non-need financial aid policies at the institutional level over a period of time. Finally, the strengths and limitations of the research that was reviewed are described, as well as, the background and context they contributed to the purpose of this study. Events, policies, and factors that influenced the development of financial aid policy in the United States were significant in setting the stage for the discussion of the current formulation of non-need institutional financial aid policy at community colleges. The formulation of institutional financial aid policy is a process that builds on past events and policies.

National Economy Era (1945-1964)

This section of the literature review examines the national economy era. The national economy era is defined as the period immediately after the end of World War II and just prior to the enactment of the Higher Education Act of 1965. The purpose of this section is to provide context for the study and to explore the influential factors and goals that emerged in financial aid policy during 1945-1964 when the first substantial, national financial aid policy, the G.I. Bill, was established. Institutional factors and goals that emerged during the national economy era included factors of competition

and institutional health and the goal of health and competitiveness of the national economy. This section will first explore federal financial aid policy during the national economy era. Then, there is a review of institutional policy, the focus of this study, during the national economy era. State policy was not reviewed because it does not emerge as a policy truly independent of federal policy until the universal access era.

The national economy era focused on maintaining and increasing the health and competitiveness of the American economy as the nation experienced the change from a war time to a peacetime economy. To preserve the health and competitiveness of the nation's economy, Congress enacted legislation that encouraged veterans to attend college in order to gradually reintroduce the veteran population into the workforce (i.e., The G.I. Bill) and to increase the skill level of returning soldiers to give the United States a competitive edge (i.e., The G.I. Bill, the National Education Defense Act).

During the national economy era, three major trends emerged at the federal level: (a) the emergence of the federal government as the primary provider of financial aid, (b) the favoring of societal goals over the goals of the individual, and (c) the direct delivery of financial aid to students. The first was the movement of the federal government to the forefront of postsecondary financial aid policy. Prior to the enactment of the G.I. Bill, institutions were the primary recipients of federal dollars and the primary providers of student aid. The national need to maintain a healthy and competitive economy during peace time overruled the traditional practice of allocating federal dollars to institutions, and required the federal government play a larger role in ensuring the national goal was achieved. The second trend was the use of federal financial aid policies to achieve a public societal goal instead of goals focused on the advancement of the individual. The overriding external factor was the prioritization of national goals over the advancement of the individual. Finally, the last major trend that was witnessed during the national economy era was the change in focus from the institution to the student. To meet the public societal goal, which included effectively incorporating millions of returning veterans, the federal government allocated funds to

students instead of institutions. The allocation of funds to students was a conscious move away from the institution and towards the student as a key player in financial aid policy. Though the enactment of the G.I. Bill and later the National Defense Education Act were geared towards meeting the goals of the nation, they threw postsecondary institutions into a climate of greater competition and fewer federal dollars. Where once institutions were the direct recipients of aid from the federal government, postsecondary institutions were now required to focus on students with federal dollars and compete with peer institutions to obtain needed dollars to operate. During the national economy era, increased competition among postsecondary institutions led to the development of institutional financial aid policies that focused on ways to maximize federal financial aid dollars for the institution.

At the institutional level, three factors emerged as influences on the formulation of institutional financial aid policy: (a) increased demand by returning veterans, (b) establishment of a formal definition of need, and (c) increased competition among postsecondary institutions. In addition, enrollment and tuition revenue also led institutions to adopt the College Scholarship Service (CSS)³ methodology for need to stabilize enrollments and revenues as the college age population rose and dropped within the national economy era.

Summary

For the purposes of this study, the examination of the national economy era provided insight into several internal and external factors that influence the formulation of financial aid policy at the federal and institutional levels. The health of the national economy and public demand for workforce skills were external factors that influenced the enactment of the G.I. Bill and the National Education Defense Act. At the institutional level, motivations were similar in that it was the health of the

³ In the mid-1950s, the College Scholarship Service systematized financial aid awards by providing a standardized formula for determining how much each student could be expected to contribute to the costs of college (Stater, 2004). The systematization of need in financial aid “reflected a particular vision of the role of financial aid in higher education: To enable college admissions decisions to be ‘blind’ with respect to need and each student’s full financial need to be met at the college of his or her choice” (Stater, 2004, p. 4).

institution and the demand by veterans for education that drove the CSS to structure the need methodology for postsecondary institutions. The identification of factors and motivations that influence the formulation of financial aid policy during the national economy era provided internal and external factors, such as competition, revenue, and enrollment, as well as, outcomes to be achieved, such as economic development and revenue. These factors, such as federal financial aid policy, national demands, and student demographics, informed the questions explored with study participants for the purpose of this study. Though the literature review suggested various internal and external factors that arose during the national economy era, what was absent was research concerning how these factors influenced the move to include non-need aid in institutional financial aid policies in community colleges. This study used the factors identified in the national economy era to explore the level of influence these factors had on the decision to include non-need aid in institutional financial aid policies in community colleges. In addition, what also remained unknown from the examination of the historical context of financial aid policy in the United States was who was involved in the formulation of institutional financial aid policy beyond federal and institutional generalizations.

Universal Access Era (1965-1979)

This section of the literature review examines the universal access era. The universal access era was defined as the period immediately after the enactment of the Higher Education Act (HEA) of 1965 to the late 1970s when federal student aid was targeted for reduction by the Reagan Administration. The universal access was a period in the history of financial aid and postsecondary education that represented an increased understanding among policymakers and Americans of the power education beyond high school could have on the economic and social success of the individual.

The purpose of this section is to explore the factors and goals that emerged in financial aid policy during 1965-1979 when financial aid policy exploded in the United States with the establishment of the Higher Education Act of 1965. Financial aid policy during the universal access era considered factors of need and institutional

health, as well as, goals of health and competitiveness of the national economy and individual prosperity for Americans. The universal access era section will first explore federal financial aid policy during the universal access era and then will review state policy. Finally, there is a review of institutional policy, the focus of the proposed study, during the universal access era.

The passage of the Higher Education Act of 1965 launched the universal access era, a period when the “goals of national economic progress and individual prosperity became more intertwined than ever before” (Cunningham & Parker, 1999, p. 4). Unlike the national economy era which was predominantly driven by national economic needs, the universal access era was a period that focused on issues of equity and opportunity as they related to economic progress. According to President Lyndon Johnson (1965):

...to thousands of young men and women, this [Act] means the path of knowledge is open to all that have the determination to walk it...a high school senior anywhere in this great land of ours can apply to any college or any university in any of the 50 states and not be turned away because his family is poor. (§4 & 6)

The universal access era focused on intertwining the benefits of education for the health of the national economy and the prosperity of individuals. It was during the universal access era that the concept of postsecondary education leading to greater individual gains was realized in financial aid policy, “...the general public and Congress had an increased understanding that higher education was crucial to achieving both individual and national economic prosperity” (Cunningham & Parker, 1999, p. 4). To provide for greater national and individual economic opportunity, Congress enacted legislation that encouraged students, specifically low-income students, to seek a postsecondary education. The enactment of the Higher Education Act of 1965, and the reauthorization of the act in 1972, established the federal government as primary providers of postsecondary financial assistance directly to students. Though aid was provided to institutions in the HEA of 1965 and to states in the 1972 reauthorization, it became clear through policy that the federal government was the leader in financial aid policy in the United States.

The universal access era strengthened trends that originated during the national economy era. During the universal access era, the federal government continued to be the primary leader of postsecondary financial aid policy with the previous enactment of the G.I. Bill in the mid-1940s and then the enactment of the Higher Education Act of 1965. In addition, the focus for aid continued to remain on the student rather than the institution. Finally, the universal access era broadened concepts that were formulated in the national economy era. The national economy era was focused on achieving the national goal of economic health and competitiveness. Nearly a decade after the end of the national economy era, the universal access era broadened the goal for financial aid policy beyond that of the nation, introducing the idea that the public goals of the nation may be met by the same policies used to meet the private goals of its citizens. The idea that economic progress and individual prosperity could both be met through financial aid policy designed to increase the number of students who could attain a college education hinged on the broadening of the concept of need. The national economy era narrowly defined need as the gap between the cost of education and what a family could afford. While the technical definition of need remained unchanged, the language used to express need with regard to postsecondary education extended the definition of need as a tool to fight the War on Poverty. In other words, access to education was a tool for equality. Need, as a result, was no longer a financial definition but was now a social, public policy tool to fight the social ills in the United States.

During the universal access era states emerged as players in financial aid policy. The 1972 Amendments to the Higher Education Act reframed the relationship of the federal government to the states in terms of their relative responsibility for higher education with the creation of the State Student Incentive Program, known today as the Leveraging Educational Assistance Program (LEAP). The State Student Incentive Program initiated a federal-state partnership to support the development and expansion of state need-based grant programs. The program required states that wanted certain types of federal financial assistance to create state commissions with the power, “to make studies, conduct surveys, submit recommendations, or otherwise

contribute the best expertise from the institutions, interest groups, and segments of society most concerned with a particular aspect of the Commission's work" (Conrad & Cosand, 1976, p.10). At the start of the decade, most states did not have a Commission, but by 1979 every state in the nation did (Wilkinson, 2005).

At the institutional level, the three factors that emerged during the national economy era (i.e., competition, enrollment, and aid) were present again as major influences on the formulation of institutional financial aid policy. Competition was present but was relaxed in the 1960s as enrollment rolls and tuition revenue increased dramatically. In addition, enrollment and tuition revenue continued to shape financial aid policy. For example, as enrollment and tuition revenues declined in the 1970s and federal financial aid dollars increased, institutions reduced expenditures for financial aid.

Summary

For the purposes of this study, the examination of the universal access era supported insights first perceived in the national economy era with regard to internal and external factors that influenced the formulation of financial aid policy at the federal, state, and institutional levels. The federal government's desire to fight the War on Poverty shaped the enactment of the Higher Education Act of 1965 and the Reauthorization in 1972. Both advanced the concept of awarding aid directly to the student. The identification of institutional factors and motivations that influenced the formulation of financial aid policy during the universal access era provided internal and external factors, such as competition, revenue, and enrollment, as well as, outcomes to be achieved, such as economic development and revenue. These factors, informed the questions explored with study participants for the purpose of this study. Though the literature suggested various internal and external factors that arose during the universal access era, what was absent was research concerning how these factors have influenced the formulation of institutional financial aid policy, especially in community colleges. This study used the factors identified in the universal access era and the national economy era to explore their influence on the move to include non-

need-based institutional aid in financial aid policies at community colleges in the United States.

Finally, the identification of the federal government, the state, and institutions as the key players in the formulation of financial aid policy during the universal access era remained superficial. Beyond the role of the federal government and institutions in general, other players involved in the formulation of financial aid policy were not identified, lacking more specific identification of players at the institutional level which was the focus of the proposed study.

The Diffusion of Purposes Era (1980-Present)

This section of the literature review examines the diffusion of purposes era. The diffusion of purposes era was defined as the period beginning after the inauguration of President Ronald Reagan to the present. The purpose of this section was to explore the factors that have emerged in financial aid policy in recent decades. Institutional factors and goals that emerged during the diffusion of purposes era included factors of competition, access, and strategic use of funds, as well as, goals of enrollment management and expansion of aid to the middle-class. This provided context for this study, which focused on institutional financial aid policy. This section will first explore federal financial aid policy during the diffusion of purposes era and then state policy during this era. Finally, there is a review of institutional policy during the diffusion of purposes era. In the last 25 years, multiple purposes have been attached to financial aid policy to address problems or to target specific populations. Unlike the national economy and the universal access eras, the diffusion of purposes era did not coalesce around a national goal. Instead public demand for more assistance to middle-income families and Congress' greater reliance on loans as a source for assisting students with educational costs coupled with institutions using financial aid strategically to manage enrollment, created a myriad of financial aid policies in the United States that were focused on the private impact to the individual.

The 1980s ended the growth in student aid that had occurred for over three decades. The Reagan Administration sought to retract the dominant role the federal

government played in financial aid policy, reducing funding for a number of federal student aid programs. By the mid-1980s, the amount of funding for the Pell Grant, Supplemental Educational Opportunity Grant, veterans, and Social Security benefits were less in current dollars for 1990 than for 1975 (Wick, 1997). In the 1990s, despite the actions taken by the Reagan Administration, the student loan volume continued to increase, raising concerns in the federal government about the level of debt incurred by students. By 1990, the funding for federal student loans was greater than funds for the Pell Grant, the Supplemental Educational Opportunity Grant, and institutional grants combined (Wick, 1997). Not limited to loans, the push by the middle-income populace and federal champions for expansion of student assistance programs led to changes in eligibility for the Pell Grant. The Pell Grant, originally created to provide student assistance for low-income students facing financial barriers to a college education, was expanded to include middle-income students. Financial aid policy no longer served a single goal. The diffusion of purposes era illustrated the complexity of financial aid policy in the United States. Unlike the national economy era or the universal access era, the diffusion of purposes era was tied to no single goal and was driven by several purposes simultaneously, ranging from the encouragement of access and choice to low-income students to managing institutional enrollment. The trends started and strengthened in the previous eras, the focus on the student and the federal government as the primary financier of financial aid policies and programs, were diminished as Congress, the Executive branch, and institutions developed new or altered existing financial aid policies to serve goals of an administration, a policymaker, or an institution and found funding sources to move new or altered financial aid policies forward.

The decline in federal dollars for financial aid and the investment institutions were making in financial aid from their own funds led institutions to use financial aid policy strategically to achieve the goals of the institution. The multiple types of institutional aid, such as need-based and non-need, allowed postsecondary institutions to formulate financial aid policies to meet admission, graduation, and retention policies for the institutions. In 1990-1991, institutional scholarship funding outpaced

federal funding for the Basic Educational Opportunity Grant and the Supplemental Educational Opportunity Grant for the first time since 1975-1976 (Wick, 1997). By the mid-1990s, institutional funding, in real terms, was more than double what it was in the mid-1980s. Despite the rise in institutional funding, institutions could not make up for the gap left by the decline in federal dollars for financial aid.

At the institutional level, the three factors (i.e., increased student demand sparked development of institutional financial aid policy, defining of demonstrated need, and minimizing the negative impact of competition on the postsecondary sector) that emerged during the national economy era remained at the forefront of the formulation of institutional financial aid policy. Competition and concerns about limited financial resources at the federal level persisted. In addition, enrollment and tuition revenue continued to play a major role in institutional decisions about financial aid policy. Unlike the universal access era, the diffusion of purposes era returned to a more independent relationship between the federal government and institutions in the formulation of financial aid policy.

During the diffusion of purposes era states engaged in a similar move away from need-based aid in the 1990s. In the early 1990s, state-based non-need programs emerged. Prior to the development of state-based non-need programs, many state programs mirrored the commitment to access defined in the goals of the Higher Education Act of 1965 (Heller & Marin, 2002). In 1993, the first major state financial aid program to base criteria for eligibility was the Helping Outstanding Pupils Educationally (HOPE) scholarship program in Georgia. The HOPE scholarship program inspired similar programs in over ten states, including Michigan's Non-need Award Scholarship, New Mexico's Success Scholarship, and Florida's Bright Futures Scholarship (Green, 2004; Heller & Marin, 2002).

Summary

For the purposes of this study, the examination of the diffusion of purposes era diverted from the factors and goals first perceived in the national economy era and

continued during the universal access era with regard to the internal and external factors that have influenced the formulation of financial aid policy. The federal government no longer appeared to formulate financial aid policy based on national goals, but rather on individual purposes based on policymakers and public demand. At the institutional level, institutions continued to draw on federally financed financial aid programs, but invested in institutional financial aid programs as a tool to achieve institutional goals. The identification of institutional factors and motivations that influence the formulation of financial aid policy during the diffusion of purposes era provided internal and external factors, such as access, competition, revenue, and enrollment, as well as, more outcomes to be achieved that were less defined in prior eras. These factors, such as institutional health, informed the questions explored with study participants for the purpose of this study. Though the literature suggested various internal and external factors that arose during the diffusion of purposes era, what was absent was research concerning how these factors influenced the formulation of financial aid policy, especially at community colleges. This study used the factors and goals identified in the diffusion of purposes era, the universal access era, and the national economy era to explore their influence on the move to include non-need aid in institutional financial aid policies at community colleges.

The presence of disconnect and multiple goals between institutions and the federal government with regard to financial aid policy was important for the purpose of this study. While previous eras provided consistent concepts to be examined in the study of the formulation of financial aid policy at community colleges, the current era suggested there was a lack of uniformity with regard to internal and external factors that influence the formulation of financial aid policy. For the purpose of this study, the diffusion of purposes era suggested that interview questions should push beyond traditional concepts such as competition, enrollment, and tuition revenue as factors in the process of exploring the reasons for moving to include non-need aid in institutional financial aid policies at community colleges. The examination of the diffusion of purposes era suggested that interview questions focus on emerging concepts such as enrollment management and institutional goal attainment.

Summary

Since the middle of the twentieth century the purpose of student financial aid has alternated between access and choice and attracting talented students. Though there were no hard dates that signify the end of one purpose and the beginning of the other at the federal, state, or institutional level, a move away from access policies towards multiple purposes could be seen in the historical development of federal and state policy over the last 60 years.

Before the national economy era, institutional financial aid dollars were limited and concentrated in select institutions. The national economy era brought a systematic approach to financial aid with the development of the College Scholarship Service's methodology for determining need. Institutions awarded financial aid based on need and admitted students based on non-need. The use of need as the primary criteria for awarding financial aid at the institutional level emerged as the criteria for award in the guidelines of the first federal programs during the universal access era. The use of need in financial aid policy has wavered since the universal access era. In the early 1970s, the Carter Panel Report stated, regarding federally funded need-based aid:

... a cherished myth of educators and the general public is that student financial aid today is primarily based on relative need. However, when the source and application of all aid funds (including the G.I. Bill, Social Security, athletic grants, and scholarships from restricted funds) are considered, the greater amount of student aid appears to be beyond institutional control and is commonly awarded on the basis of criteria other than need. (Wick, 1997, p. 6)

Since the Carter Panel report, financial aid policy has moved away from a single goal to multiple goals at multiple levels. At the federal level, service to access programs, such as the Pell Grant, have diminished as investments in loan programs have increased. At the state level, non-need programs have emerged as fiscal funding has declined. Finally, institutions are strategically developing financial aid policies to meet multiple internal demands, such as enrollment goals, tuition revenue, and competition with other institutions. As a result, current financial aid policy in the United States has become increasingly complex and clouded for key players and stakeholders, making the need to better understand the factors that have led to the

inclusion of non-need in the formulation of financial aid policy at postsecondary institutions all the more necessary.

For the purposes of this study, the development of financial aid policy over the last 60 years provided insights into external and internal factors that have influenced the formulation of financial aid policy. The examination of the development of financial aid policy in the United States in the last 60 years provided a variety of internal and external factors that influenced the meanings of need and non-need in the formulation of financial aid policy, such as national economic goals, competition, and tuition revenue. The identification of these factors, as shown in Table 2, helped to guide the literature review, as well as, the development of data needs and interview questions in the design of this study. Finally, the examination of the historic development of financial aid policy provided information about the array of goals, as shown in Table 3, to be achieved through the formulation of financial aid policy. During the national economy era the goal was the health and competitiveness of the national economy. During the universal access era this goal was expanded to include individual prosperity for Americans. In recent years, the emergence of the diffusion of purposes era has experienced the continuance of the previous goals in addition to multiple other goals such as enrollment management and expansion of financial aid benefits to the middle class. The presence of each of these desired goals provided a solid foundation for exploring the relevance and level of presence of each goal at the institutional level in the design of this study.

The examination of financial aid policy over the last 60 years identified three major players in the formulation of financial aid policy: (1) the federal government, (2) the state, and (3) the institution. Over the last six decade, these players worked independently, as well as, together at different points in time to formulate the financial aid policy system that exists in the United States today. Though this was an important insight for the purpose of this study, the review of literature only provided aggregate and general descriptions of each player. The analysis of the context did not provide details about groups or individuals within institutions, the federal government, or the state that was critical to the formulation of financial aid policy. Further exploration

about the players in the formulation of financial aid policy assisted in guiding the development of interview questions and the selection of individuals for interviews to meet the purpose of this study.

Table 2

Institutional Factors Influencing Financial Aid Policy Identified in Each Era

National economy era	Universal access era	Diffusion of purposes era
<ul style="list-style-type: none"> • Competition • Definition of need • Health of the institution (i.e., revenue and enrollment) 	<ul style="list-style-type: none"> • Competition • Definition of need • Health of the institution (i.e., revenue and enrollment) 	<ul style="list-style-type: none"> • Competition • Access • Health of the institution (i.e., revenue and enrollment) • Strategic use of funds

The examination of the historic development of financial aid policy in the United States provided an initial springboard for exploring the factors that led to the inclusion of non-need aid in institutional financial aid policies at American community colleges, which is the focus of this study. By further exploring the literature on the formulation of financial aid as it relates to external and internal factors in the next sections of the review of literature, a better understanding of how these factors influenced the formulation of financial aid policy at community colleges was achieved and served as the necessary background and source of relevant information for the design of this study.

Perceptions of Need and Non-need Criteria in the Formulation of Financial Aid Policy

This study explored the factors that led to the inclusion of non-need aid in institutional community college financial aid policies. Focusing on the concepts of need and non-need in the formulation of financial aid policy, the purpose of this

section of the review is to explore the perceptions of need and non-need as eligibility criteria in financial aid policy in order to deepen understanding of the influences on the formulation of institutional financial aid policy. In addition, a review of the perceptions of need and non-need provided a context for the data collection related to the internal and external factors that influence the formulation process. This section of the review first explores how need was perceived in the literature as a criteria for eligibility in financial aid policy. Then, a review of the perceptions of non-need as a criterion for eligibility in financial aid policy is undertaken.

Table 3

Goals to be Achieved Through Financial Aid Policy in Each Era

National economy era	Universal access era	Diffusion of purposes era
<ul style="list-style-type: none"> • Health and competitiveness of the national economy 	<ul style="list-style-type: none"> • Health and competitiveness of the national economy • Individual prosperity for Americans 	<ul style="list-style-type: none"> • Health and competitiveness of the national economy • Individual prosperity for Americans • Enrollment management • Expansion of financial aid to middle-class • Competition among institutions

Need-Based Financial Aid Policy

In this section of the literature review, the perceptions of need-based criteria are explored at postsecondary institutions in the public policy arena and by postsecondary institutions. The review presents three recent studies of financial aid policy in the United States that emphasized need as a criterion for eligibility in the formulation of financial aid policy: (1) The Advisory Committee on Student Financial

Assistance “Access Denied” (2001) and “Empty Promises,” (2002), (2) Heller and Marin “Who Should We Help? The Negative Consequences of Non-need Scholarships” (2002), and (3) The U.S. Education Commission on the Future of Higher Education “A Test of Leadership: Charting the Future of U.S. Higher Education” (2006). These studies were chosen to give a sense of the factors, such as access and equity that form the perceptions of need as a criterion in the formulation of financial aid policy in the literature. By examining common factors in the perception of need-based financial aid an understanding of the internal and external factors that influence the decision to formulate financial aid policy was likely to emerge.

Advisory Committee on Student Financial Assistance

In 2001 and 2002, the congressional Advisory Committee on Student Financial Assistance (2001) conducted two comprehensive reviews of the state of postsecondary access for low-income students in recent years. The Committee found the substitution of non-need and middle-income affordability for access as the goal for financial aid policy increased the gap between the cost of education and the family’s ability to pay (Advisory Committee on Student Financial Assistance, 2002). The Committee emphasized the importance of need in securing access to a college education for Americans, especially low-income students:

The new federal access and persistence strategy must focus on the critical impact of unmet need and work and loan burden on the behavior of high school graduates who are college-qualified, as well as, on those who are only marginally qualified.... For both, need-based grant aid is essential. (Advisory Committee on Student Financial Assistance, 2002, p. 34)

The findings of the Committee supported the idea that postsecondary education goals of increased access and greater equity between different socioeconomic classes were associated with the use of need as a criterion in the formulation of financial aid policy. This study verified these goals as they relate to need-based grants and revealed other goals in the formulation of financial aid policy at community colleges which was not the focus of these studies. In addition, the identification of access and equity as

outcomes to be achieved through the formulation of need-based financial aid policy were used as prompts when collecting information from the participants of this study.

Heller and Marin

A review of the study conducted by Heller and Marin (2002), entitled “Who Should We Help? The Negative Consequences of Non-need Scholarships,” informed this study because it examined the benefits of non-need by critiquing the drawbacks of non-need financial aid policies. Using a similar assumption, that the awarding of financial aid awards based on non-need decreased college participation levels, Heller and Marin (2002) studied four state non-need scholarship programs to assess whether these programs promote college access and attainment in each state and how the programs serve the needs of students from different income and racial groups. Heller and Marin found the state non-need programs examined were likely to exacerbate, rather than help eliminate, the gaps in college participation (Green, 2004):

The studies in this report make it clear that the students least likely to be awarded a non-need scholarship come from populations that have traditionally been underrepresented in higher education. This hinders the potential to increase college access among minority and low-income students, especially if these scholarship programs continue to overshadow need-based programs. (Heller & Marin, 2002, p. 112)

While the study by Heller and Marin echoed the perceptions identified by the Advisory Committee on Student Financial Assistance with regard to the interrelation of need and non-need, it was unclear if Heller and Marin’s focus on states was relevant to institutional financial aid policy. The difference in focus between Heller and Marin’s study at the state-level and this study at the institutional level presented an opportunity. The different focus created the opportunity to explore the relationship of need-based financial aid policies at the state level to the relationship between need-based aid financial aid policies at the institutional level. As I interviewed those involved in the formulation of institutional financial aid policy at community colleges about the meaning given to need and non-need, the opportunity arose to compare the

meaning given to need at the state level as identified in the literature with the meaning identified in the data collection of this study at the institutional level.

U.S. Department of Education

In 2006, the Commission on the Future of Higher Education, established by U.S. Secretary of Education Margaret Spellings, issued a report on the affordability and accessibility of college in the United States and how well postsecondary institutions were preparing students to compete in a new global economy. The Commission based their report on testimony from experts in the field and current practitioners, research, and national public hearings. While the Commission reported several findings related to access and affordability, the report found that rising financial barriers to the attainment of a college education led, in part, to decreased access to postsecondary institutions. The Commission recommended, with regard to improving access and affordability, that:

...public providers of student financial aid should commit to meeting the needs of students from low-income families...the federal government, states, and institutions should significantly increase need-based aid. (U.S. Department of Education, p. 18)

The findings of the Commission supported the idea that postsecondary education goals of increased access and greater equity between different socioeconomic classes were associated with the use of need as a criterion in the formulation of financial aid policy. The Commissions' findings combined with similar findings by the Advisory Committee on Student Financial Assistance and Heller and Marin strengthened the likelihood that similar goals would be present in my conversations with those involved in the formulation of financial aid policy at the institutional level. The identification of access and equity, again, as outcomes to be achieved through the formulation of need-based financial aid policy, supported the use of these outcomes as factors to be considered when information was collected from the participants of this study.

While the goals associated with need-based financial aid policy presented above offered a framework for this study, much of the research on need-based

financial aid policies did not go beyond the policy implications of using need as a criterion. The study of what external and internal factors led to the use of need as a criterion in the formulation of financial aid policy was lacking, instead the research explored the perceptions of need-based aid once it had been implemented as a criterion for eligibility. In addition, the research made a case for need-based aid in response to the use of non-need as a criterion in the formulation of financial aid policy, but did not explore need as an independent concept. Furthermore, the studies cited above came from a federal or state perspective and thus it was unclear how federal and state goals would be manifested in the formulation of financial aid policy at the institutional level.

In summary, this section of the literature review focused on three recent studies of financial aid policy in the United States that emphasize need as a criterion in the formulation of financial aid policy. Two major factors, access and equity, that shape the perceptions of need as a criterion in the formulation of financial aid policy emerged in the literature. As the topic of institutional financial aid policy and the factors that led to the inclusion of non-need-based aid in institutional community college financial aid policies were explored with study participants, these factors were used as prompts to encourage the participants to reflect about their institution's goals and the move away from need as a criterion in the formulation of institutional financial aid policy. What appeared to be missing from the research was an exploration of the perceptions of need-based financial aid policy at the institutional level and the identification of institutional level goals associated with the use of need in institutional financial aid policies. This study addressed these gaps by asking participants from community colleges about the internal and external factors that guided their institutions to move away from need-based aid towards the inclusion of non-need in institutional financial aid policies.

Non-need Financial Aid Policy

In this section, the perceptions of non-need grants at postsecondary institutions in the public policy arena are addressed. The literature presented two primary

perceptions of non-need in financial aid policy: (a) non-need is beneficial to postsecondary institutions and students by supporting institutional health and encouraging increased persistence and (b) non-need decreases access to a postsecondary education for low-income students. This section first reviews the literature that perceived non-need as a benefit to postsecondary institutions and students. Then the review explores the perception of non-need as a barrier to increasing access to a postsecondary education.

Non-need as Beneficial to Postsecondary Institutions and Students

This section of the literature reviews evidence suggesting that non-need is beneficial to postsecondary institutions and students. Given that the focus of this study was to explore the factors that led to the inclusion of non-need in institutional community college financial aid policies, the opportunity to reflect on the factors that emerged in the literature with regard to the perceptions of non-need as a criterion in financial aid policy provided some context for how current literature juxtaposes non-need with the themes identified with need-based financial aid policy.

Porter and McColloch (1983) asserted financial aid, in particular non-need grants, should be considered by institutions in enrollment planning. Porter and McColloch surveyed 824 directors of admissions at four-year colleges and universities throughout the U.S. to determine the current policies and methods of distributing no-need scholarships to full-time undergraduate students. They suggested that there was a resurgence in scholarships based on academic non-need at four-year institutions in the U.S. and stated institutional values of access may be overridden by the survival instincts of academic institutions in a climate of declining enrollment, budget cutbacks, and greater competition for students. Their findings supported the idea that non-need grants are a policy tool used to support the health of an institution and, therefore, provide a benefit; this study shed light on the benefits of non-need grants to the health of an institution and unveiled other benefits related to the use of non-need as a criterion in institutional financial aid policies at community colleges, especially since the Porter and McColloch study focused only on four-year institutions.

Focused on students, Baum and Schwartz (1988) explored the benefits of non-need as a criterion in the formulation of financial aid policy. Baum and Schwartz assumed that a social benefit exists from “the college attendance of non-meritorious students who would not otherwise have attended or from the increased academic excellence engendered by the prospect of receiving a non-need award” (pp. 129-130). From this premise, Baum and Schwartz suggested two benefits linked to non-need financial aid policy. The first benefit is the attraction of non-meritorious students who are not attending college at all. By supplanting need-based aid with non-need, these students may attend college when, without the non-need grant, they would have not done so. The second benefit of non-need aid is based on the idea that the effort of students to receive non-need grants will promote academic excellence. Baum and Schwartz used Jones’ (1984) comparison to athletic scholarships to support the possible presence of this second benefit:

...non-need aid will meet the public interest in nurturing our most promising talent – those among our young people who have the greatest potential to make the greatest contribution to America’s future. Those who can excel must be motivated to stretch their efforts to the limit. (p. 129)

The promotion of student academic excellence through non-need financial aid policy was also echoed by McPherson and Shapiro (1998). McPherson and Shapiro asserted that non-need was an incentive for pre-college students to be academically prepared for college, “the prospect of non-need dollars may induce students to improve their performance both in strictly academic pursuits and in those kinds of extracurricular activities that college admissions committees seem to care about” (p. 111).

In summary, the results of the review of the literature with respect to the benefits of non-need to institutions and students suggested that three goals were associated with the use of non-need as a criterion in financial aid policy: institutional health, promotion of academic excellence, and increased student persistence. This study provided an opportunity to confirm with study participants in interviews the influence of the perception that non-need was beneficial to the promotion of student academic excellence and the attraction of meritorious talent to postsecondary institutions on the decision to include non-need aid in institutional financial aid policies. In addition, the studies included in this section of the review offered insight

into the goals to be achieved by using non-need as a criterion in the formulation of institutional financial aid policy at four-year institutions. It remained to be seen if these goals would be evident in the data collected with regard to non-need in the formulation of institutional financial aid policies at community colleges.

Non-need as a Barrier to Access to a Postsecondary Education

The previous section of the review of the literature demonstrated that there were benefits associated with the use of non-need as a criterion in the formulation of institutional financial aid policy. This section presents a perception of non-need that is counter to the benefits proposed earlier. Having a sense of the different perceptions of non-need in the formulation of institutional financial aid policy helped set the stage for the importance of researching the formulation of financial aid policy within the context of non-need and provided validation for the significance of this study.

Heller (2003) examined recent trends in the awarding of state financial aid and the impact of these trends on college access. Heller found that there was a trend toward the increase use of non-need instead of financial need in the awarding of state financial aid. In addition, he found the use of non-need instead of need as the primary criterion for eligibility led to decreased access to postsecondary education for underrepresented students, such as low-income and racial minority students.

According to Heller, the award of financial aid based on non-need primarily:

...subsidizes the college-going behavior of those students who were likely to attend postsecondary education even without the additional subsidy from taxpayers...It is likely to exacerbate, rather than reduce, existing gaps in college attendance between rich and poor, and between racial majority and minority students. (Heller, 2003, p. 8)

Green (2004) asserted that the use of non-need as a criterion in financial aid policy was a less optimal use of funds when limited financial aid resources were awarded based on non-need rather than need. He cited Davis (2003) who found that:

...between 1995 and 1999, the most rapid increases in institutional aid were made to dependent students whose annual family income was above \$60,000, with the largest percentage increases made to those in the \$100,000 and above income category. (p. 7)

The notion that non-need awards went to upper-income students was supported elsewhere in the literature. Baum and Schwartz (1988) argued that non-need aid shifts public dollars away from students who most need them to those who would participate in postsecondary education without additional financial resources. As Figure 2 shows, Heller (2005) found that the largest recipient group for non-need awards was students whose family income was greater than \$92,000.

In summary, the two factors presented in this section of the literature review, the funding of upper-income students able to pay for college without additional assistance and the tendency of non-need financial aid policies to decrease access to postsecondary education provided possible reasons not to use non-need as a criterion in the formulation of institutional financial aid policy. The factors identified in this section of the review demonstrated the need to explore the role of non-need in the formulation of institutional financial aid policy to discover what institutional policy goals and perspectives underscore the use of non-need as a criterion. In addition, the presence of benefits and consequences with the use of non-need as a criterion in financial aid policy provided for the opportunity to gather rich data in this study with regard to what drove the use of non-need in financial aid policy.

Summary

This section of the literature review explored the perceptions of need and non-need as eligibility criteria in the formulation of financial aid policy. As a result of the review, several factors relevant to the perception of need and non-need as criteria in financial aid policy and this study arose, as shown in Table 4. First, it was clear access and equity shape the perceptions of need as a criterion in the formulation of financial aid policy. A second factor that was revealed in the literature review was the perception that non-need as a criterion in financial aid policy was dual in nature. The literature revealed non-need was perceived to have benefits to students and institutions, such as institutional health, promotion of academic excellence, and increased persistence. In addition, non-need was associated with outcomes that

decrease equitable access to postsecondary education, such as shifting funds from lower income students to higher income students.

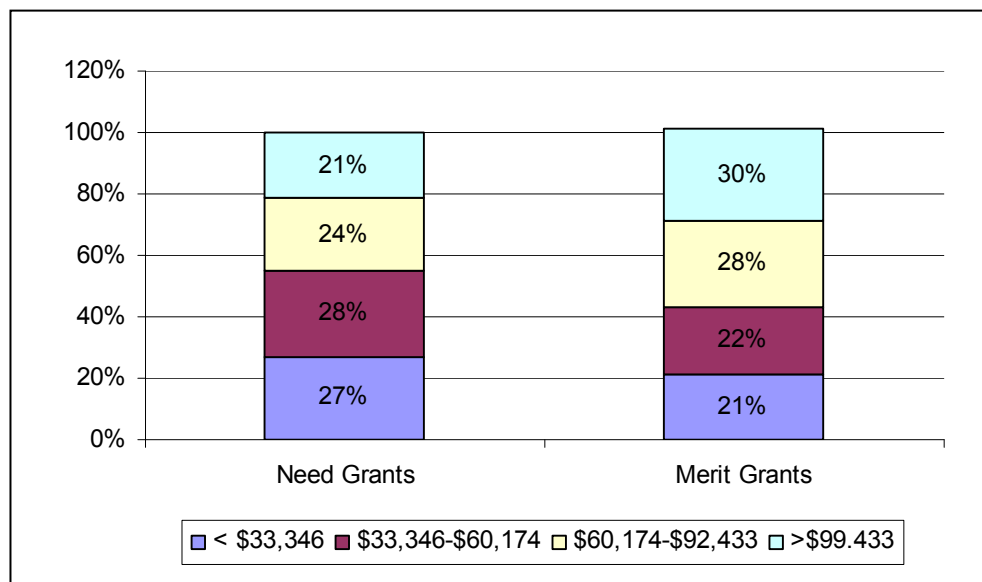


Figure 2. Distribution of institutional aid grants by income quartile 2003-2004 based on need versus non-need.⁴

In regards to this study, the literature review demonstrated the perceptions of need and non-need as criteria in the formulation of financial aid policy were complex and contradictory. In addition, the presence of both negative and positive perceptions of non-need and only positive perceptions of need in the formulation of financial aid policy sustained the rationale for conducting a study in which the factors that led to the inclusion of non-need were explored and understanding these criteria in the formulation of institutional financial aid policy at community colleges is the major objective. Based on the review, participants were asked to participate in interviews to unearth the connections between need and non-need from the perspective of the individuals that formulate financial aid policies at community colleges. Furthermore, the research questions that were used to guide the study were supported by the goals associated with need and non-need that were identified in the literature.

⁴ From "Need and Non-need in Financial Aid," by D.E. Heller, 2005, National Scholarship Providers Association Annual Conference, San Francisco, CA. Copyright 2006 by Donald E. Heller. Reprinted with permission of the author.

Postsecondary Institutional Financial Aid Policies

According to Cunningham and Parker (1999), community colleges were actively engaged in the diffusion of purposes era relative to financial aid policy. The diffusion of purposes era was and continues to be a time of disconnection and multiple goals ranging from access to institutional health for financial aid policy. Since the 1980s, community colleges and other postsecondary institutions formulated institutional financial aid policies within this context. This study explored the internal and external factors that led to the inclusion of non-need aid in institutional community college financial aid policies. There was evidence, from the diverse institutional factors and goals that emerged in the last 20 years as identified in the literature, that financial aid policy at the institutional level reflected this diversity. This section of the review explores what the literature said about institutional financial aid policies and who is involved in the formulation of institutional financial aid policies in order to broaden the understanding of the formulation of institutional financial aid policy and the role of non-need. First, in order to demonstrate the diversity of institutional financial aid policies that are present, there is a discussion about the different types of postsecondary financial aid policies. Then, there is an exploration of influences that shape the formulation process in an attempt to reveal why postsecondary institutions may choose one type of institutional financial aid policy over another. Finally, there is a section of the review that explores who is involved in the formulation of institutional financial aid policies beyond the general players identified to this point in the literature review, institutions and government. The intent of this section review of the literature was to build a case for the significance of conducting research about institutional financial aid policy at community colleges and the role of non-need within this process.

Institutional Financial Aid Policies

This section of the review examines the evidence that points to the presence of the diverse range and impact of institutional financial aid policies. The diversity and impact of institutional financial aid policies validated the importance of researching

the decision to include non-need in institutional financial aid policies in community colleges. Postsecondary institutions today face multiple, complex policy demands ranging from access to postsecondary education to the need to maintain institutional vitality, integrity, and authority. The presence of multiple demands has established a variety of strategies for intermingling need and non-need criteria to meet the multiple and complex demands facing today's community colleges. Whereas the literature on need-based and non-need grants suggested that only two categories of aid exist, in practice institutions are combining need-based and non-need criteria in a variety of ways. According to Horn, Peter, and Carroll (2003), "...some institutions aim to promote access to low-income and otherwise disadvantaged students, others use institutional aid to increase the enrollment of non-meritorious students, and still others use it to increase tuition revenues" (p. iii).

Table 4

Factors Relevant to the Perceptions of Need and Non-need

Need as beneficial	Non-need as beneficial	Non-need as non-beneficial
<ul style="list-style-type: none"> • Access • Equity 	<ul style="list-style-type: none"> • Institutional health • Promotion of academic excellence • Increased persistence 	<ul style="list-style-type: none"> • Decrease access to postsecondary education

The multiple goals suggested by Horn et al. lead institutions to implement different financial aid strategies to achieve their various goals. Institutional uses of student aid ranged from "need-blind, full-need" in which students were admitted without regard to financial need to "strategic maximization," in which an institution can package financial aid to attract the best students and obtain the highest level of

revenue possible (Cunningham & Parker, 1999). As Table 5 shows, there was a range of uses and combinations of student financial aid that institutions implement to meet institutional goals. For example, “differential packaging” treated students differently with regard to student aid within the aid-eligible population for that institution. Institutions, using differential packaging, offer a better aid package, such as more grants and less loans, to students who were considered more attractive to the institution for one reason or another (McPherson & Shapiro, 1998).

In summary, this section of the literature review focused on the different institutional financial aid policies practiced at postsecondary institutions. Institutional financial aid policies were as unique as the different missions and student demographics of each postsecondary institution. As I explored the factors that led to the inclusion of non-need in institutional community college financial aid policies with study participants, the different types of financial aid policies identified in the literature were used as prompts to encourage participants to reflect about their institution’s formulation process and the move to include non-need in policies and strategies at their institution. Finally, the different types of institutional financial aid policies identified were primarily associated with four-year institutions. What appears to be absent from this research was an exploration of these practices at community colleges. This study addressed this gap by focusing on the formulation of institutional financial aid policies at community colleges.

Influences that Shape Institutional Financial Aid Policy

Many institutional student aid programs reflect the broad purposes of access and choice, attraction of talented students, and improvement of persistence rates that have driven the development of American financial aid policy over the last 60 years. In this section, the identification of external and internal factors that influence the formulation of institutional financial aid policy are addressed. The purpose of this section is to identify internal and external sources of influence that shape institutional financial aid policy at community colleges, such as federal financial aid policies and institutional mission and demographics. This section explores external influences and

then examines internal influences that impacted the formulation of institutional financial aid policy.

Table 5

Institutional Uses of Student Financial Aid

Institutional financial aid policies	Purpose of policy
Need-blind, full-need	Students are admitted without regard to financial need.
Differential packaging	Students in the aid-eligible population are provided different aid packages based on their attractiveness to the institution.
Gapping	Students are offered student aid packages that meet only part of need.
Admit/deny	Marginal students are admitted need-blind but are denied financial aid.
Need-aware, second review	The ability for parent's to pay is considered for students on a second review list (i.e., waiting list or delayed admission list).
Strategic maximization	Institutions package financial aid to attract the best students and obtain the highest level of revenue possible.

Note. From "State of Diffusion: Defining Student Aid in an Era of Multiple Purposes," by A.F. Cunningham & T. Parker, 1999, The Institute for Higher Education Policy, The Ford Foundation, & The Education Resources Institute: Washington, D.C. and "The Student Aid Game: Meeting Need and Rewarding Talent in American Higher Education," by M.S. McPherson and M.O. Shapiro, 1998, Princeton University Press: Princeton, N.J.

External and Internal Influences

Doyle, Delaney, and Naughton (2004) asserted that campuses appear to reinforce state policy when distributing their own institutional aid, instead of using the opportunity to express different values. Doyle et al. supported their assertion that

campuses reinforce state policy by categorizing state financial aid policies based on two goals: (1) to meet need, and (2) to reward non-need. Based on these goals, Doyle et al. examined if four-year institutions reinforce state policy, compensate for it, or do neither. Doyle et al. found that four-year institutions reinforce state policy, foregoing opportunities to compensate for misdirected state financial aid policies. A limitation of the study by Doyle et. al. was that they focused only on four-year institutions. Questions remain as to whether community colleges are influenced by state policy similar to four-year institutions. An additional limitation, and one that provided support for this study, was that the study analyzed data from the National Postsecondary Student Aid Survey and did not collect data from individuals who formulate financial aid policy.

Reindl and Redd (1999) also suggested a causal relationship between actions at the state and federal level and student aid policy decisions at the institutional level. Financial aid offered by higher education institutions has historically played two primary roles as: (1) educational benefits where aid is awarded to fulfill objectives such as providing access for lower income students or increasing the participation of historically underrepresented groups, and (2) marketing tools where aid is awarded to make the institution more attractive to prospective students and their families. Reindl and Redd asserted that over the years institutional emphasis on these roles has shifted in response to a variety of external forces. For example, in the 1990s, the emphasis of federal and state policy shifted from public financing of higher education to student funding. Additionally, the focus of institutional student aid increasingly moved from need-based criteria for awarding aid to non-need criteria.

Internally, El-Khawas (1979) asserted that institutional financial aid policy may be influenced by several factors, including the impact of aid on enrollment, completion and retention implications of aid as a factor in costs, and rationale for institutional contributions to student aid. In her enrollment management guide for postsecondary institution presidents, El-Khawas stated that:

...the policy statement that emerges from this assessment should offer a comprehensive view of how the financial aid program would operate to

support institutional objectives. The statement would, in turn, form the basis for developing policies on specific details of aid administration. (p. 12)

Summary

In summary, this section of the literature review provided additional insight into external and internal influences, such as the role of state financial aid policies and the institutional costs associated with financial aid that shape the formulation of institutional financial aid policy. In addition, as the factors that influenced financial aid policy from the first and second sections of the literature review were examined, it was clear that connections can be drawn between external policies, internal demands, and the formulation of institutional financial aid policy. The connection between external and internal influences that appeared to exist in the literature provided rationale for further examination of the formulation of institutional financial aid policy at community colleges. The literature suggested internal factors, such as enrollment, and external factors, such as state financial aid policies, do influence institutional financial aid policy, but does not tie these factors directly to the specific move to non-need institutional financial aid policy experienced by community colleges. This study provided an opportunity for this exploration.

Those Involved in the Formulation of Institutional Financial Aid Policy

This section of the literature review explores research that identifies individuals at the institutional level involved in the formulation of institutional financial aid policy. The intent of this section of the literature review is to explore those involved in the formulation of institutional financial aid beyond simply postsecondary institutions and state and federal government. In addition, this section provides direction for identification of study participants, such as presidents, directors of admission, and the business office.

El-Khawas (1979) asserted that institutional presidents and senior administrative officers should lead the institution in the formulation of financial aid policy, specifically the philosophy for the administration of financial aid. Financial aid

has grown rapidly in the last two decades and this rapid change had major consequences for postsecondary institutions, including the struggle to cope with increasing student demand, increased dollars available for aid, changing regulations, and growing complexity in financial aid overall. El-Khawas (1979) noted as a result of dramatic change in financial aid policy, administrators learned that student aid “can have a powerful effect – positive or negative – on an institution’s mission and objectives” (p. 4). Due to the result that financial aid can have on an institution, El-Khawas suggested institutional presidents and senior administrative officers lead the institution as a whole in the formulation of financial aid policy.

In addition, El-Khawas suggested participation in the formulation of institutional financial aid policy should be expanded to include campus officials and administrators. A comprehensive institutional policy on financial aid was important because financial aid grows in both size and demand. El-Khawas (1979) suggested that the formulation of an institution’s financial aid policy should be broadened to include an array of individuals because such wide participation “helps ensure that all pertinent views are represented and that the resulting policy is communicated to all affected administrative offices” (p. 11).

Johnstone and Huff (1983) also identified individuals involved in the formulation of institutional financial aid policy in their analysis of the organizational location of the Office of Student Financial Aid. In a more recent study, Penn (1999) confirmed the importance of the individuals identified by El-Khawas (1979) and Johnstone and Huff (1983) focusing on the president, chief officer of campus or system, and the chief enrollment officer.

In summary, this section of the literature review focused on the different individuals at the institutional level that should be involved in the formulation of institutional financial aid policies practiced at postsecondary institutions. The most valuable contribution this section of the literature review provided for this study was the identification of specific individuals in postsecondary institutions that should be involved in the formulation of institutional financial aid. Prior to this section, the only players identified were categorized as institutions or governments. The identification

of specific individuals involved in the formulation of institutional financial aid provided support for selection of these individuals by title or their equivalent as study participants for each community college case selected.

Summary

In this third and final section of the literature review, institutional financial aid policies, influences that shape institutional financial aid policies, and the individuals involved in the formulation of institutional financial aid policies were examined. As a result of the review, additional factors were revealed that shed light on the research questions posed in this study. First, it was clear, postsecondary institutions in the United States face a variety of demands ranging from greater equalization of opportunity to the vitality of the institution. In response, postsecondary institutions have designed institutional financial aid policies to manage the array of demands upon them. As a result, multiple combinations and strategies underlie the formulation of postsecondary institutional financial aid policy. Second, it became clear, as Table 6 indicates that connections can be drawn between external and internal influences and the decision to formulate institutional financial aid policy in a particular way.

Third, the research identified individuals at the institutional level, as shown in Table 7, involved in the formulation of financial aid policy beyond the general notions of institutions and governments. The internal and external factors identified provided a strong rationale for the purpose of this study and the specific focus of the research questions; conducting research that provided insight into the factors that led to the inclusion of non-need in institutional community college financial aid policies. In addition, the identification of individuals at the institutional level involved in the formulation of institutional financial aid policies assisted in the selection of participants for this study.

In summary, the review of literature suggested there may be a lack of research about the financial aid policies, players, and influences in the community college sector; this study attempted to fill this gap. In addition, the findings presented in this section indicated that external and internal policies can be critical influences on the

formulation of financial aid policy. This study provided evidence to support this claim as it explored with the participants what factors led toward the move to include non-need in institutional financial aid policies at their institutions.

Table 6

Internal and External Influences Relative to Need-Based and Non-need Grants

External influences	Internal influences
<ul style="list-style-type: none"> • Federal financial aid policies • Federal education policies • State financial aid policies • State education policies 	<ul style="list-style-type: none"> • Enrollment • Persistence • Institutional costs • Access • Academic excellence • Equity • Institutional health

Summary of the Literature Review

Whether one perceives the decision to include non-need in institutional financial aid policies at community colleges as influenced by federal and state financial aid policies or institutional demographics and goals, the role of non-need as a criterion in financial aid is a concept rich in current and prior financial aid policy discussions. The process of moving institutional financial aid policy away from primarily need-based towards non-need was an institutional transformation that was little understood and rarely studied from the perspectives of those involved in formulating financial aid policies at the institutional level, especially at community colleges. The factors and goals that influence institutional financial aid policy, and were likely to influence the decision to move towards the inclusion of non-need aid policies highlighted in each section of the literature review provided an initial set of concepts to be explored from the experience of those involved in the formulation of institutional financial aid policy at community colleges. There were solid connections

across the historical context, perceptions, and policies related to this study.

Finally the literature review revealed a gap with regard to the factors that have led to the decision to include non-need in institutional financial aid policies at community colleges in the U.S., which this study attempted to fill.

Table 7

Key Players in the Formulation of Institutional Financial Aid Policy Identified by Position, Roles, and Areas of the College

Positions	Roles	Areas of the college
<ul style="list-style-type: none"> • President • Chief academic officer • Chief business officer • Chief student affairs officer • Chief development officer • Director of admissions • Director of financial aid • Chief officer of campus or system • Chief enrollment officer 	<ul style="list-style-type: none"> • Governing board • External aid sources • Faculty representatives • Student representatives • Officer of admissions, financial aid, and marketing 	<ul style="list-style-type: none"> • Financial aid office • Business office • Public relations office

Below, I summarize what was learned from the literature review in relation to the four research questions that guide this study.

1. What meaning do those involved in the formulation of institutional financial aid policy at community colleges give to need and non-need as criteria for financial aid?
2. What internal factors have influenced the move to include non-need in institutional financial aid policies at community colleges?
3. What external factors have influenced the move to include non-need in institutional financial aid policies at community colleges?

4. What explains the move from need to non-need institutional financial aid policy at community colleges?

Research Question 1: What Meaning Do Those Involved in the Formulation of Institutional Financial Aid Policy at Community Colleges give to Need and Non-need as Criteria for Financial Aid?

A review of the literature on financial aid policy in the U.S. illustrated that the concepts of need and non-need as criteria for financial aid were well defined (Porter, 1984; Wick, 1997). Need, as it relates to financial aid policy, was defined as the gap between the cost of college and what a student and her/his family can afford to pay for college. Non-need was defined as awarding financial aid based on achievement, such as test scores, class ranks, or athletic skills. Since need and non-need were well defined in the literature, it was assumed that the meanings identified were shared among all individuals involved in the formulation of financial aid policy. However, beyond general meanings given to need and non-need in financial aid policy, curiosity about how those involved in the actual formulation of institutional financial aid policy give meaning to need and non-need and how these meanings may differ from those in the literature was disregarded. In addition, it was unclear in the literature how a move to include non-need in institutional financial aid policies, in particular, influences the meaning of need and non-need.

In summary, the identification of common definitions of need and non-need in financial aid policy identified in the literature provided a basis by which to develop interview questions and shape document analysis to check if the meaning given to non-need and need in the literature was similar to the meanings held at the community colleges that were studied. In addition, this study explored the meaning of need and non-need within a context that was absent from the literature – the meaning given to need and non-need from the perspective of community colleges who have moved away from need to include non-need in institutional financial aid policies.

Research Question 2: What Internal Factors have Influenced the Move to Include Non-need in Institutional Financial Aid Policies at Community Colleges?

A pattern across the writings revealed several factors internal to postsecondary institutions influenced the formulation of institutional financial aid policy (Baum & Schwartz, 1988; Cunningham & Parker, 1999; El-Khawas, 1979; Green, 2004; McPherson & Shapiro, 1998; Porter & McColloch, 1983; and Wick, 1997). The literature suggested a range of internal factors, as shown in Table 8, from the health of the institution to institutional costs influenced the formulation of institutional financial aid policy. However, beyond a broad list of factors internal to postsecondary institutions that likely influence the formulation of financial aid policy, the contributions of any one factor to move a postsecondary institution from need-based institutional financial aid policies to non-need policies was overlooked in the literature. In addition, the discussion of internal factors that influence the formulation of institutional financial aid policy from those involved at the institutional level, especially in community colleges, was absent in the literature.

Table 8

Internal Factors that Influence the Formulation of Institutional Financial Aid Policy from the Literature Review

-
- | | |
|--|------------------------------------|
| • Equity | • Access |
| • Enrollment | • Persistence |
| • Health of the institution (i.e., revenue and enrollment) | • Promotion of academic excellence |
| | • Institutional costs |
| | • Strategic use of funds |
-

In summary, the list of potential internal factors that influenced the formulation of institutional financial aid policy provided in the literature offered a solid foundation by which to develop data needs, formulate interview questions, and shape document analysis to verify the level of influence of these internal factors to move towards non-need in institutional financial aid policies at selected community colleges. In addition,

this study explored the factors that led to the inclusion of non-need in institutional community colleges financial aid policies within a context that was missing from the literature – the lived experience of those involved in the transition from need-based to non-need financial aid policies at the institutional level and in the community college setting.

Research Question 3: What External Factors have Influenced the Move to Include Non-need in Institutional Financial Aid Policies at Community Colleges

Many of the writers on need and non-need in financial aid policy (Advisory Committee on Student Financial Assistance, 2002; Baum & Schwartz, 1998; Green, 2004; Heller 2003; Heller & Marin, 2002; Porter & McColloch, 1983; McPherson & Shapiro, 1998; and U.S. Department of Education, 2006) suggested that there were multiple external factors that influenced the formulation of financial aid policy. The literature review indicated external factors that may influence the formulation of financial aid policy, as shown in Table 9, range from competition to access. However, similar to the literature that revealed internal factors that influence the formulation of institutional financial aid policy, the weight given to external factors on the transition to non-need policies was overlooked in the literature. In addition, the literature lacked research regarding whether internal or external factors were more influential on the formulation of institutional financial aid policy, especially the decision to include non-need. Finally, the discussion of external factors that influenced the formulation of institutional financial aid policy from those involved at the institutional level, especially in community colleges, was absent in the literature.

Again, the literature provided a solid initial list of potential external factors that influenced the formulation of institutional financial aid policy. The list of potential external factors assisted in the development of interview questions to verify the level of influence these external factors have on the institutional decision to move from need-based to include non-need institutional financial aid policies at selected community colleges. In addition, this study provided the opportunity to confirm with study participants through interviews the influence of the external factors identified in the literature.

Table 9

External Factors that Influence the Formulation of Institutional Financial Aid Policy from the Literature Review

-
- Access; expansion of funds to middle-class
 - Competition
 - Equity; enrollment management
 - Federal education policies
 - Federal financial aid policies
 - Health and competitiveness of the national economy
 - Individual prosperity for Americans
 - State education policies
 - State financial aid policies
-

Research Question 4: What Explains the Move From Need to Non-need Institutional Community College Financial Aid Policy?

Throughout the literature potential internal and external factors that influence financial aid policy were identified. The list of potential external and internal factors provided a basis by which to form interview questions. However, as noted in the summary of Research Questions 2 and 3, the literature lacked research about the degree to which internal and external factors influence the formulation of institutional financial aid policy, especially the decision to move to include non-need, from the perspective of those involved in the process.

This study provided the opportunity to move beyond identification and verification of internal and external factors that influenced the formulation of institutional financial aid policy to the interplay of internal and external factors in the formulation of institutional financial aid policy. In addition, a dialogue with study participants allowed for the chance to explore the relative importance of the various factors in the formulation process in the decision to include non-need financial aid policy. Finally, a dialogue with study participants through interviews gave voice to those involved in the formulation of financial aid policy and added meaning to the multiple factors that influence the formulation of institutional financial aid policy at community colleges.

Implications for Design of Study

The information and insight gained from the literature review were extensive. What was learned from immersion in the literature was used to develop the four research questions and the design of the study. First, the presence of multiple internal and external factors lent itself toward exploration of these factors from the perspective of those involved in the formulation of institutional financial aid policy, which was the focus of this study. The intent of the study was to give voice to those community colleges that have moved to include non-need in financial aid policies and the opportunity to reflect on their institution's journey to transform financial aid policy. Through interviews with study participants and the data analysis process, I reflected on how the internal and external factors expressed by study participants fit with the factors identified in the examination of literature on the historical context of financial aid policy, the perceptions of need and non-need, and postsecondary institutional financial aid policies.

Second, the research has pointed to a need for a more concentrated and sustained effort to explore the factors that led to the inclusion of non-need institutional financial aid policies within a community college context and a need for more research that gave voice to how those involved in the formulation process view and give weight to these factors. In this study, I addressed these needs by spending significant time dialoguing with those involved in the formulation of institutional financial aid policy at community colleges about internal and external factors that have influenced the decision to include non-need in institutional financial aid policies. The intent of the study was to center on factors that have led to the inclusion of non-need through the lens of those involved in the formulation of institutional financial aid policy at the institutional level.

Third, the literature review indicated that non-need financial aid policy is a current postsecondary education topic and provided support for exploring the ways in which those involved in the formulation of institutional financial aid policy create policies focused on non-need. This study asked participants to reflect on internal and

external factors that led to the inclusion of non-need, in an attempt to understand how they address the challenges their institutions were facing.

The research suggested the use of the interview data collection technique would be useful when exploring a specific issue, especially when that issue was something that the researcher could not “observe behavior, feelings, or how people interpret the world around them” (Merriam, 1998, p. 72). As the focus of this study, the factors that led to the inclusion of non-need in institutional community college financial aid policies, can be described as an issue that cannot be observed or answered only through data, especially from the perspective of those involved in the formulation of financial aid policy; this finding provided support for using interviews to collect the data for this study. In addition, the research suggested that interviews can provide information about common themes or patterns with regard to a specific kind of information. Merriam (1998) referred to interviews as “conversations with purpose” (p. 71). The intent of this study was to have conversations with purpose to discuss the move towards the inclusion of non-need in institutional financial aid policies from the lens of those involved at community colleges in order to better understand the move to non-need and what was in and on the minds of those who have made the transformation.

The studies reviewed here provided a solid rationale for a case study that will yield insight into the factors that have led to the inclusion of non-need in institutional community college financial aid policies through the lens of those involved in the formulation of institutional financial aid policy at community colleges, which were known to provide institutional grants and have experienced a move to non-need. This study explored the ways in which the factors that led to the inclusion of non-need were conveyed in their thinking and practice through a case study analysis.

CHAPTER 3 - DESIGN OF STUDY

The purpose of this study was to explore the factors that have led to the inclusion of non-need by focusing on external and internal factors identified by those involved in the formulation of institutional financial aid policies at community colleges. This study used the interpretive philosophical approach and case study research method to explore the factors that led to the decision to include non-need criteria. Palmer (1969) stated with regard to interpretive research, “Like the god Hermes, the translator mediates between one world and another” (p. 27). The role of this study and of me as a researcher was to translate from the world of institutional financial aid policy to the greater postsecondary education community a better understanding of the role of non-need in the formulation of institutional community college financial aid policy.

This chapter first addresses the philosophical lens through which this study was conceptualized, justified, conducted, and reported. Then, since my perceptions and experiences influenced, at a deeper level, all aspects of this study, I provide a personal disclosure for the reader to consider, followed by the method and the rationale for its use. Next, the selection of study sites and study participants, the type of data needed to meet the goal of this study, and data collection and analysis procedures are addressed.

Philosophical Approach: Interpretive Social Science

The purpose of this study was to explore the factors that led to the inclusion of non-need in institutional community college financial aid policies. An interpretive philosophical approach to this research was appropriate because the aim of this study was to better understand how those involved in the move to include non-need in institutional financial aid policies made sense of their world. This section of the design describes the interpretive philosophical approach and rationale for its selection for this study. First, the historical underpinnings and placement of the interpretive philosophical approach to research is examined, followed by the underlying assumptions, aims, and key concepts. Then the strengths and limitations of the

interpretive approach are addressed. The intent of this section is to provide a rationale for the selection of the interpretive philosophical approach and set forth its standard for high quality research as a guide to this study.

Historical Context

Interpretive social science has its roots in the desire of humans to understand and explore the meaning of actions. Interpretive social science, specifically the hermeneutical lens, can be found historically in efforts to unravel meaning given to ancient terms in the Bible and the development of guidelines on how to read and interpret historical texts. Formalizing this procedure, as hermeneutical inquiry, some philosophers, such as Weber and Geertz, developed guidelines for research in the humanities that explored meaning and understanding of action from the perspective of those doing the acting. According to Weber (1947):

...In 'action' is included all human behaviour when and in so far as the acting individual attaches a subjective meaning to it. Action in this sense may be either overt or purely inward or subjective; it may consist of positive intervention in a situation, or of deliberately refraining from such intervention or passively acquiescing in the situation. Action is social in so far as, by virtue of the subjective meaning attached to it by the acting individual (or individuals), it takes account for the behaviour of others and is thereby oriented in its course. (p. 88)

The interpretative approach of social action attempts to casually explain the course and effects of the action. Action is not simply behavior but behavior that is directly associated with meanings given to the action by the actors themselves. In this study, the move to include non-need in institutional community college financial aid policies is an action, as defined in the interpretive approach. The move to include non-need is not a simple behavior but a process in which subjective meaning has been given by those involved in the formulation of institutional financial aid policy. The use of the interpretive lens allowed this study to explore the subjective meaning given to the move to include non-need from the experience of those who made this policy transformation.

Interpretive social science also has roots in response to the positivist approach to research. Until the 1960s, the positivist approach was the dominant framework for research. Grounded in the concepts of objectivity, a single truth, and human behavior is determined by impersonal laws that operate beyond the individual's control (Carr & Kemmis, 1986), the interpretive social science framework emerged as a rejection of these positivist concepts. Interpretive social science suggests society is not an independent system created by the relationship of external factors to humans, but instead social reality possesses an “intrinsic meaning structure that is constituted and sustained through the routine interpretive activities of its individual members” (Carr & Kemmis, 1986, p. 84). Meaning, which drives social action, can be found in simple everyday tasks. In the context of this study, the routine task of formulating and implementing institutional financial aid policy at community colleges was explored by focusing on the factors that have led to the decision to include non-need and how those involved in the decision to include non-need construct meaning from this transformation in policy. The purpose was to discover the internal and external factors that have led to the decision to include non-need within the community college context.

Assumptions, Concepts, and Aims

Interpretive social scientists study meaningful social action, which is defined as the study of action that has purpose and intent. It is the purpose and intent placed on actions that give action meaning and, more importantly, it is the sharing of this meaning among individuals that makes this action relevant (Weber, 1947). This was the purpose of the research questions that guided this study. Science, life, and issues are therefore subjective and this allows for the presence of alternative realities to exist among individuals. Furthermore, what is truth for one individual may not be the truth for another individual because truth is constructed based on one's own reality. The differences in reality were explored through the research questions of this study.

The interpretive framework to research is grounded in several concepts that shape interpretive social science and will guide the design of this study: development

of meaning, connection of reality and experience to meaning, the role of context, and the presence of inter-subjective understanding. As individuals gather and talk, they share different meanings given to social action and these different meanings influence and expand to create new and evolved meanings. The research questions posed in this study spoke to this point by focusing on how various internal and external factors, from those involved in the formulation policy process, are expressed and resolved in the development of a single, institutional financial aid policy at a community college. The individual values placed on social actions and interactions are integral to daily life and therefore the reality constructed by individuals (Weber, 1947). Furthermore, interpretive social reality does not depart from the experience and reality of individuals studied. Interpretive social science explores and shares the meanings, values, interpretations, and rules used by individuals with regard to an issue, providing others with a sense of that individual's reality. The meaning given to the factors that have led to the move to include non-need were at the core of the research questions that framed this study and drove data collection methods to reveal the factors that participants give meaning in this policy process.

Social interactions cannot be separated from the context in which they take place. This was central to the purpose of this study which poses research questions within the context of a community college. An individual's reality cannot be isolated from the culture in which meaning and reality are determined. The concept that culture is intertwined with reality was expressed in the exploration of internal and external influences that shape the formulation of institutional financial aid policy at community colleges. According to Geertz, (1975):

Believing, with Max Weber, that man (sic) is an animal suspended in webs of significance he himself has spun, I take culture to be those webs, and the analysis of it to be therefore not an experimental science in search of law but an interpretive one in search of meaning. (p. 5)

In this study, the meaning given to non-need drove the exploration of the formulation of non-need in institutional community college financial aid policy. As Geertz suggested, laws and rules exist that frame policy. However, even the development of laws and rules are based on the meaning given to them. The purpose of this study was

to focus on the meaning of non-need and discover the influence of various factors on the meanings given to non-need in the rules and processes that guide the formulation of institutional community college financial aid.

The connection between context and meaning was further explored by Gadamer. Gadamer (as cited in Schweizer, 1998) referred to the relationship between context and the construction of reality by an individual as the hermeneutic circle. To know the meaning of the parts it is necessary to understand the meaning of the whole; to understand the meaning of the parts, it is critical to know the whole as background knowledge. The purpose of this study was to explore factors that have led to the decision to include non-need in institutional financial aid policies from the perspective of the individual and internal and external factors (i.e., the parts) and place it within community college institutional financial aid policy (i.e., the whole). As the literature suggested, various perceptions of need and non-need are present in financial aid policy. To study the formulation of institutional financial aid policy based on the concept of non-need, it was critical that a constant back and forth examination between the parts and the whole took place in this study. The analysis of documents and interviews at selected community colleges allowed for the opportunity to move fluidly between the whole and the parts to better understand non-need in the formulation of institutional financial aid policy.

The interpretive approach also acknowledged that the truth and reality of the researcher is a part of the process. According to Kuhn (1970), “what a man (sic) sees depends upon both what he looks at (observation) and also upon what his previous visual-conceptual experience has taught him to see” (p. 113). The truth and reality given to the decision to include non-need in institutional financial aid policies by the researcher, for the purpose of this study, were not removed from the design of this study but instead acknowledged and incorporated into the findings as a part of the hermeneutic circle of examining the interrelationship between the whole and the parts.

Finally, the interpretative approach relies on intersubjective understanding to establish credibility in research. Intersubjective understanding as defined by Van Manen (1990) is the need by the researcher for other human validation. Human

validation is realized through dialogue, as shown in Figure 3, with readers and study participants, “in order to develop a dialogic relation with the phenomenon, and thus validate the phenomenon as described” (p. 11).

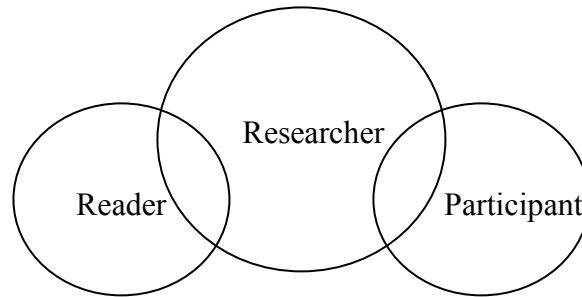


Figure 3. Diagram of intersubjective agreement.

The relationship between the researcher and the study participant creates a dialogue with the researcher about the issue being studied and therefore validates the existence of the issue. The relationship between the researcher and the study reader is to create an understanding between the study participants and the study reader. This understanding manifests itself in the reader’s ability to experience the issue, concept, or phenomenon as experienced by the study participant. This validates the experience and the study. Though this study honored intersubjective understanding from the interpretative approach through data analysis, full intersubjective agreement cannot be realized. Another researcher could conduct the same interview, make the same observations, and analyze the same documents and yet highlight different concepts. The recognition that full intersubjective understanding is not possible remains true to the interpretive approach which states that an individual constructs her/his own reality and realities will differ from individual to individual.

Strengths and Limitations

The strengths of the interpretive approach include the richness and depth of the research, as well as, the voice it gives to individuals and organizations to express their own constructed realities. Furthermore, it is the revelation of these realities to the individuals and organizations themselves that gives insights into the rules and

assumptions upon which they are acting and therefore illuminates the significance of their actions which may open the door to change. As a result, communication between those whose actions are being interpreted, in this study those involved in the formulation of institutional financial aid policy and the process itself, and those to whom research is made available is opened from a basis of understanding and not judgment. Furthermore, individual actors may use this insight to alter their practices and their understanding of themselves as leaders in the formulation of institutional financial aid policy and the process itself.

These strengths are met with some criticism. From the positivist point of view (i.e., Comte, Scheuer), interpretive research is unable to produce the wide generalizations or the objective standards that are at the core of the positivist framework. Limitations are also suggested from the post-positivist perspective, such as Dewey, which does accept that social activities must be understood in terms of their meaning. The post-positivist perspective argues that the interpretive approach is limited to exploring an individual's "own" definitions and neglects questions about the origins, causes, and results of individuals' definition, especially as they relate to social conflict and social change. In response, the interpretive research argues that its purpose is not to be generalizable or engage directly in social change but is "to deepen and extend our knowledge of why social life is perceived and experienced in the way that it is" (Carr & Kemmis, 1986, p. 90), which in turn can provide insight to more thoughtful and tactful changes in practice and policy.

From the critical social perspective (i.e. Habermas, Freire, and Marx), interpretive research may uncover meanings but fails to use revealed understanding to move toward action to change the world for the better. Furthermore interpretive research acknowledges that social context shapes meaning but does not acknowledge how meaning is distorted by social context. Social criticalists suggest that a limitation of interpretative research is that it fails to take into account how false understanding or injustices in the context may alter the original meaning given to an issue or a concept by an individual.

Personal Disclosure

The interpretive approach to research embraces the experience and perspective of the researcher in the study. Staying true to this core concept of interpretive research, I examined how my own values, beliefs, and personal biases influenced this study. Professionally, I came to this study with knowledge of financial aid policy at the state and federal level and the relationship of financial aid policy to larger discussions of access and institutional health, especially for community colleges. As a policy expert in the area of higher education financial aid, I view this topic from the 35,000 foot level. I believe that our students today are drastically different than their predecessors and that postsecondary education must openly communicate with students the challenges institutions face in catching up to the needs of modern college students and that students must openly communicate their needs with institutions, especially as it relates to financial aid.

With regard to the specific topic of need and non-need financial aid policies, I have journeyed from a belief that need-based aid was critical to increased access for postsecondary education to a view where I place no judgment on the use of need or non-need as a criterion. Instead my respect for the challenges community colleges and policymakers must face with regard to managing the complex world of financial aid has increased. However, I remain critical of how postsecondary education in general communicates the use of need or non-need in formulation of financial aid policy. The disinvestment in postsecondary education and the transfer of financing a college education to the shoulders of students and their families remain hidden behind idealistic notions that full access to a college education exists for all Americans. The dramatic rise in tuition, the increase in loans, and the rise in student debt levels all signal that access to a college education is available if a student and her/his family can afford it. Based on this assumption, I value communication among postsecondary institutions, policymakers, and students and families about the real financial hurdles they will face to attain a postsecondary education. In addition, I value the need for the actions of postsecondary education institutions and policymakers to match the language used in policy. I believe that whether or not an institutional financial aid

policy is need or non-need is critical, but how postsecondary education and policymakers communicate the basis of financial aid policy and how that policy reflects the experiences of students and their families is even more important.

Personally, I found the examination of my own values and beliefs challenging because conducting an interpretive study is in disagreement with my personal post-positivistic view of the world. The post-positivist approach is couched in the belief that an external, objective reality exists. From a post-positive approach, objectivity is crucial to truth, which is based on facts, logical connections to laws, and replicability. However, in my study of the interpretative approach, I have identified bridges that can be made between the post-positivist world view and that of the interpretive approach. Post-positivism, while it maintains some of the rigid beliefs of positivism, acknowledges that reality is complex and therefore can only be approximated rather than truly known. The interpretative approach also believes reality cannot be truly known, suggesting that reality is complex and is constructed by individuals allowing for no one single truth to exist. In addition, objectivity is not substantiated only by the elimination of biases in post-positivism, but through the use of multiple perspectives and an effort to find agreement among these different perspectives about what is happening in the natural or social world. The interpretive approach also values multiple perspectives, emphasizing the role of shared meaning.

I chose the interpretive approach for this study because it is the approach that most compliments the questions and perspectives that I, as the researcher, was interested in exploring and provided integrity to this study, not because it aligned itself with my view of how the world is or ought to be. I believe this is an opportunity for me to explore further my beliefs and to push myself personally, professionally, and academically. As Palmer wrote in 1969, “one must risk his (sic) personal ‘world’ if he is to enter the life-world of a great lyric poem, novel, or drama” (p. 7). I believe that a researcher must be able to wear multiple lenses when conducting research. Thus, I believe that by adopting a different worldview than my own for the integrity and knowledge of this study opened my mind further and the minds of others to intriguing

research that impacts millions of students and hundreds of community colleges in the United States.

Research Method: Case Study

This study utilized the multi-case study research method, from the interpretive social science approach, to explore the factors that led to the inclusion of non-need in institutional financial aid policies at selected community colleges. This section of the design describes the case study method and rationale for the selection of this method. First, the methods considered and the rationale for selection of the case study method was addressed, followed by the underlying assumptions, aims, and key concepts of the case study method. Then, interpretive descriptive case studies were specifically examined. The intent of this section was to build an argument for using the case study method as a framework for exploring the factors that led to the decision to include non-need in institutional financial aid policies at community colleges.

Rationale for Selection

As one research tradition within the broad framework of interpretive research, case study is largely defined as an intensive, holistic description of a contemporary phenomenon within its real-life context (Merriam, 1998; Yin, 1994). The case study method is qualified by its aim to explore an event, organization, or process within a closed system (Merriam, 1998) and concentrate on a single issue from a holistic and explanatory perspective. The interpretive case study method is appropriate, as the aim of this study was to develop rich, thick descriptions of the formulation of institutional financial aid policy at community colleges within the context of the move to include non-need, illustrating theoretical assumptions, such as institutional health as an internal factor, held prior to data collection (Merriam, 1998).

The post-positive philosophical approach, as well as other research methods relating to the interpretive approach, were considered for this study, including survey and historical analysis. The post-positive approach was not chosen because the aim of this study was to provide “insight, discovery, and interpretation rather than hypothesis

testing” (Merriam, 1998). In addition, a survey or historical analysis method was not chosen because these methods were less relevant to this study than the case study method primarily because they do not offer the exploratory depth provided by the case study method. According to Yin (2003), a research strategy (method) should complement the form of the research questions, the level of control the researcher has of behavioral events, and modernity of the event. The case study method was the best fit because the research questions that guided this study were framed within the context of specific institutions—community colleges. The exploration of non-need in the formulation of institutional financial aid policy was conducted within the bounded system of a single type of institution. Furthermore, the case study method required no control of behavioral events and involved the exploration of a contemporary issue, both of which are factors in this study. While history was an important component of the review of literature and may be drawn in through document analysis and interviews as a factor that has led to the decision to include non-need in institutional financial aid policies at community colleges, the focus of this study was on current financial aid policies at community colleges. Furthermore, the exploration of the inclusion of non-need within the context of institutional financial aid policy did not require the controlled setting of a laboratory or study participants.

Aims, Assumptions, and Concepts

The case study method seeks to explore in-depth the presence of an issue in a specific case, such as an institution, an activity, or a process. Case study’s grounding is in questions which are explanatory and seek to shed light on decisions or a set of decisions (Merriam, 1998). It is the purpose and intent placed on the study of a case that highlights an issue being studied within the reality constructed by those involved. Context is critical to the case study method. The purpose of identifying the context for the issue being studied is to analyze and describe the setting in which the issue being studied exists. Context sets the stage for the reality by which the key players, influences, and decisions must exist and work.

Context is linked to meaning in case study through the rich, in-depth exploration of the issues. This exploration allows for the connection between case study and the interpretive approach by examining how participants in the case experience the issue or construct their reality. Arising from the interpretive social science philosophical approach, the case study method acknowledges that individuals may perceive reality differently and requires analysis of multiple sources of information to understand the reality that is constructed by participants and the researcher.

The case study, through the emphasis placed on meaning, the construction of reality, context, and rich descriptions, aims to present cases in which a reader can situate themselves in the place of the participants, in the context of the case, and experience the issue fully. The ability for the reader to put themselves in the place of the participants continues to honor the interpretive concept of intersubjective agreement in the design of this study. This is evidenced in the goal of this study to place myself as the researcher and any reader of this study in the community college environment among the conversations, reflections, and decision-making of those involved in the formulation of institutional financial aid policy in order to tell a familiar story from one's own perspective. The significance of this research was revealed through listening and relating to participants and accurately describing and interpreting the move to non-need in the formulation of institutional financial aid policy at community colleges.

Interpretive Descriptions

More specifically, I proposed an interpretive descriptive approach. An interpretive case study intends to develop rich, thick descriptions to support and/or challenge theoretical assumptions held prior to the data gathering (Merriam, 1998). The intention of this study was to present rich descriptions of internal and external factors that led to the decision to include non-need in community college institutional financial aid policies. This study gathered information from multiple sources, including the colleges, those involved in the process, and documents, with the goal of

providing an analysis about this policy process, especially in the context of the apparent move to non-need aid at community colleges.

The presentation of thick descriptions of the factors that have led to the inclusion of non-need in the formulation of institutional community college financial aid policies met most of the aspects outlined by Olson (as cited in Merriam, 1989) for descriptive case studies: illustrate the complexities of a situation, have the advantage of hindsight, show the influence of personalities and passage of time on the issue, include vivid material and obtain information from multiple sources, spell out differences of opinion on the issue, and present information in a wide variety of ways from multiple viewpoints.

Research Procedures

This section of the design describes the procedures that were used to select study participants and collect data. First, the process for case selection is described, followed by the process for choosing study participants. Then, the data needed for the proposed study are identified, as well as, how the data was collected and analyzed. Finally, strategies to insure soundness and the protection of study participants are addressed.

Case Selection

For the purpose of this study, a “case” was defined as a community college which included non-need in the institution’s financial aid policies. Nominations for potential cases were sought from over 560 individuals and organizations working in or advocating for community colleges and/or financial aid to identify community colleges that include non-need in their institutional financial aid policies. Nominations were sent to individuals identified as key players in the literature review (El-Khawas, 1979; Johnstone & Huff, 1983; Penn 1999). The nomination solicitation list is included in Appendix A. Merriam refers to this as a type of purposeful sampling described as “unique-case sampling” (1998, p. 62). Of the 560 nominations sent to

institutions and organizations in the United States six colleges were identified as potential study sites for this study.

Once the six potential cases were identified, these institutions were reviewed in relation to a set of operational criteria intended for this study. All of the colleges identified as potential cases were reviewed against the operational criteria. Operational criteria were constructed based on the scope of this study and insights from the purpose, research questions, and literature review and consideration of the philosophical approach and research method. Selection criteria for this study were broken into primary and secondary criteria sections. Primary criteria were:

1. Cases must be public, two-year, Carnegie classified Associate Colleges. The focus of this study was on community colleges.
2. Cases chosen must have or be experiencing a move from awarding institutional financial aid based on need to including aid based on non-need. The purpose of this study was to explore the factors that led to the inclusion of non-need in institutional community college financial aid; therefore it was critical that the cases selected have or were experiencing this move.
3. Cases must be willing to be open to sharing their experience to include non-need in their institution's financial aid policies with me as the researcher. The literature suggested that there are negative perceptions associated with non-need (Green, 2004; Heller 2003, 2005). It was important that the cases selected were willing to be open with regard to their inclusion of non-need in order for meaningful data to be collected.

The secondary criteria emphasized case sites that: (1) Were diverse in geographical location, size, and type and (2) were accessible in terms of geographic location and time available. Secondary criteria were also established from the review of case study research and the literature review.

1. Cases are diverse in regional location (i.e., West, Midwest, South, and Northeast), size (i.e., small, medium, large), and type (i.e., urban, rural). To investigate the idea that the move to include non-need only

takes place in certain types of community colleges or areas of the country, the cases were selected to reflect the diversity in types of community colleges and locations in the United States.

2. Cases are accessible in terms of geographic location and time available as it was critical that most interviews be held in-person whenever possible as suggested by case study experts (Yin, 2003).

A very limited number of potential cases were nominated for consideration in the selection process. Of the six colleges identified, four met the primary and secondary criteria for this study. The two colleges that did not meet the criteria for this study did not meet the second primary criterion. The second primary criterion required cases in this study that were willing to be open to sharing their experience to include non-need in their institution's financial aid policies with the researcher.

The four colleges sites that met the primary and secondary criteria described above formed the basis for this study and were willing to participate. As a study cast in the interpretive social science philosophy, the low number of participants allowed for in-depth analysis of the cases chosen. This allowed for greater emphasis to be placed on the purpose and intent of the actions of the colleges studied and understanding of why these actions occurred. According to Weber (1947), it is the sharing of this understanding that is critical for an interpretive social science study. Interpretive research's purpose is "to deepen and extend our knowledge of why social life is perceived and experienced in the way that it is" (Carr & Kemmis, 1986, p. 90). This allows for a deeper understanding and greater insight into the leadership thinking and happenings as colleges shifted to consider non-need in their financial aid policies and actions. What was critical was not the number of participant colleges, but the richness and depth of the interactions with those who were directly involved in developing these policies and taking these actions in the context of the research questions posed in this study.

The low number of potential colleges that were nominated echoed findings in the literature that suggest negative perceptions were associated with non-need aid (Green, 2004; Heller 2003, 2005). As one respondent, who was not selected for the

study, declared in her/his response to a request for nominations and/or participation in the study:

I would be interested in your research and truly hope you find your premise to be generally false. Unfortunately, I might well be disappointed. If that is the current and continuing trend, it would seem to be contrary to everything a community college education has stood for in the past. (Personal communication, 2009)

The perceptions that surround non-need aid also supported the importance of confidentiality with regard to the institutions and participants involved in this study. To ensure confidentiality, each case was referred to using a pseudonym. The use of pseudonyms assisted participants in meeting a primary criterion for the study, the willingness to be open to sharing their experience to include non-need in their institution's financial aid policies with me. The ability to openly share one's own experience was also in alignment with the interpretive social science philosophy which guided this study.

Once the proposed cases were identified, administrators were contacted to secure permission to conduct interviews and gather materials related to the formulation of institutional financial aid policies.

Study Participants

Six study participants were identified to participate in this study. Participants interviewed at the case sites included individuals in three major areas of the college: financial aid, student services, and foundation. Each study participant was reviewed against a set of operational criteria constructed based on the scope of this study and insights from the literature review. Selection criteria considerations for participants for this study were:

1. Participants chosen were involved in the formulation of institutional financial aid policy during the move to include non-need. The purpose of this study was to explore the factors that led to the inclusion of non-need in institutional community college financial aid; therefore, it was critical

that study participants selected have experience at the selected institution with this transformation.

2. Participants must be willing to be open to sharing their experience to include non-need institutional financial aid policies with me. The literature suggested there are negative perceptions associated with non-need aid (Green, 2004; Heller 2003, 2005). It was important that study participants selected were willing to be open with regard to their institution's move to non-need in order for meaningful data to be collected.

In addition, snowball sampling was used to identify two additional individuals at two of the case sites that met the operational criteria for this study. In the case of College B and College C, two additional study participants were included in the study at the suggestion of the first study participants interviewed. Both of the study participants identified through snowball sampling met the selection criteria for participation in this study.

Data Needed

The four colleges that participated in this study were two-year college sites which include non-need in the institution's financial aid policies. The data collected were based on the four research questions that guided this study: (1) What meaning do those involved in the formulation of institutional financial aid policy at community colleges give to need and non-need? (2) What internal factors have influenced the move to include non-need in institutional community college financial aid policy? (3) What external factors have influenced the move to include non-need in institutional community college financial aid policy? and (4) What explains the move away from need-based towards the inclusion of non-need in institutional community college financial aid policies? The data collected provided information to understand the context in which the decision to include non-need in institutional community college financial aid policies takes place and the factors that influenced the decision to include non-need. Data from multiple sources, including interviews and documents, were collected so the critical themes and issues related to internal and external factors that

influence a community college to include non-need in institutional financial aid policies could emerge. The goal was to have sufficient information to create rich, in-depth profiles of each college in order to conduct both a within case analysis and a cross-case analysis of the experience to determine emergent themes related to experiencing a move to include non-need.

A series of semi-structured interview questions was used to gather information to address the four research questions. The interview questions guided the interviews to provide structure to the interviews and allow participants to include information they believed was important, but that might not have been within the initial interview questions. The purpose of each of the research questions relative to the intent of this study and the interview questions identified to fulfill the purpose are provided.

1. What meaning do those involved in the formulation of institutional financial aid policy at community colleges give to need and non-need as criteria for financial aid? The first section of interview questions was designed to inquire about the meaning of need and non-need held by those involved in the formulation of institutional financial aid policy at community colleges. The questions were based on the definition of need and non-need as key concepts in financial aid policy. How do you define need as it relates to financial aid policy? Non-need? What factors or conditions led to your meaning of non-need?
2. What internal factors influenced the decision to include non-need in institutional financial aid policies at community colleges? After I gathered data on the meanings given to need and non-need, I inquired about factors internal to the community college that influenced the college to include non-need in the college's institutional financial aid policies. The questions were developed based on the factors identified in the literature. What is the internal context in which the move to non-need took place? What internal factors have influenced the move to non-need?
3. What external factors influenced the decision to include non-need in institutional financial aid policies at community colleges? Once I gathered data

on the influence of internal factors involved in the formulation of institutional financial aid policy, I turned to an exploration of the external factors that shaped a move to include non-need aid in the college's institutional financial aid policy. What is the external context in which the move to include non-need took place? What external factors have influenced the move to include non-need?

4. What explained the move away from need-based towards the inclusion of non-need in institutional community college financial aid policies? Finally, I concluded each interview with an investigation of how the meaning of need and non-need and internal and external influences interplayed in the formulation of institutional financial aid policy from the perspective of those involved in the process: Of the factors identified which ones are the most important in the decision to move to non-need institutional financial aid policies?

An interview protocol was prepared for interview participants and is included in Appendix B. The questions were used as a guide or catalyst during the interviews, and were not necessarily used verbatim, in order to allow the participants to include information they felt was important, but that might not be within the interview protocol.

Data Collection Procedures

Yin (1989) refers to six forms of information to be considered in the method of case study: documents, archival records, interviews, direct observation, participant observation, and physical artifacts. In this study, data was collected through semi-structured interviews with participants and analysis of institutional and state documentation to identify internal and external influences and policy goals.

Data collection for each case began with an analysis of documents to gain an understanding of the setting for each institution and identify potential internal and external factors that shaped the formulation of institutional financial aid policy. This was followed by individual-in-person interviews conducted at a location selected by

the participant in order to encourage a safe environment. Interviews are a method to conduct “conversations with a purpose” (Merriam, 1998) and allow the lived experience and voice of those involved in the move to include non-need to explore the factors that led to this transformation in institutional financial aid policy. As the literature revealed, there was a lack of information for why a move to non-need had taken place at community colleges, especially from the perspective of those involved in the formulation of institutional financial aid policy.

A single interview took place with each study participant. Each interview lasted between 30-90 minutes. After each interview an informal member checking took place with the participant. In addition, the formal, verbatim transcript of the interview with each participant was shared. The sharing of the formal transcript with each study participant reflected the commitment in the design of this study to honor the interpretive, intersubjective agreement with the participants.

Data Analysis Procedures

Case study data analysis is unique to the nature of the specific study. The analysis for this study was linked to the four research questions that guided this study relating to the factors that led to the move to include non-need. The goal was to produce a narrated study that provided a detailed description of each case, the themes within the case followed by a thematic analysis across the cases, and concluded with interpretations of the cases studied. The methods described below were used to ensure that in-depth analysis was undertaken:

1. Review the research proposal to ground the analysis in the initial research and questions.
2. Transcribe interviews verbatim to be read repeatedly and allow for immersion in the case experiences.
3. Read through the text of interviews and other sources of case data taking notes in the margins. Look for common elements, troubling issues that need further attention, and to inform the direction of future data gathering.

4. Create a preliminary bracketing based on literature review and frequency of words or statements.
5. Place data in categories to identify patterns or themes that responded to each research question.
6. Create summary reports of each case from the data analysis and its relation to each research question.
7. Develop a detailed description of each case. Themes for analysis emerged along with my interpretations, as the researcher, of the themes and cases that were studied. The descriptions, themes, and interpretations that emerged required verification through triangulation of information and/or member checking.
8. Conduct a within case analysis, followed by a cross-case analysis. The data were first reviewed and analyzed from each college, followed by a comparison among each site. This allowed me to look at similarities and differences within each college, as well as, among the four cases. The interviews, meeting notes, and documents were analyzed for common themes and to gain detail about the experience.
9. Make an interpretation of findings
10. Go back and identify key research literature to confirm or deny findings made about the factors that are identified as leading to a move to non-need institutional financial aid policies within the community college context.

Throughout the data analysis process, I reflected on the data and knowledge gained from the literature review. This allowed for regular reflection of what I learned in the field compared to what I learned in the review of the literature. This allowed me to be aware of and identify emergent themes across the cases. In addition, I was careful to bracket my prior understanding of the move to non-need financial aid policies from the literature review and my own personal background and experience so the reality constructed by study participants could come through.

It is also critical to acknowledge, the interviews conducted for this study were the primary source upon which the findings were based. The documents collected from the institutions and regarding state financial and education policies were not as strong a resource as the interviews. The documents helped support technical aspects of the move to include non-need in institutional financial aid policies, such as the establishment of the programs, number of student recipients, types of financial aid programs, history of the institutions, and state financial aid programs. However, in response to the research questions that guided this study, the analysis of the interviews provided more specific data relevant to the research questions. The exception to this was research question one, the meaning given to need and non-need, which was documented as an eligibility requirement in the financial aid programs offered by the colleges, as well as, in the process for offering the institutional financial aid. Overall, the use of the case study method allowed for analysis of interviews and documents in order to develop a comprehensive understanding of the move to include non-need in institutional community college financial aid policies in the United States.

Strategies to Insure Soundness of Data and Findings

Strategies were developed for the purpose of this study to ensure soundness in relation to the data collected and findings. Soundness of an interpretive case study is measured through credibility, transferability, dependability, and conformability (Creswell, 1998). The use of these criteria to measure the soundness of this study allowed for additional opportunities to ensure intersubjective agreement between participants, readers, and the researcher as illustrated in Figure 4.

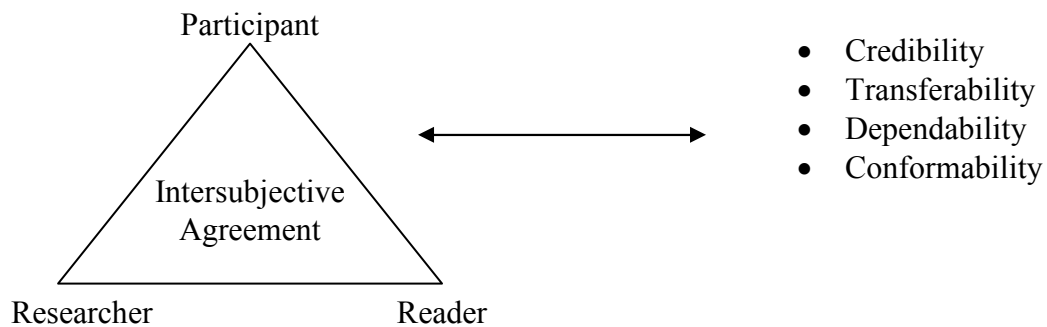


Figure 4. A visual diagram of the relationship between intersubjective agreement and the measures of soundness for an interpretive case study.

A study, from the interpretive approach, is credible if the description of the context described in the text seems credible or appears to reflect what transpired. Two forms of triangulation were used to ensure credibility in this study: (1) The collection of multiple forms of data, and (2) from multiple sources of data. The triangulation of information examined different sources of information to determine if the information converged and agreed (Stake, 2003). It also allowed for clarification of meanings by identifying different ways the process or issue could be seen. Multiple methods of data collection (i.e., interviews and document analysis) from a variety of sources (i.e., institutional materials, state financial aid materials) were collected and analyzed. Where applicable this information was compared to information given during interviews for consistency.

Transferability examines to what degree the information provided fits other cases beyond what is described in the study. Cases and study participants were carefully selected and diverse enough in situation to achieve possible transferability. This study also provided rich descriptions of each case and the experiences of community colleges that moved to include non-need in institutional financial aid policies. In addition, this study ensured dependability, the notion that information provided in the study is recognizable to those who are familiar with the context, by using quotes from the interviews.

Conformability assures the analysis and interpretation of the research remains true to the original meanings and experiences of student participants. Member checking was used to ensure conformability. Informal on the spot member checking took place with each study participant. This was followed by sharing formal transcripts of the interviews with each study participant. In addition, I followed-up with study participants if there were clarifying questions about the data or if additional information was needed.

Strategies to Protect Human Subjects

To protect study participants I followed strict and comprehensive procedures to protect the participants of this research. The Oregon State Human Subjects policy was followed and approval was sought from the Institutional Review Board (IRB) before undertaking the study. In addition, in June 2006, I completed the Oregon State University course in The Protection of Human Research Subjects (CITI). Informed consent was explained to each participant and a signed copy of the consent form was obtained both from each participant, as well as, each institution prior to conducting any interviews. Cases and Study Participants were provided with confidentiality. Cases and Study Participants were identified by the use of a pseudonym. Any direct quotes only identify the participant by their pseudonym. Special care was exercised in the section reporting on the overview of findings and case profiles. All research results and recommendations were reported in a summarized manner in such a way that participants cannot be identified.

Summary

In this section, I described the study philosophical approach and rationale, research method and rationale, role of the researcher, study participants, data gathered, data collection and analysis, strategies for soundness, and finally mechanisms to protect human subjects' in my study. The purpose of this study was to explore the factors that led to the inclusion of non-need in institutional community college financial aid policies. This study aimed to better understand the decision to move from

need-based towards the inclusion of non-need at in the community college sector. It was decided that the interpretive social science philosophical approach was best suited for the study as it lends itself to the development of a deeper and more comprehensive understanding of an experience. The specific method of study used was a case study. In case study research, context is considered critical to the understanding of the case – in this study context being the community college and the factors that influenced each institution to include non-need in their institutional financial aid policies. Also, the case study method was appropriate as I was seeking to understand the responses to the research questions for each case, as well as, across the cases. Finally, as the researcher is the primary instrument of interpretive social science research, I also disclosed my experiences and background that reveal my perspectives on the research topic of non-need and need-based aid.

Community colleges were selected through a nomination process following a pre-determined set of criteria. Nominations were sought of community colleges that had made the decision to include non-need in their institutional financial aid policies. Nomination letters were sent electronically to institutions, individuals, and regional and national organizations seeking colleges who had made the move to include non-need aid. Six nominations were received. Upon receipt, primary criteria (i.e., public, two-year Carnegie classified Associate Colleges; must be willing to share their experience to include non-need) and secondary criteria (i.e., diverse in regional location, size, and type; accessible) were followed to ensure that the cases selected were appropriate for the intent of the study. Criteria were created from a review of relevant literature and an examination of case study guidelines (Green, 2004; Heller 2003, 2005; Yin, 2003).

A total of six community college administrators participated in this study at the four case sites. Leaders ranged in experience and background and represented three main areas of the institution (i.e., foundations, student services, and financial aid). In addition, triangulation of information was achieved by asking each study participant to review the verbatim transcripts of their interview and provide corroborating information on each community college. One interview was conducted with each

Study Participant. Additional data collected included documents and related materials to each case.

Data analysis followed case study strategies. Interviews were transcribed verbatim and read by me over and over again as I sought to understand the factors that led to the inclusion of non-need in institutional financial aid policies at the community colleges. In the analysis phase, every piece of data was considered multiple times when deemed relevant. Summary reports were crafted from the document and transcripts reviewed for each leader. From the reports, profiles were developed that depicted the meaning of need and non-need, the internal and external factors, and the interplay of these factors that led to the decision to include non-need in the community college's institutional financial aid policies. The patterns and themes that emerged in relation to the four research questions were then described.

Strategies were employed to ensure soundness of data and findings. Triangulation of data included a complete review of the transcripts by the study participants and a complete review of the appropriate document and materials of each case. I followed strict adherence to Institutional Research Board guidelines. Finally, I had an ethical obligation to maintain confidentiality of the participants and colleges in this study. In the subsequent chapter, findings are presented on each case and across the cases in relation to the four research questions.

CHAPTER 4 –FINDINGS

This chapter presents the findings from the analysis of data collected in this case study of four community colleges that have moved to include non-need as a component of their institutional financial aid policies. The chapter is organized into three sections. Section one provides an introduction to each of the four case study sites and portrays the profiles of the six Study Participants. The first section ends with a table summarizing the information presented on each case site. Section two presents the findings as organized by the study's research questions: (1) What meaning do those involved in the formulation of institutional financial aid policy at community colleges give to need and non-need as criteria for financial aid? (2) What internal factors influenced the decision to include non-need in institutional financial aid policies at community colleges? (3) What external factors influenced the decision to include non-need in institutional financial aid policies at community colleges? and (4) What explains the move away from need-based towards the inclusion of non-need in institutional community college financial aid policies? The research questions provide a meaningful framework both to analyze the data and to present the findings. Section three summarizes the findings overall in preparation for the discussion chapter on the implications for practice and future research. The data gathered and analyzed included taped interviews with representatives from community college foundation, financial aid, and student service offices, as well as written and electronic materials from each of the colleges.

Profiles of Colleges Sites and Study Participants

This section introduces each of the four community colleges studied and presents the six study participants interviewed for the study. Table 10 includes a summary of the data presented in this profile of the study sites and participants. The purpose of this section is to provide the context through which the study was conducted, in keeping with an interpretative social science study.

The four colleges in this study represented different geographical locations, missions, and sizes, as well as different approaches to the inclusion of non-need in the

formulation of institutional financial aid policies. The colleges selected for this study were located in different regions of the United States. The colleges and study participants in this study were assured a level of confidentiality. In keeping with the integrity of that obligation, study participants and the names of the institutions in which they work are intentionally not cited, nor are the locations of the colleges. Each college is designated a letter that identifies the institution (i.e., College A). Study participants are designated by numbers and the letter that identifies their institution (i.e., Study Participant 1A). Once the full number and letter were written out for the study participants, all subsequent citations relating to the study participants are abbreviated (i.e., Study Participant was denoted SP1A). In addition, findings that were supported by documents collected in this study were not cited in order to ensure confidentiality for the participating colleges. These documents are available to review if needed. Each document was identified by the letter assigned to the community college and the date of the document (i.e., College A, document, date of document). Table 10 provides a summary of the data presented in this profile of study sites and participants.

College A

Nearly forty years ago, College A was established in response to the demand for developing local and national community-based education centers. According to Carnegie Classifications (The Carnegie Foundation for Advancement of Teaching, 2008, ¶4), College A is a suburban-serving medium sized institution with full-time equivalency (FTE) at 1,949 and a headcount of 7,019 for 2008-2009 (Study Participant 1A, personal communication, October 17, 2008). For fall 2007, 77% of its students identified were Caucasian, 10% as Hispanic, 4% as Black, 4% as Asian/Pacific Islander, and 4% as American Indian/Native American (National Center for Education Statistics, 2009). The average age of its students was 31 in 2008-2009 (SP1A, personal communication, October 17, 2008). Tuition and fees for College A in 2007-2008 were \$1,959 for resident students and \$8,454 for non-resident students (National Center for Education Statistics, 2009). The state that College A is located in

offers a state funded non-need aid program (College A, document, September 8, 2008). College A receives an estimated \$35,000 from the state for non-need aid (SP1A, personal communication, October 17, 2008).

Table 10

Summary of the Profiles of Study Sites and Participants

Feature	College A	College B	College C	College D
Size	Medium	Medium	Small	Medium
Percentage of students 25 years old and over	53	34	11	57
Age of Institution	40 years	40 years	40 years	80 years
Headcount	7,019	5,290	1,600	10,444
Ethnicity of Student Population	77% Caucasian, 10% Hispanic, 4% Black, 4% Asian/Pacific Islander, 4% American Indian/Alaska Native	83% Caucasian, 5% Hispanic, 1% Black, 4% Asian/Pacific Islander, 2% American Indian/Alaska Native	73% Caucasian; 3% Hispanic, 21% Black, 3% Asian/Pacific Islander, 1% American Indian/Alaska Native	82% Caucasian, 5% Hispanic, 3% Black, 2% Asian/Pacific Islander, 2% American Indian/Alaska Native
Tuition/Fees (Based on 12 credits)	Resident: \$1,959 Non-resident: \$8,454	Resident: \$2,772 Non-resident: \$7,014	Resident: \$2,644 Non-resident: \$10,802	Resident: \$2,945 Non-resident: \$3,353
Presence of State Merit Program	Yes	No	No	No
Centralized or Decentralized System	Centralized System	Decentralized System	Not part of Community College System; Two-year public, two-year, Carnegie classified Associate College	Centralized System
Location of Study Participants	Office of Financial Aid	Foundation and Student Services	Office of Financial Aid	Foundation

Notes. Institutional size. Medium two-year fall enrollment data show FTE enrollment of 2,000-4,999 students. Small two-year fall enrollment data show FTE enrollment of 500-1,999 students (The Carnegie Foundation for the Advancement of Teaching, 2008, ¶2-5).

Financial aid policy is formulated through the centralized state system (State A, document, June, 2008). The state's community colleges structure the processes and

procedures and interpret the intent of policy handed down by the state system. As SP1A noted, “I have always seen (state) policy as the base requirements you have to meet where as our process might meet or exceed (the policy) (Personal communication, October 17, 2008). Flexibility with regard to financial aid policies lies strictly with institutional funds.

College A offers three institutional scholarships that are non-need (College A, document, September 8, 2008). Two of the three scholarships are both need and non-need. The third scholarship can be awarded on a non-need basis only but requires students to complete a Free Application for Federal Student (FAFSA). Less than 5% of all institutional dollars (\$446,000) are used to fund scholarships with a non-need component (SP1A, personal communication, October 17, 2008). In the 2008-2009 academic year, College A received 7,000 applications for aid; nearly half were awarded aid (SP1A, personal communication, October 17, 2008). Forty-three percent of all students at College A are on some form of student aid (SP1A, personal communication, October 17, 2008).

Study Participant 1A is relatively new to College A. Four-years ago SP1A left the four-year sector to work for College A. SP1A works in the Office of Financial Aid. SP1A was involved in the establishment of the non-need based institutional financial aid offerings at College A.

College A was chosen because it has moved from awarding institutional financial aid based on need to including aid based on non-need. College A has multiple established non-need aid offerings that include both a non-need aid scholarship and a combination of need within non-need. College A was willing to participate in the discussion and share the institution’s experience to include non-need aid, the factors that led to this decision, and the impact. Finally, College A represented a different region of the country than the other sites and was from a centralized system. The data gathered and analyzed at College A included taped interviews with representatives from the financial aid, as well as written materials.

College B

Over forty years ago, College B was established as a two-year public college to serve the educational needs of residents in the local counties. College B is a rural-serving medium sized institution (The Carnegie Foundation for Advancement of Teaching, 2008, ¶4) with full-time equivalency at 6,500 in 2008-2009 (Study Participant 1B, personal communication, August 27, 2008) and a headcount of 5,290 for fall 2007 (National Center for Education Statistics, 2009). For fall 2007, 83% of its students were identified as Caucasian, 5% as Hispanic, 4% as Asian/Pacific Islander, 2% as American Indian/Native American, and 1% as Black (National Center for Education Statistics, 2009). Tuition and fees for College B in 2007-2008 were \$2,772 for resident students and \$7,014 for non-resident students (National Center for Education Statistics, 2009). College B's state does not offer a state funded non-need aid program (State B, document, October 2008).

College B made the decision to offer non-need aid and a combination of non-need and need-based aid in fall 2005. The decision to introduce non-need aid as a part of College B's institutional financial aid policies was made by an internal committee composed of members of the foundation, the financial aid director, the director of enrollment management, and the foundation director (SP1B, personal communication, August 27, 2008). This committee developed student criteria to receive institutionally funded non-need aid and a combination of non-need and need-based aid. Since the inclusion of non-need, a committee of the college foundation board annually recommends to the foundation board a total dollar amount to give as scholarships and how the funds should be split among the different types of aid (i.e., need-based, non-need, and a mix of need-based and non-need aid) (SP1B, personal communication, August 27, 2008; College B, document, June 27, 2006; College B, document, June 5, 2008).

College B offers institutional scholarships based on a mix of need and non-need, as well as only need-based and non-need. Of the 156 need and non-need scholarships awarded in 2008-2009, 51 are non-need (\$76,500), 75 are need-based and

non-need combined (\$112,500), and 30 require a non-need component and a specific subject area (\$45,000) (College B, document, June 5, 2008).

Two study participants were interviewed from College B. SP1B has been with College B in a variety of roles for over three decades and currently works in the college's foundation. Study Participant 2B has been with the College for nearly a decade. SP2B works in student services. Both study participants were and continue to be involved in the formulation of non-need based institutional aid offerings at College B.

College B was chosen because it has moved from awarding institutional financial aid based on need to including aid based on non-need, but continues to evaluate this decision on an annual basis. College B has multiple established non-need aid offerings that include both a non-need scholarship and a combination of need within non-need. College B was willing to participate in the discussion and share the institution's experience to include non-need aid, the factors that led to this decision, and the impact. Finally, College B represented a different region of the country than the other sites and was from a decentralized system. The data gathered and analyzed at College B included taped interviews with representatives from the foundation and student services, as well as, written materials.

College C

Forty years ago, College C was established to provide opportunities for higher education to the citizens of communities located at a distance from the main four-year campus (College C, 2006). College C is a small sized institution (The Carnegie Foundation for Advancement of Teaching, 2008, ¶4) with a headcount of 1,600 students in 2008-2009 (Study Participant 1C, personal communication, October 20, 2008). In fall 2007, 73% of its students were identified as Caucasian, 21% as Black, 3% as Hispanic, 3% as Asian/Pacific Islander, and 1% as American Indian/Native American Black (National Center for Education Statistics, 2009). The majority of students are directly from high school and/or commuter students and 95% are from nearby urban and rural areas (College C, document, 2006). Tuition and fees for

College C in 2007-2008 were \$2,644 for resident students and \$10,802 for non-resident students (National Center for Education Statistics, 2009). Between 35-40% of all students at College C receive some form of financial aid (SP1C, personal communication, October 20, 2008). College C's state does not offer a state funded non-need aid program (State C, document, October 2008).

College C's financial aid policies are primarily need-based. Often, if a student has financial need, the student is able to bridge this gap with either state dollars or federal financial aid (SP1C, personal communication, October 20, 2008). Financial aid applications received by College C by the priority deadline are ranked according to level of need. Those students with the highest need are awarded aid first, and others are awarded as funds are available (College C, document, October 2008).

Over the past 20 years, College C has offered a single institutional non-need scholarship on a competitive basis. The scholarship is driven by and conducted through the Office of the President (College C, document, October 2008). In 2008-2009, the President selected 70 recipients for the scholarship (SP2C, personal communication, October 20, 2008). Students who are non-residents and/or have attended other colleges prior to College C are not eligible (College C, document, October 2008).

Two study participants were interviewed from College C. SP1C had just arrived at College C four months before the date of the interview. SP1C works in financial aid. Study Participant 2C has been with the College for over two decades. SP2C also works in financial aid and was present when the single non-need based financial aid program offered by College C was established. Though SP1C was not at College C at the inception of the non-need financial aid offering, SP1C was chosen to remain in the study for two reasons: (1) SP2C was at College C when the non-need financial aid offering was created, and (2) SP1C is now the current lead on financial aid policy at College C.

College C was chosen because it has moved from awarding institutional financial aid based on need to including aid based on non-need. However, unlike the other cases, College C offers a single, non-need aid offering. College C was willing to

participate in the discussion and share the institution's experience to include non-need aid, the factors that led to this decision, and the impact. Finally, College C represented a different region of the country than the other sites and was not part of the community college system but linked to the four-year universities. The data gathered and analyzed at College C included taped interviews with representatives from financial aid, as well as written materials.

College D

College D was established as a junior college over 80 years ago and evolved into a comprehensive institution. College D is a rural-serving medium sized institution (The Carnegie Foundation for Advancement of Teaching, 2008, ¶4) with full-time equivalency at 2,580 and a headcount of 10,444 (Study Participant 1D, personal communication, October 3, 2008). College D primarily serves local students, of which 70% are first generation (SP1D, personal communication, October 3, 2008). The average age of a student at College D is 28/29. In fall 2007, 82% of its students were identified as Caucasian, 5% as Hispanic, 3% as Black, 2% as Asian/Pacific Islander, and 2% as American Indian/Native American in fall 2007 (National Center for Education Statistics, 2009). Tuition and fees for College D in 2007-2008 were \$2,945 for resident students and \$3,353 for non-resident students (National Center for Education Statistics, 2009). College D's state does not offer a state funded merit program (State D, document December 2007).

College D requires all students that apply for any type of financial aid to complete the FAFSA. Once the FAFSA has been completed, the College examines the information based on the student's Grade Point Average (G.P.A.) and the extent to which a student meets additional aid criteria (College D, document, October 2008). Students may receive aid from one of five foundation scholarship categories: (1) non-need, (2) need-based, (3) program-based, (4) displaced homemaker, and (5) veteran/dependent. In 2008-2009, College D offered \$276,400 in financial aid to 172 students (College D, document, October 2008).

Study Participant 1D is a graduate of College D and has worked in both the public and private higher education sectors. SP1D works in two areas of the college, finance and administration and the foundation. SP1D has been with the College for several years and initiated the move towards the inclusion of non-need in the institution's financial aid policies.

College D was chosen because it has moved from awarding institutional financial aid based on need to including aid based on non-need. College D has multiple established non-need aid offerings that include both a non-need scholarship and a combination of need within non-need. College D was willing to participate in the discussion and share the institution's experience to include non-need, the factors that led to this decision, and the impact. Finally, College D represented a different region of the country than the other sites and was from a centralized system. The data gathered and analyzed at College D included taped interviews with a representative from the foundation, as well as, written materials.

Summary

Though similar in many ways, the colleges selected were different with regard to their physical characteristics, the development of their non-need offerings, and structure and history of each institution's non-need-based programs. Table 11 provides a summary of how each college selected met the primary and secondary criteria for this study. As the analysis of the following research questions will illustrate, the differences and the similarities among the colleges selected for this study shed light onto the complex and multi-dimensional nature of a community colleges decision to include non-need in the college's institutional financial aid policies.

Evidence of Soundness in Data, Analysis, and Interpretation

This section describes the findings of this study in response to the strategies used to ensure soundness in the collection, analysis and interpretation of the data. The descriptions, themes, and interpretations that emerged were verified through four strategies developed for the purpose of this study to ensure soundness in relation to the

data collected and findings: (1) Credibility, (2) transferability, (3) dependability, and (4) conformability.

Credibility

An interpretive social science case study is credible if the description of the context described in the text seems credible or reflects what transpired. Multiple triangulation, the use of multiple forms of triangulation (i.e. data and method), was used to ensure credibility in this study: (1) multiple forms of data, and (2) multiple sources of data.

Multiple forms of data were collected through interviews with each study participant, documents from each institution, and documents from each state. For each case, documents were collected that described the institution, institutional financial aid offerings, institutional foundations, institutional strategic plans, institutional financial aid policy development processes, the state governance system for the institution, state financial aid offerings, state financial aid policy development processes, transcripts of interviews, and summary notes from the interviews. The documents collected originated from multiple offices at each institution (i.e., financial aid, foundation, presidents), multiple departments at the state level (i.e., Department of Education, Department of Higher Education, State Financial Aid Organization), and from each interview conducted at each college. The data collected from documents was compared to the information collected during the interviews in order to ascertain consistency. No differences were identified in the comparison of the interviews and the documents collected in this study. Priority was given to the interviews conducted for this study in terms of presenting data to support interpretations and findings. The documents collected from the institutions and regarding state financial and education policies provided support for technical aspects of the move to include non-need in institutional financial aid policies, such as the establishment of the programs, number of student recipients, types of financial aid programs, history of the institutions, and state financial aid programs. The exception to this was research question one, the meaning given to need and non-need, which was documented as an eligibility

requirement in the financial aid programs offered by the colleges, as well as, in the process for offering the institutional financial aid. Finally, multiple study participants were included in this study.

Transferability

Transferability examines the degree to which information provided in this study fits other cases beyond what is described in this study. Cases and study participants were carefully selected to provide for diversity to achieve possible transferability. As Table 10 indicates, the cases selected for this study represent different geographical locations, missions, and sizes, as well as, different approaches to the inclusion of non-need in the formulation of institutional financial aid policies. The colleges selected for this study were located in different regions of the United States, belonged to centralized and decentralized community college systems, initiated their non-need aid offerings from different areas of the college, and resided in states that did and did not offer a state-funded non-need financial aid program.

Dependability

Dependability is the concept that the information provided in a study is recognizable to those who are familiar with the context of the study. The use of quotes from the interviews taken from each study participant in this study are used as a key component for the analysis of each case study in response to the four research questions that guide this study. Each case analysis and cross-case analysis is supported through direct quotes from the interviews and documents collected from each community college. These quotes serve as evidence of dependability available to readers of this study who are familiar with financial aid policies and practices in community colleges. In addition, the consistency of information within the quotes from multiple colleges also served as evidence of dependability.

Table 11

Summary of How Each College Site and Study Participant Met the Criteria of this Stud.

College Primary Criteria	College A	College B	College C	College D
<ul style="list-style-type: none"> Includes non-need in institutional financial aid policies Willing to share experience of including non-need Public, two-year Carnegie classified Associate College 	<ul style="list-style-type: none"> Offers three non-need awards Yes Yes 	<ul style="list-style-type: none"> Offers 156 non-need, non-need and specific subject area, and non-need within need Yes Yes 	<ul style="list-style-type: none"> Offers a single non-need aid Yes Yes 	<ul style="list-style-type: none"> Offers non-need aid Yes Yes
College Secondary Criteria	College A	College B	College C	College D
<ul style="list-style-type: none"> Diverse in location, size, and type Accessible to researcher 	<ul style="list-style-type: none"> Medium, suburban serving Yes 	<ul style="list-style-type: none"> Medium, rural serving Yes 	<ul style="list-style-type: none"> Small Yes 	<ul style="list-style-type: none"> Medium, rural serving Yes
Participants Primary Criteria	College A	College B	College C	College D
<ul style="list-style-type: none"> Involved in the move to include non-need Willing to share experience of including non-need 	<ul style="list-style-type: none"> Yes (SP1A) Yes (SP1A) 	<ul style="list-style-type: none"> Yes (SP1B) Yes (SP2B) Yes (SP1B) Yes (SP2B) 	<ul style="list-style-type: none"> No (SP1C) Yes (SP2C) Yes (SP1C) Yes (SP2C) 	<ul style="list-style-type: none"> Yes (SP1D) Yes (SP1D)

Conformability

Conformability means the research accurately reflects the original meanings and experiences of the study participants. Two forms of member checking with each study participant were conducted to ensure conformability within this study. Immediately after each interview “on-the-spot” informal member checking took place with each study participant to account for any gaps or questions in the notes taken during the interview. This was followed by sharing the formal verbatim transcripts of the interviews with each study participant and gaining approval from each study participant that the transcript was accurate. During the process of sharing the formal verbatim transcript with the study participants, only two study participants provided clarifications to areas of their transcript. The clarifications were technical in nature, either grammatical corrections or clarifications on the name of programs and steps in the process. I accepted the changes submitted by the study participants and used the altered transcripts for the basis of my analysis. Finally, I, as the researcher, followed-up with study participants if there was clarifying questions about the data or if additional information was needed. I did not choose to share the analysis of the findings with study participants to check on the agreement of themes. The themes that emerged in this study were my interpretations, as the researcher, of all of the data for each college and across colleges. None of the participants were provided with the full data from this study, in large part due to confidentiality, by which they would be able to review the themes with the same information and context I was had available.

Summary

In this section, I described how this study met the soundness criteria identified in the design of the study as it relates to the collection, analysis, and interpretation of the data. The purpose of this study was to explore the factors that led to the inclusion of non-need in institutional community college financial aid policies. This study aimed to better understand the decision to move from need-based towards the inclusion of non-need aid in the community college sector. To do this, the data, themes, and interpretations that emerge from this study were verified through four strategies

developed for the purpose of this study to ensure soundness of findings: (1) Credibility, (2) transferability, (3) dependability, and (4) conformability.

Each of the four criteria for soundness were addressed in the study's data collection, analysis, and interpretation. The study collected data from multiple sources and in multiple forms to provide for credibility in the study. Transferability and dependability were achieved through the selection of cases that offered both similarities and differences as to make the study transferable to other community colleges and citing quotes from interviews and documents in the case and cross-case analyses to provide for recognition by those who are familiar with the context of this study. Finally, conformability was achieved through two forms of member checking: (1) Informal on the spot member checking immediately following the interview and (2) formal member checking through verification of each interview by each study participant in this study.

Findings in Response to Research Questions

This section describes the findings of this study organized in response to the four research questions: (1) What meaning do those involved in the formulation of institutional financial aid policy at community colleges give to need and non-need as criteria for financial aid? (2) What internal factors influenced the decision to include non-need in institutional financial aid policies at community colleges? (3) What external factors influenced the decision to include non-need in institutional financial aid policies at community colleges? and (4) What explains the move away from need-based towards the inclusion of non-need in institutional community college financial aid policies? To preserve the voice of the community colleges in this study phrases and word order are preserved throughout the findings whenever possible (i.e., awarding performance and student preparation). The voice of the community colleges is summarized in the cross-case analysis for each research question and provided with an overarching phrase to capture the summarized intent of the colleges in this study (i.e., award performance). In addition, the terms non-need and merit are used interchangeably throughout the study by the colleges. I purposefully chose to use non-

need in the text because it is prevalent in the literature. The data analysis in this study included a comprehensive review of interview text and written documents.

Research Question 1: Meaning of Financial Aid Criteria

This section presents the findings in response to Research Question 1: What meaning do those involved in the formulation of institutional financial aid policy at community colleges give to need and non-need as criteria for financial aid? Findings were slightly foreshadowed in the profile of each case study site presented in the previous section. The rationale for this question was to verify whether the meanings given to need and non-need as criteria for financial aid in the literature were similar to the meanings those involved in the formulation of institutional financial aid policy at community colleges gave to need and non-need. Key concepts identified in this study provided the basis for comparison of the meaning given to non-need and need in the literature with the meanings held at the community colleges that were studied. This section is divided into three sub-sections. The first sub-section provides the meanings given to need and non-need by the colleges in this study. The second sub-section describes the results of a cross-case analysis in order to discover the key findings among the four case sites with regard to the meanings given to need and non-need. The third sub-section provides a summary of the meanings given to need and non-need.

Meaning of Financial Aid Criteria – Case Analysis

Need and non-need were well defined within the literature. Need-based financial aid was defined as aid awarded to students who met some standard of need. Need was defined by financial aid administrators in the literature as “the difference between the total cost of an education at a particular institution and the amount a family and/or the student is able to contribute to that cost” (Wick, 1997, p. 3). Non-need aid was defined as aid awarded to students who met a criteria of merit. Merit criteria were deemed to be standards such as test scores, performance, and G.P.A. According to Porter (1984), non-need awards were defined as “monetary grants or

scholarships given to a student based singularly on academic non-need” (p. 29). This section examines the meaning given to need and non-need by each college in this study.

College A

According to Study Participant 1A, “need is a wiley thing” (Personal communication, October 17, 2008). Study Participant 1A stated that need, within the context of financial aid, was defined at College A as the amount of dollars that were in excess of the Expected Family Contribution (EFC) that was set through the FAFSA (College A, document, September 8, 2008). As stated by SP1A, “this is the overarching need...this is how the college defines need” (Personal communication, October 17, 2008). College A defined non-need based on a student’s G.P.A. (College A, document, September 8, 2008).

College B

According to Study Participant 2B, “the FAFSA drives any need-based decisions for any institutional dollars at College B” (Personal communication, October 2, 2008). SP2B shared that need was defined as EFC through the FAFSA application (College B, document, June 27, 2007). As SP2B remarked, “that way it is all standardized, same formula, same tools, and we really get an idea what the need is beyond grants” (Personal communication, October 24, 2008).

Though G.P.A. was the primary tool that defined non-need at College B, aid was awarded based on a top-down approach of G.P.A. Non-need aid was awarded until the funding appropriated to this program was used. As a result, this may have gone to ten students with a G.P.A. of 4.0 before the funds run out or may have extended to a lower G.P.A. if there were sufficient funds. In addition, College B required that students who received non-need aid to be enrolled for a minimum of six credits (SP1B, personal communication, August 27, 2008).

College C

According to Study Participant 1C need was defined as the EFC determined through the FAFSA application (College C, document, October 2008). Non-need, however, was determined using multiple criteria. The primary criterion to determine receipt of a non-need award was G.P.A. In addition, at College C a student must be a first-time student, degree seeking, undergraduate, and full-time (12 credits) to receive the College's only non-need financial aid offering (SP1C, personal communication, October 20, 2008; College C, document, October 2008).

College D

According to Study Participant 1D need was defined as the EFC determined through the FAFSA application (Personal communication, October 3, 2008). Though G.P.A. was the primary criterion for the receipt of a non-need award, other criteria were also included depending on the specific award (College D, document, October 2008). The other criteria identified for a non-need aid ranged from school activities to community service and work (SP1D, personal communication, October 3, 2008; College D, document, October 2008).

Meaning of Financial Aid Criteria: Cross-Case Analysis

This section explores the meanings given to need and non-need by the four community college cases in this study as developed through a cross-case analysis of the accounts shared by study participants for each college. The intent of this discussion was to reveal and compare definitions identified by Study Participants to gain deeper knowledge of the influence of the meaning of need and non-need in the formulation of institutional financial aid policies.

The key finding of my study in regard to the first research question was that the meaning of need identified in the literature was similar to the meaning given to need by all six study participants at all four colleges that were studied. The literature defined need as the gap between the cost of college and what a students and her/his

family can afford to pay for college (Wick, 1997; Porter, 1984). This was revealed through the EFC calculation conducted through the FAFSA.

To receive need-based financial aid award students at all four sites were required to complete the FAFSA to determine eligibility for aid. Excerpts from participants exemplifying this meaning of need included:

The FAFSA drives any need-based decisions for any institutional dollars at the College... that way it is all standardized, same formula, same tools, and we really get an idea what the need is beyond grants. (SP2B, personal communication, October 24, 2008)

Need to financial aid officers at the college is the amount of dollars that are in excess of the expected family contribution that is set by the FAFSA. (SP1A, personal communication, October 17, 2008)

Use the FAFSA, get the EFC, and then whatever the difference in that would be their (students) need. (SP1C, personal communication, October 20, 2008)

All need FAFSA. (SP1D, personal communication, October 3, 2008)

Non-need was also defined similarly by both the literature and those who participate in the formulation of institutional financial aid policies at the community colleges selected to participate in this study. In the literature, non-need was defined as aid whose recipients were selected on the basis of test score, performance, class ranks, grade point averages, athletic or artistic skills, or other such criteria of achievement.

Each of the study participants identified G.P.A., a measure of achievement, as the primary non-need criterion for receiving non-need aid. The use of G.P.A. as the basis for determining eligibility for non-need aid was in agreement with the definition proposed in the literature review. According to SP1B and SP2B, G.P.A. was:

...easy and clearly defined...it has a low workload factor to it and it doesn't leave a lot of room for interpretation...it is the standard by which most students and faculty measure your success...G.P.A. makes it easy on the student because they do not have to do a lot of convincing – simple piece of data...makes it easy on the student to apply for a scholarship. (Personal communication, August 27, 2008 and October 24, 2008)

Though G.P.A. was the lead factor in determining eligibility for non-need aid, study participants identified additional factors that were used for eligibility. Table 12

provides a list of the factors that were used to determine eligibility for non-need aid at the sites in this study (Colleges A-D, personal communication, August 2008 & October 2008).

Table 12.

Factors Used to Determine Eligibility for Non-need Aid at Study Sites

College A	College B	College C	College D
<ul style="list-style-type: none"> • GPA 	<ul style="list-style-type: none"> • GPA • Six credit minimum • Based on college's classes only 	<ul style="list-style-type: none"> • GPA • First-time student • Degree seeking • Undergraduate • Full-time (12 credits) 	<ul style="list-style-type: none"> • GPA • Community service/work • Work experience • School activities

Many of the factors described in Table 12 are commonly known; however, the use of College B's factor of "College B classes only" was unique and provided the insight that access was an internal factor that may have led to the development of this non-need criterion which will be explored in greater depth in Research Question 2. As described by SP2B (2009), "If students had a different G.P.A. from another institution when they get to (College B) it is a clean slate for calculating G.P.A. for institutionally funded grants....What have you achieved at this institution? And we are going to use that to determine your institution dollars" (Personal communication, October 24, 2008).

According to the study participants, non-need eligibility was not always met simply by a single G.P.A. which students must target. Though a specific G.P.A. was often required, how non-need aid was distributed varied from institution to institution in this study. For example, College B did not identify a specific G.P.A. Instead the amount of funding allocated to non-need determined the range of G.P.A.'s that would qualify a student for a non-need grant (SP1B, personal communication, August 27, 2008). For example, in 2007-2008, College B only provided non-need aid to students

with a 4.0 G.P.A. In 2008-2009, the College provided non-need aid to students with G.P.A.'s ranging from 4.0 to 3.7 (SP1B, personal communication, August 27, 2008). College C offers those recipients of its only non-need aid scholarship automatic renewal if they met the criteria for the scholarship in their second year.

Three of the four institutions studied provided aid that required both need-based and non-need criteria. The presence of mixed-types of financial aid was supported in the literature as an institutional strategy for meeting the multiple and complex demands facing today's community colleges (Cunningham & Parker, 1999; Horn, Peter, & Carroll, 2003; McPherson & Shapiro, 1998). College D requires all students to complete the FAFSA and used non-need funds to fill the gap left from the Expected Family Contribution (SP1D, personal communication, October 3, 2008). College B based eligibility for non-need within need-based aid first on the highest need levels and then on the non-need criteria (SP1D, personal communication, October 3, 2008).

Summary

In summary, the institutions that participated in this study shared the same meaning of need and non-need as identified in the literature. Need was recognized as the amount of money a family was expected to provide towards a college education as determined by the FAFSA. Non-need was defined as aid whose recipients were selected based on criteria of achievement. As the cross-cases analysis illustrated, the responses by study participants and analysis of the documents provided greater depth to the one dimensional definitions identified in the literature.

By speaking with the study participants it was revealed that the use of non-need at the community college level appeared to introduce non-need with access to postsecondary education as an influential internal factor. Though G.P.A. was the primary determinant of non-need awards, the use of need at Colleges A, B, and D, as well as, in some instances the method of calculating G.P.A., such as at College B,

suggested that the colleges in this study were attempting to remain focused on access even with the disbursement of non-need dollars.

Research Question 2: Internal Factors

This section presents the findings in response to Research Question 2: What internal factors influenced the decision to include non-need aid in institutional financial aid policies at community colleges? The rationale for this question was to identify factors internal to the community colleges in this study that led to a move away from need-based awards towards the awarding of non-need aid. Internal factors resided inside the institution. This section is divided into three sub-sections. The first sub-section provides the internal factors identified by the colleges in this study which were influential in the decision to move towards the inclusion of non-need in institutional financial aid policies. The second sub-section describes a cross-case analysis in order to discover the similarities and differences among the four case sites. The third sub-section provides a summary of the internal factors that influenced the decision to move to include non-need aid and foreshadows implications and research for the future.

Internal Factors: Case Analysis

As the literature review suggested, institutional financial aid policy may be influenced by several factors, such as the impact of aid on enrollment and persistence rates. El-Khawas (1979) suggested “the policy statement that emerges from this assessment should offer a comprehensive view of how the financial aid program would operate to support institutional objectives” (p. 12). This section examines the internal factors recognized by each college in this study that influenced their decision to move towards the inclusion of non-need aid in institutional financial aid policies.

College A

“We have to use our dollars intelligently,” remarked SP1A when asked about the internal factors that influenced the decision to move towards the inclusion of non-

need aid (Personal communication, October 17, 2008). According to SP1A the primary goal of “intelligent” use of dollars as it related to institutional financial aid policies and the incorporation of non-need aid within this policy was driven by the “...use of dollars to draw students to the door...determine how big a carrot is needed” (Personal communication, October 17, 2008). The need to increase enrollment and retain students, as well as award good performance and student preparation, were all internal factors recognized by College A as a part of the strategic use of financial aid to meet the strategic plan of the college (SP1A, personal communication, October 17, 2008). As stated by SP1A, if additional non-need dollars were received, “...appropriately structured it would be a reward for a good performance and a retention tool” (Personal communication, October 17, 2008).

The use of financial aid as a tool to meet the strategic plan of College A and therefore the demand to use limited funds intelligently was relatively new to the College. In discussing the context for the move towards the inclusion of non-need aid, SP1A recognized that in the last five years the institution lacked an invigorated mission and vision for the school (Personal communication, October 17, 2008). According to Study Participant 1A, when SP1A began working for College A four-years ago, there was a “very definite lack of mindfulness towards vision and mission and what the college does and how they do it” (Personal communication, October 17, 2008). This changed with a new president at the institution four years ago.

According to SP1A, the current president was very proactive about integrating the community into the college and recapturing what it was, “the essence of what a community college is...it has to be involved in the community, it has to be out there talking about the benefits and the advantages of having the school here in this community” (Personal communication, October 17, 2008). This was echoed in the policies internal to College A (College A, document, December 2008). As SP1A stated:

...so in the last two years, especially there has just been this turn on the head of what the college is and what it means...there has never been anything implemented in an esteem that corresponded with a strategic plan of the school, which is in accordance with our mission of vision, developing our

enrollment, and educating community. (Personal communication, October 17, 2008)

It was the new leadership and the strategy to tie institutional financial aid at College A to the strategic goals of the college that cemented the establishment of non-need aid within the College (SP1A, personal communication, October 17, 2008). As SP1A stated, “that is where the [three non-need aid offerings] have developed” (Personal communication, October 17, 2008).

The key finding of the case analysis of College A was the identification of five internal factors that influenced the college’s decision to include non-need in institutional financial aid policies. Table 13 lists the five internal factors recognized by Study Participant 1A. The internal factors identified by College A will be analyzed for similarities and differences relative to the other community colleges in this study in the cross-case analysis.

Table 13.

Internal Factors Identified by College A

- Enrollment
 - Retention
 - Award good performance and student preparation
 - Strategic use of dollars
 - Cultural shift
-

College B

A shift in a particular program offered by College B was the foundation needed to move towards the inclusion of non-need aid (SP2B, personal communication, October 24, 2008). College B offered a high-demand program that did not use a merit component (i.e., grades or G.P.A.) for admission. The students that comprised this program were a combination of those students that worked hard to earn a good G.P.A. and students who accomplished the minimum in order to be accepted into the program. For this particular program, admission was based on points earned. A student

earned a point for completion of a course, regardless if a student earned an A or a C. As the program progressed, the concern was raised regarding whether or not College B was setting high expectations for the program. To address this concern, College B weighted course points based on the grade earned. With that shift, according to Study Participant 2B:

...we kind of in some small way set a precedent with that in changing the [program]...so it did not feel out of place in terms of scholarships that – okay, there is merit on the part of faculty perspective and student perspective to reward good academic work so we ought to consider doing it. (Personal communication, October 24, 2008).

With the recognition of non-need within the college as a way to meet internal goals, College B considered using non-need as a part of the institution's financial aid policies. This was realized in part through College B's strategic plan, as suggested by Study Participant 1B "...we...felt that it was time to look at some different ways of awarding scholarships...address the college's strategic plan" (Personal communication, August 27, 2008). As a result, institutional financial aid, specifically non-need aid, was recognized as a means by which to realize the College's goals in the areas of academic excellence and achievement, retention of good students, and targeted recruitment (SP2B, personal communication, October 24, 2008). This was evidenced in College B's strategic plan in which goals to increase enrollment and recognize outstanding achievements by students were in part achieved through the use of non-need aid (College B, document, 2008). As noted by SP1B, the College:

...felt that it was time to look at some different ways of awarding scholarships...I think as things change you try to meet the needs and change along with what would be best to help your students to mesh with our strategic plan and our goals and moving forward. (Personal communication, August 27, 2008)

The rewarding of academic work also fed into a larger goal for College B – access to postsecondary education. As stated by SP2B, it was the:

...recognition that we do not just because...have a lot of students with need...not all resources should have to go to need...students who are highly successful, may or may not have need as well and we ought to find a way to recognize that success. (Personal communication, October 24, 2008)

In other words, the non-need scholarships removed the need identified in the FAFSA from the calculation and opened the door a bit wider for those who may not qualify for need-based aid or for those who do not apply for financial aid. As noted by SP2B, "...it does kind of potentially open that door for those students that had nothing left for them even though they did excel at previous schooling" (Personal communication, October 24, 2008). This was echoed by SP1B, "...merit opens the door to students caught in any number of situations that does not allow for eligibility under the FAFSA (i.e., need, independence vs. dependence)" (Personal communication, August, 27 2008).

College B, like College A, also recognized a cultural shift within the institution that opened the door for acceptance with regard to awarding performance through non-need aid. As SP2B shared, College B was in the midst of a large cultural shift due to the retirement of faculty and administrators who had been at the college since its establishment. According to SP2B:

...we have lost a lot of 20 to 30 year employees and the college is only 40 years old...that generation so to say saw the community college as a civic movement and the opportunities were different. The purpose of the institution was different. The purpose of the institution was different and why we even came together to create this place and with that generation moving out and a younger different generation moving in, it isn't necessarily about the community college movement as much as it is about application. (Personal communication, October 24, 2008)

SP2B expanded to suggest that the younger, different generation (of faculty and staff) was more focused on recruiting motivated students and developing the idea that community college was a stepping stone to something else, not a place for individuals to reside. As SP2B reflected, "...there is a bit of a culture shift...the idea...we want to hold up high (is) that we have achieving students and that the community college is not just the place you go if you cannot do something else" (Personal communication, October 24, 2008) is valued.

The cultural shift experienced by College B internally was also reflected in a similar shift within the demographics of its students. As the balance of programs changed towards transfer, SP2B suggested, a new generation of student appeared on

campus. According to SP2B, it was this new generation that brought about a change with regard to the perception of non-need aid. As SP2B stated, “the students coming in expect their work to be rewarded” (Personal communication, October 24, 2008). Overall, the cultural shift of students and internal personnel led to a cultural shift for College B as stated by SP2B, “...we have some standard...it is a standard that we as an academic institution really want to promote – excellence and success” (Personal communication, October 24, 2008).

The key finding of the case analysis of College B was the identification of six internal factors that influenced the college’s decision to include non-need in institutional financial aid policies. Table 14 lists the six internal factors recognized by College B. The internal factors identified by College B will be analyzed for similarities and differences relative to the other community colleges in this study in the cross-case analysis.

Table 14.

Internal Factors Identified by College B

- Access
 - Retention
 - Award good performance and student preparation
 - Strategic plan
 - Cultural shift: personnel and students
 - Targeted recruitment
-

College C

The single, non-need aid offering at College C was the product of a single president nearly 20 years ago. The president, at the time, believed it was necessary for College C to have a scholarship based solely on rewarding students for academic performance (SP1C, personal communication, October 20, 2008). According to Study Participant 2C:

...the president thought that the college needed a scholarship that rewarded students solely on their academics out of high school and (one which) they can renew...a second year if they maintain the G.P.A...but he wanted to have something that he could offer somebody that didn't have any financial need, something that would give them incentive to keep their grades up. (Personal communication, October 20, 2008)

As recalled by SP2C, the president identified funds in the foundation and decided to use those funds to establish a non-need scholarship. Over the last 20 years, the scholarship has remained in place and continued to serve as an incentive for well performing and high-achieving students (SP2C, personal communication, October 20, 2008). Since the scholarships inception at College C, the program has served to assist students who excel and reward their performance, as shared by SP1C:

...those students that were achieving, those students who were excelling on the high school level, we wanted to get those – I mean not just necessarily get those particular students here, but it was kind of like an incentive to come to the College. (Personal communication, October 20, 2008)

In addition the scholarship assisted with College C's goal to minimize student loan debt while attending the college. College C's non-need aid offering was sufficient to fill the gap between financial aid and costs of attendance for many students at College C. As SP2C reflected, "...I still take pride in the fact that so many young people left here and didn't have any loan debt at all for their first two years of college" (Personal communication, October 20, 2008).

The ability for students to fill the gap between what they receive in financial aid and what they still owe with the use of the non-need financial aid offering at College C allowed, for the most part, students who attend College C to avoid taking out loans. As SP1C shared:

... we do not want students having – I read an article the other day where a student was graduating with \$300,000 in debt or something like that and he was only going for a bachelor's degree...I believe, and he was two or three hundred thousand in debt. We do not want our students going and transferring in with debt. The cost of those schools (four-year schools), they are going to have to get loans eventually – a lot of times. So, if we can avoid them having loans when they graduate from here – they are already halfway there. (Personal communication, October 20, 2008)

The key finding of the case analysis of College C was the identification of four internal factors that influenced the college's decision to include non-need in institutional financial aid policies. Table 15 lists the four internal factors recognized by College C. The internal factors identified by College C will be analyzed for similarities and differences relative to the other community colleges in this study in the cross-case analysis.

Table 15.

Internal Factors Identified by College C

- Leadership
 - Incentive to attend institution
 - Award good performance and student preparation
 - Minimize student debt
-

College D

The decision to move towards the inclusion of non-need aid in College D's institutional financial aid policies was based primarily on increasing the number of high-performing students at the institution and altering the perception of the value of a community college education. As Study Participant 1D stated, "...it is a real focus for us" (Personal communication, October 3, 2008).

To change the perception of College D, the college chose to pool money to incentivize high-performing students who were undecided in what to study to attend College D. According to SP1D:

...there was a period of time when the image of the college was strictly that you went there because you were not good enough to go to the University. We took offense to that...we have a tradition here of putting out high quality graduates that go on to very successful university careers. (Personal communication, October 3, 2008)

The intent of including non-need in the institution's financial aid policies was to make academic rigor the reason why students attended College D (SP1D, personal communication, October 3, 2008). A secondary intention, provoked by the primary

intention, was to increase enrollment, specifically the number of high-performing students that enrolled.

College D's goal to alter the perception of the college through the attraction of high-performing students was evidenced in College D's campaign to raise dollars to attract valedictorians and salutatorians from high school. The result has been an increase in the number of valedictorians and salutatorians on campus. According to SP1D, "at one point there were 26 valedictorians and salutatorians on this campus...to have 26 (of these) students here at any point in time...was a huge step" (Personal communication, October 3, 2008).

SP1D referred to this strategy as the "lead the sheep effect" - students will follow students who were leaders in high school. Study Participant 1D expanded on this effect:

...when parents found out where Little Suzy or Johnny is going and they are going to College D and they were at (the local) high school – they are saying there is the valedictorian and they are going to College D and they look at their son or daughter and say, get off the game cube you are going over to the college...also if parents are not sure where their kids are going to go or parents are not sure or kids are not sure what they want to do, they are undecided on really what they want – I think when they see the valedictorians and salutatorians come here it changes. (Personal communication, October 3, 2008)

This raised the bar for all students at College D and increased enrollment, as well as the enrollment of high-performing students. As SP1D reflected, "...by taking and elevating this to those smart students are going to College D, we basically raised the tide. So the high water mark of the students academically went up" (Personal communication, October 3, 2008). In other words, SP1D stated, "what I am getting at is, we did not use need, we used academic rigor as what we want to set as the reason to come to school here" (Personal communication, October 3, 2008).

The key finding of the case analysis of College D was the identification of two internal factors that influenced the college's decision to include non-need in institutional financial aid policies. Table 16 lists the two internal factors recognized by College D. The internal factors identified by College D will be analyzed for

similarities and differences relative to the other community colleges in this study in the cross-case analysis.

Table 16.

Internal Factors Identified by College D

- Increase high-performing student enrollment
 - Award performance and student preparation
-

Internal Factors: Cross-Case Analysis

This section analyzes the internal factors identified by the four community college cases in this study as developed through a cross-case analysis of the participating institutions into a broader story that explores how four diverse colleges moved towards the inclusion of non-need in their institutional financial aid policies. The intent of this section is to discover the similarities and differences among the four case sites. To assist with this cross-case analysis, Table 17 provides a summary of the internal factors identified by the colleges in this study (from Tables 13-16).

The community colleges in this study identified several internal factors as influential in their decision to include non-need in institutional financial aid policies. The internal factors identified included: (1) Award performance, (2) shift in culture, (3) increase enrollment, (4) increase access, (5) strategize goals, and (6) increase retention. A key finding of my study in regard to the second research question was the discovery that many of the influential internal factors identified by the colleges in this study were shared.

Award Performance

All four of the community colleges in this study identified awarding student performance and preparation as an influential internal factor in their decision to include non-need in institutional financial aid policies. The shared recognition of awarding performance among all four community colleges in this study is aligned with the shared meaning given to non-need financial aid by the colleges in this study (i.e.,

the recognition of merit). The clearest example of the intention to award performance was the development of a specific strategy to attract valedictorians and salutatorians to College D. Study Participant 1D referred to this strategy as the “lead the sheep effect”- students will follow students who were leaders in their high schools (Personal communication, October 3, 2008).

Table 17.

Internal Factors Identified by the Colleges

College A	College B	College C	College D	Synthesis
• Award good performance and student preparation	• Award good performance and student preparation	• Award performance and student preparation	• Award performance and student preparation	• Award performance
• Cultural shift	• Cultural shift: Personnel and students	• Leadership	-	• Shift in culture
• Enrollment	• Targeted recruitment	• Incentive to attend institution	• Increase high performing student enrollment	• Increase enrollment
-	• Access	• Minimize student debt	-	• Increase access
• Strategic use of dollars	• Strategic plan	-	-	• Strategize goals
• Retention	• Retention	-	-	• Increase retention

The influence of awarding performance through the use of non-need was further recognized by College A. As noted in the case analysis of College A in reference to the use of non-need aid dollars, “...appropriately structured it would be a reward for a good performance and a retention tool” (SP1A, personal communication, October 17, 2008). Excerpts from College B and C further clarified the intent to use non-need aid to award performance:

..there is merit on part of faculty perspective and student perspective to reward good academic work so we ought to consider doing it. (SP2B, personal communication, October 24, 2008)

...the president thought that the college needed a scholarship that awarded students solely on their academics out of high school. (SP2C, personal communication, October 20, 2008)

Shift in Culture

A second common internal factor identified in my study was a shift in culture within the community colleges in this study that influenced the decision to include non-need in institutional financial aid policies. Three of the four community colleges in this study identified a shift in culture as an influential internal factor. College A and College C both discussed a shift in culture relative to a change in leadership that led to the inclusion of non-need in institutional financial aid policies. The inclusion of non-need in institutional financial aid was the result of a change in the president four years ago at College A. The new president at the time proactively cast the work of the College in terms of the institution's strategic plan. According to Study Participant 1A, it was the new leadership and the strategy to tie institutional financial aid at College A to the strategic goals of the college that cemented the establishment of non-need aid within the College (Personal communication, October 17, 2008).

The establishment of the only non-need institutional financial aid offering at College C was the creation of a single president over two decades ago. The development of College C's non-need financial aid scholarship was based on the foresight of a single president who believed it was necessary for the college to have a scholarship that was based solely on rewarding students for academic performance (SP1C, personal communication, October 20, 2008). As Study Participant 2C recalled, "...the president thought that the college needed a scholarship that rewarded students solely on their academics" (Personal communication, October 20, 2008).

In the case analysis of College B, the concept of a shift in culture was broadened by a single leader to include changes among faculty, administrators, staff, and students. A change in the demographics of the student body, as well as, the retirement of faculty, staff, and administrators who had been with College B from the beginning and the introduction of a new generation of faculty, staff, and administrators

opened the door for acceptance with regard to the use of non-need in institutional financial aid policies. According to Study Participant 2B:

...we have lost a lot of 20 to 30 year employees...that generation so to say saw the community college as a civic movement and the opportunities were different...with that generation moving out and a younger, different generation moving in, it isn't necessarily about the community college movement as much as it is about application. (Personal communication, October 24, 2008)

Increase Enrollment

A third common internal factor identified in my study was an increase in enrollment as influential on the decision to include non-need in institutional financial aid policies. Three of the four community colleges in this study identified increasing enrollment as an influential internal factor.

The clearest example of the influence of the internal factor, increasing enrollment, was the priority given to increasing the number of high-performing students at College D as a means by which to emphasize academic rigor in the perception of the college as a postsecondary institution. This was evident in College D's campaign to raise dollars to attract valedictorians and salutatorians on campus. As described by Study Participant ID, the implementation of the campaign around valedictorians and salutatorians raised the bar for all students at College D (Personal communication, October 3, 2008).

College A and B proposed that increased enrollment, as a goal in and of itself, was influential on the decision to include non-need. Study Participant 1A referred to the "intelligent" use of dollars when framing the internal factors that influenced the institution's decision to include non-need. According to SP1A, the end result of the "intelligent" use of dollars as it related to non-need in institutional financial aid policies was the "...use of dollars to draw students to the door...determine how big a carrot is needed" (Personal communication, October 17, 2008). Increasing enrollment for College A was an internal goal recognized by the college that was achieved as part of the strategic use of non-need aid to meet the strategic plan of the college.

College B, to a lesser extent than College D and A, commented on the influence of targeted recruitment as a goal that could be attained through the use of non-need in institutional financial aid policies. This was documented in College B's

strategic plan in which goals to increase enrollment, as well as, recognize student achievement were in part realized through the use of non-need aid (College B, document, 2008). As SP1B reflected, "...felt that it was time to look at some different ways of awarding scholarships...what would be best to help our students to mesh with our strategic plan and our goals and moving forward" (Personal communication, August 27, 2008).

Increase Access, Strategize Goals, and Increase Retention

Other common internal factors identified in my study which were influential on the decision to include non-need in institutional financial aid policies included increase access, strategize goals, and increase retention. For each of these internal factors two of the four community colleges in this study recognized increase access to education, strategize goals, and/or increase retention as influential. For example, College B revealed that increased access to a postsecondary education was influential in the college's decision to include non-need in institutional financial aid policies, while College C shared a similar focus on access through the minimization of student debt.

Summary

In summary, the institutions that participated in this study identified many internal factors as influential in the decision to include non-need in institutional financial aid policies. Internal factors resided inside the institution. The internal factors identified included: (1) Award performance, (2) shift in culture, (3) increase enrollment, (4) increase access, (5) strategize goals, and (6) increase retention.

The major finding in response to question two was the discovery that many of the internal factors identified by the community colleges in this study were shared by other colleges in this study. One influential internal factor, awarding performance, was identified by all four community colleges in this study. While other internal factors influential in the decision to include non-need aid were less common among the colleges. For instance the shift in culture and increase enrollment were identified by

three of the four community colleges in this study as influential internal factors, while increase access, strategize goals, and increase retention were shared among two of the four colleges.

Research Question 3: External Factors

This section presents the findings in response to Research Question 3: What external factors influenced the decision to include non-need in institutional financial aid policies at community colleges? The rationale for this question was to identify factors external to the community colleges in this study that led to a move away from need-based awards towards the awarding of non-need aid. External factors were distinguished as coming from outside the institution and having an impact on the internal formulation of institutional financial aid policies. This section is divided into three sub-sections. The first sub-section provides the external factors identified by the colleges in this study which were influential in the decision to move towards the inclusion of non-need in institutional financial aid policies. The second sub-section developed a cross-case analysis in order to discover the similarities and differences among the four case sites, as well as, the extent to which there is agreement and disagreement with the literature. The third sub-section provides a summary of the external factors that influenced the decision to move to include non-need aid and foreshadows implications and research for the future.

External Factors: Case Analysis

This section examines the external factors acknowledged by each college in this study that influenced their decision to move towards the inclusion of non-need in institutional financial aid policies.

College A

Study Participant 1A recognized four external factors that influenced the college's decision to include non-need in institutional financial aid policies: (1)

Presence of a non-need component in state offered financial aid, (2) a new state focus, (3) influence of four-year institutions, and (4) funding.

The state in which College A was located offered state-funded, non-need financial aid. As Study Participant 1A revealed when asked about the external factors that influenced the college's decision to include non-need aid it was stated that "[the presence of non-need at the state level is] proof that (the) state is of like mind" (Personal communication, October 17, 2008). The influence of state financial aid policies on the decision of College A to move towards the inclusion of non-need in institutional financial aid policies was well documented in the literature. Doyle, Delaney, and Naughton (2004) asserted that campuses appeared to reinforce state policy when distributing their own institutional aid, instead of using the opportunity to express different values. This was true in the case of College A which reflected the use of non-need financial aid at the state level within the college's financial aid policies.

The second external factor identified by SP1A was the development of a relatively new focus within higher education at the state level. According to SP1A the state recently developed inclusive, whole initiatives to attract students from the community. According to SP1A, the following pressures were increasingly present at the state level:

...the external pressures to develop more initiatives that both drive student preparation and inclusive student programs and performance-based programs to not only get students thinking about college and prepared for college but into college and rewarded for performance. (Personal communication, October 17, 2008)

Study Participant 1A noted non-need was a tool for College A to meet the growing state expectations for enrollment and retention (Personal communication, October 17, 2008).

The third external factor that emerged from conversations with SP1A was the focus of non-need aid at the state level on four-year institutions. SP1A stated that preferential treatment was given to four-year institutions in the state merit program. SP1A noted that community colleges can use non-need aid, as well as four-year

institutions, in order to entice students to be ready and prepared for college.

As Study Participant 1A stated:

...what ended up happening with a lot (of) merit based programs or strictly merit-based programs is even though the college (community college) has students at the institution that perform very well academically, the efforts at the state level tended to focus on four-year schools and a traditional academic regimen after high school. (Personal communication, October 17, 2008)

Influenced by the role of four-year institutions at the state level, SP1A recognized the opportunity for College A. Study Participant 1A, with regard to the weighted presence of four-year institutions within the state non-need program, asserted:

... the idea that the (community) college can use non-need aid just, as well as, any other institution of higher education or postsecondary education in an overall strategy to get students thinking about college, prepared for college, prepared post-secondary for more college and routing them through the community college system to a four-year school for the ultimate goal of a bachelors degree. (Personal communication, October 17, 2008)

Finally, College A was influenced by the link between enrollment and funding for the institution. State funding for College A was appropriated in part based on Full-Time Enrollments (F.T.E.). In other words, the higher the college's enrollment the more funding the college received from the state. The internal use of non-need aid by College A "to draw students to the door" (SP1A, personal communication, October 17, 2008) also responded to the need to attract increased funding for the institution as an external factor. According to Reindl and Redd (1999) financial aid offered by higher education institutions has historically played two primary roles. The first role was to increase access of low-income and underrepresented students and the second role was as a marketing tool where aid was awarded to make the institution more attractive to prospective students and their families. The use of non-need financial aid by College A to attract additional enrollment in order to attract increased external funding was an example in practice of Reindl and Redd's identified role of financial aid as a marketing tool.

The key finding of the case analysis of College A was the identification of four external factors that influenced the college's decision to include non-need in

institutional financial aid policies. Table 18 describes the four external factors recognized by College A.

Table 18.

External Factors Identified by College A

- | | |
|--|---------------------------------------|
| • Non-need component in state offered financial aid. | • Influence of four-year institutions |
| • New state focus | • Funding |
-

College B

College B identified two external factors that influenced the college's decision to include non-need in institutional financial aid policies. The first external factor recognized by College B was the value given to awarding performance by the foundation and the community. The move towards the inclusion of non-need aid at College B emerged through the institution's foundation. SP1B noted "...when we had funds, I think there is some expectation from the public...the foundation represents people in the community...there are certainly students with need, but we also need to reward success (Personal communication, August 27, 2008).

The awareness by College B of the acceptability of rewarding success among the community was echoed by Study Participant 2B. SP2B described the Foundation as made up of individuals who represent business and in the business world "excellence and success is recognized...performance and excellence is what gets reward so why aren't we rewarding that...merit is an okay practice" (Personal communication, October 24, 2008). As SP2B explicitly stated:

...our foundation really kind of is a bit of a representation of the community with the wide range of businesses that they represent and things, so I think in their world, excellence gets rewards and it makes sense to them. As they are spending money and contributing money...that these dollars in part recognize excellence. So it is okay to not just put money on students that have need, ignoring excellence. (Personal communication, October 24, 2008)

College B also identified the influence of federal policy on the decision to include non-need aid in the college's institutional financial aid policies. College B identified the federal Academic Competitiveness Grant which combines non-need with Pell's need-based eligibility requirement (College B, document, 2009). The Academic Competitiveness grant is awarded to Pell-eligible students who "have completed a rigorous secondary school program of study" (College B, document, 2009). As stated by SP2B:

...if the federal government is willing to say, "merit counts" or "academic success counts" then we are certainly not out of step with their expectations ... creating access with federal dollars. We are creating private dollars but we really should not be condemned for rewarding success rather than simply rewarding need. (Personal communication, October 24, 2008)

The key finding of the case analysis of College B was the identification of two external factors that influenced the college's decision to include non-need in institutional financial aid policies. Table 19 describes the two external factors recognized by College B.

Table 19.

External Factors Identified by College B

- Value of awarding performance
 - Federal financial aid policy
-

College C

The study participants at College C did not identify any external factors that influenced their decision to include non-need in institutional financial aid policies. According to SP1C, driven by the idea of a single president, College C had moved forward with non-need financial aid offerings based on internal factors. Though the argument may be made that the internal factors identified by College C, including the incentive to attend the institution, the recognition of academic excellence, and the minimization of student debt, could also be considered external influences, College C did not identify these factors as external to the institution.

College D

Study Participant 1D acknowledged the influence of two external factors on the college's decision to include non-need in institutional financial aid policies: (1) Donor base and (2) competition. The first external factor recognized by College D was the influence of the community and the donor base to the college's foundation. According to Study Participant 1D, "(if) we look at academic rigor...and the external factor is ...what is the willingness, the capability of the community and our donor base to provide money" (Personal communication, October 3, 2008). Study Participant 1D identified an increase in the number of donors and the image of donors as having a direct influence on the endowment and over time increasing the number and image of the college's alumni (Personal communication, October 3, 2008).

The second external factor identified by College D was competition. Study Participant 1D referred to competition from both four-year institutions and the job market in good economic times. By introducing non-need into the college's institutional financial aid policies, SP1D suggested that the use of non-need aid gave College D a competitive edge to face the competition for student enrollments posed by the alternatives (i.e., jobs and four-year institutions) available to students.

Competition as an external factor that influenced the formulation of institutional financial aid policies was also identified in the literature. The examination of the development of financial aid policy, in the literature review, in the last 60 years provided various internal and external factors that influenced the meaning and role of need and non-need in the formulation of financial aid policy. All three of the eras proposed by Cunningham and Parker (1999) recognized competition as an external factor that shaped financial aid policy in the United States.

The key finding of the case analysis of College D is the identification of two external factors that influenced the college's decision to include non-need in institutional financial aid policies. Table 20 describes the two external factors recognized by College D.

Table 20.

External Factors Identified by College D

- Donor base
 - Competition
-

External Factors: Cross-Case Analysis

This section explores the external factors identified by the four community college cases in this study as developed through a cross-case analysis of the individual experiences of the community colleges in this study. The intent of this section is to discover the similarities and differences among the four case sites. To assist with the cross-case analysis, Table 21 provides a summary of the external factors identified by the community colleges in this study (from Tables 18-20).

The community colleges in this study identified many external factors as influential in their decision to include non-need in institutional financial aid policies. The external factors identified included: (1) Competitors, (2) federal aid policy, (3) state aid policy, (4) student performance, (5) donor base, (6) state education policy, and (7) funds. Another finding of my study was College C's lack of identification of any external factor as influential on the college's decision to include non-need. There was no single indication in the documentation or the interviews conducted with the study participants from College C that any external factors influenced the criteria for institutional financial aid at College C. A final finding of my study in regard to the third research question was the discovery that only one of the influential external factors identified by the colleges was shared among colleges - competitors.

Competitors

The influence of different competitors on the decision to include non-need in institutional financial aid policies was identified as an influential external factor for two of the four community colleges in this study. Colleges A and D both discussed the presence of competition as influential in their decision to include non-need. Study Participant 1D referred to competition from both four-year institutions and the job

market in good economic times (Personal communication, October 3, 2008).

College A viewed competition through a different lens referring to the preferential focus of state non-need aid on four-year institutions. As recalled by Study Participant 1A:

...what ended up happening with a lot (of) merit based programs or strictly merit-based programs is even though the college (community college) has students at the institution that perform very well academically, the efforts at the state level tended to focus on four-year schools and a traditional academic regimen after high school. (Personal communication, October 17, 2008)

Federal and State Policies

The influence of federal and state financial aid policy on the decision to include non-need in institutional financial aid policies was identified as an influential external factor for two community colleges in this study. College B discussed the presence of non-need federal financial aid policies as influential in their decision to include non-need. In particular, each institution identified the Academic Competitiveness Grant which introduced a non-need component for students eligible for the need based Pell Grant program. Both colleges suggested that the presence of non-need aid at the federal level opened the door for their institution's to do the same:

...if the federal government is willing to say, 'merit counts' or 'academic success counts' then we are certainly not out of step with their expectations ... creating access with federal dollars. (SP2B, personal communication, October 24, 2008)

College A, emphasized the influence of state financial aid policy, as well a, state education policy on the college's decision to include non-need in institutional financial aid policies. The state in which College A was located offered state-funded, non-need financial aid. As Study Participant 1A revealed when asked about the external factors that influenced the college's decision to include non-need aid, it was stated that "[the presence of non-need at the state level is] proof that (the) state is of like mind" (Personal communication, October 17, 2008). College A also identified the influence of state education policies on their decision to include non-need. According to SP1A, the state recently developed inclusive, whole initiatives to attract students from the community. The following pressures were increasingly present at the state level:

...the external pressures to develop more initiatives that both drive student preparation and inclusive student programs and performance-based programs to not only get students thinking about college and prepared for college but into college and rewarded for performance. (Personal communication, October 17, 2008)

Student Performance, Donor Base, and Funds

Other external factors identified in my study which were influential on the decision to include non-need in institutional financial aid policies included student performance, donor base, and funds. Student performance was characterized by the community colleges in this study as the value placed by College B's community and foundation on need to recognize students beyond their financial need and towards the quality of their work. Donor base referred to the influence on College D's decision to include non-need in institutional financial aid policies. Finally, funds referred to the influence of the direct link between enrollment and state funding for College A. For each of these external factors only one of the four community colleges in this study recognized student performance, donor base, and funds as influential.

Summary

In summary, the institutions that participated in this study identified many external factors as influential in the decision to include non-need in institutional financial aid policies. External factors were distinguished as coming from outside the institution and having an impact on the internal formulation of institutional financial aid policies. The external factors identified included: (1) Competitors, (2) federal aid policy (3) state aid policy, (4) student performance, (5) donor base, (6) state education policy, and (7) funds.

The major finding in response to question three was the discovery that only one of the external factors identified by the community colleges in this study was shared by other colleges in this study. One external factor, competitors, was identified by two of the four community colleges in this study. The other external factors influential in the decision to include non-need aid (i.e., federal aid policy, state aid and education policy, student performance, donor base, and funds) were identified by only

one of the community colleges in this study. In addition, College C was the only college to identify no influential external factors on their decision to include non-need in their institutional financial aid policies.

Table 21.

External Factors Identified by the Colleges

College A	College B	College C	College D	Synthesis
● Influence of four- year institutions	-	-	● Competition	● Competitors
-	● Federal financial aid policy	-	-	● Federal aid policy
● State financial aid policy	-	-	-	● State aid policy
-	● Value of awarding performance	-	-	● Student performance
-	-	-	● Donor base	● Donor base
● New state focus	-	-	-	● State education policy
● Funding	-	-	-	● Funds

Research Question 4: Explaining the Move to Include Non-Need

This section presents the findings in response to Research Question 4: What explains the move away from need-based aid towards the inclusion of non-need in institutional community college financial aid policies? The rationale for this question was to examine the interplay between the internal and external factors identified by the community colleges in this study as influential in their decision to include non-need in institutional financial aid policies. This section is divided into three sub-sections. The

first sub-section explores the interplay between the internal and external factors identified by the colleges in this study which were influential in the decision to move towards the inclusion of non-need in institutional financial aid policies. The second sub-section develops a cross-cases analysis in order to explore the similarities and differences among the community colleges in this study with regard to identified internal and external factors. The third sub-section provides a summary of the interplay between the internal and external factors that influenced the decision to move to include non-need aid and foreshadows implications and research for the future.

Interplay Between Internal and External Factors: Case Analysis

The literature indicated that both internal and external factors influenced a postsecondary institution's decision to include non-need in institutional financial aid policies, such as strategic use of dollars and state financial aid policies (Advisory Committee on Student Financial Assistance, 2002; Baum & Schwartz, 1988; Cunningham & Parker, 1999; El-Khawas, 1979; Green, 2004; Heller, 2003; Heller & Marin, 2002; McPherson & Shapiro, 1998; Porter & McColloch, 1983; U.S. Department of Education, 2006; Wick, 1997). This section examines the interplay between the internal and external factors identified as influential in the decision to include non-need in institutional financial aid policies as recognized by each of the community colleges in this study.

College A

College A identified five internal factors and four external factors as influential in their decision to include non-need in institutional financial aid policies. Table 22 summarizes the nine factors identified by College A. The primary interplay between the internal and external factors identified by College A as influential in their decision to include non-need in institutional financial aid policies focused on the strategic goals and visions of the institution (i.e., internal) and the state (i.e., external).

Table 22.

Summary of the Internal and External Factors Identified by College A

Internal Factors	External Factors
<ul style="list-style-type: none"> • Award performance • Shift in culture • Increase enrollment • Strategic use of dollars • Increase retention 	<ul style="list-style-type: none"> • Influence of four-year institutions • State aid policies • New state focus • Funding

Internally, the presence of new leadership and a refocusing on the strategic mission and goals of College A set the context for the eventual establishment of the three non-need financial aid offerings at the community college. As SP1A stated in reference to research question one, four years ago there was a:

...very definite lack of mindfulness towards vision and mission and what the college does and how they do it...(the current president was very proactive about integrating the community not the college and recapturing what it is) the essence of what a community college is. (Personal communication, October 17, 2008).

...there has never been anything implemented in an esteem that corresponded with a strategic plan of the school, which is in accordance with our mission of vision, developing our enrollment, and educating community. That is where

...the [three non-need financial aid offerings] have developed. (Personal communication, October 17, 2008)

College A's strategic plan to reconnect to the community through strategic use of dollars to increase enrollment, award good performance, and maintain retention strongly influenced the decision to include non-need.

Externally, the presence of the state's non-need financial aid program combined with the state's decision to develop initiatives that drove student preparation and performance further emphasized the need of College A to strategically use funds to meet state goals. This was even more evident because of the priority in the state non-need financial aid program which emphasized baccalaureate education. As noted

by SP1A, "...the efforts at the state level tended to focus on four-year schools and a traditional academic regimen after high school" (Personal communication, October 17, 2008). Finally, the direct link between increased enrollment and increased funding at the state level complemented the objectives of non-need financial aid at College A to increase enrollment and retention through the recruitment of prepared and well-performing students. As recognized by SP1A, "...those external pressures are what start us (College A) developing programs like this (non-need)" (Personal communication, October 17, 2008).

The presence of strengthened institutional and state strategic plans that emphasized the goals related to enrollment, retention, and student preparation and performance, as illustrated in Table 23, established an environment in which non-need institutional financial aid offerings at College A emerged. A shift in culture at College A and the use of non-need in state financial aid policies, specifically the use of these funds primarily at four-year institutions, were individual factors within the institutional and state strategic plans that provided the basis for development of the three non-need financial aid offerings at College A.

Table 23.

Summary of Themes Represented in the Interplay of Internal and External Factors Identified by College A

- Shift in culture
 - Strategize goals
 - State aid and education policies
-

College B

College B identified six internal factors and two external factors as influential in their decision to include non-need in institutional financial aid policies. Table 24 summarizes the nine factors identified by College B.

Table 24

Summary of the Internal and External Factors Identified by College B

Internal Factors	External Factors
<ul style="list-style-type: none"> • Targeted recruitment • Increase retention • Award performance • Strategic plan • Shift in culture • Increase access 	<ul style="list-style-type: none"> • Federal aid policies • Value of awarding performance

The internal factors identified by College B as influential in their decision to include non-need in institutional financial aid policies were more important in the decision. The presence of the external factors identified by College B offered a context in which non-need was an acceptable way in which to meet the internal factors recognized by College B. Excerpts from SP1B and SP2B exemplified the weighted influence towards the identified internal factors:

...we kind of in some small way set a precedent (using non-need in program admissions). (SP2B, personal communication, October 24, 2008)

...I think as things change you try to meet the needs and change along with what would be best to help your students to mesh with our strategic plan and our goals. (SP1B, personal communication, August 27, 2008)

...there is a bit of a cultural shift (internally) so that the idea of we want to hold up high that we have achieving students. (SP2B, personal communication, October 24, 2008)

...then we had funds, I think there is some expectation from the public...there are certainly students with need, but we also need to reward success. (SP1B, personal communication, August 27, 2008)

...excellence and success is recognized...merit is an okay practice. (SP2B, personal communication, October 24, 2008)

...if the federal government is willing to say, 'merit counts' or 'academic success counts' then we are certainly not out of step with their expectations. (SP2B, personal communication, October 24, 2008)

Internally the decision to use non-need was established with changes in program admissions for a particular program within the College B. Once College B recognized the use of non-need within the college, non-need as a part of the institution's financial aid policies led to the consideration of this change in policy as a tool to meet other internal goals (i.e., goals identified in the college's strategic plan such as enrollment and student achievement). In addition, the use of non-need allowed College B to increase access to education beyond the thresholds identified by need-based eligibility. As stated by SP1B, "...merit opens the door to students caught in any number of situations that does not allow for eligibility under the FAFSA) (Personal communication, August 27, 2008). Finally, the additional influence of a shift in culture established an environment where the use of non-need was more acceptable. According to SP2B, "...we have some standard...it is a standard that we as an academic institution really want to promote-excellence and success" (Personal communication, October 24, 2008).

Externally, the two factors identified by College B provided insight into the changing context in which College B operated that moved towards greater acceptability of non-need in institutional policies, including financial aid. The growing acceptance of awarding performance in the community, through College B's foundation, and in federal financial aid policies was influential in setting a stage for College B's use of non-need as an acceptable policy decision. As SP2B stated,

...our foundation really kind of is a bit of a representation of the community...I think in their world, excellence gets rewards and it makes sense to them...it is okay to not just put money on students that have need, ignoring excellence and also recognizing. (Personal communication, October 24, 2008)

In addition, the use of non-need, such as in the Academic Competitiveness Grant, also illustrated a change outside of the institution that the use of non-need was more acceptable. This was exemplified in SP2B's comment, "...if the federal government is willing to say, 'merit counts'...we really should not be condemned for rewarding

success rather than simply rewarding need” (Personal communication, October 24, 2008).

The interplay between the internal and external factors identified by College B, as described in Table 25, was one in which the inclusion of non-need in institutional financial aid policies was driven by internal factors (i.e., enrollment and retention goals, increased access, and a cultural shift) and permitted by external influences. The inclusion of non-need in institutional financial aid policies was practiced and accepted externally to the institution as a way in which to meet the internal goals that drove the decision to include non-need.

Table 25.

Summary of Themes Represented in the Interplay of Internal and External Factors Identified by College B

-
- Strategize goals
 - Increase access to education
 - Shift in culture
-

College C

College C identified four internal factors and no external factors as influential in their decision to include non-need in institutional financial aid policies. Table 26 summarizes the four factors identified by College C.

Table 26.

Summary of the Internal and External Factors Identified by College C

Internal Factors	External Factors
<ul style="list-style-type: none"> • Leadership • Incentive to attend institution • Award good performance and student preparation • Minimize student debt 	<ul style="list-style-type: none"> • None

The internal factors identified by College C were the only factors identified by the college as influential in their decision to include non-need. No external factors were identified by College C as influential in their decision to include non-need in institutional financial aid policies. Internally the decision to use non-need was established by a change in leadership over two decades ago to incentivize well-performing students to attend College C by rewarding their performance. The inclusion of non-need in a single financial aid offering at College C was believed to be the best means by which to meet the goal of rewarding students for academic performance. As recalled by SP2C,

...the president thought that the college needed a scholarship that rewarded students solely on their academics...he wanted to have something he could offer somebody that didn't have any financial need, something that would give them incentive to keep their grades up. (Personal communication, October 20, 2008)

Over time the use of non-need in College C's institutional financial aid policies also served to meet the college's goal to minimize student loan debt. College C's non-need financial aid offering was sufficient to fill the gap between financial aid and costs of attendance for many students at the college. As stated by SP1C, "...if we can avoid them having loans when they graduate from here – they are already halfway there (Personal communication, October 20, 2008).

The interplay between the internal and external factors identified by College C as influential in the decision to include non-need in institutional financial aid policies was absent. The decision to include non-need in institutional financial aid policies at College C was driven by internal leadership and goals and was not influenced by external factors.

College D

College D identified two internal factors and two external factors as influential in their decision to include non-need in institutional financial aid policies. Table 27 summarizes the four factors identified by College D.

Table 27.

Summary of the Internal and External Factors Identified by College D

Internal Factors	External Factors
<ul style="list-style-type: none"> • Increase high-performing student enrollment • Award performance 	<ul style="list-style-type: none"> • Competitors • Donor base

The primary interplay between the internal and external factors identified by College D focused on the internal goal of increasing high-performing student enrollment in order to change the perception of College D as an institution of academic rigor. As Study Participant 1D recognized, when questioned further on the goal of increasing high-performing students as the primary driver for inclusion of non-need in institutional financial aid policies, "...it is a real focus for us" (Personal communication, October 3, 2008). Excerpts from SP1D exemplified the weighted influence towards the identified internal factors:

...what I am getting at is, we did not use need, we used academic rigor as what we want to set as the reason to come to school here. (Personal communication, October 3, 2008)

...there was a period of time when the image of the college was strictly that you went there because you were not good enough to go to the University...we have a tradition here of putting out high quality graduates that go on to very successful university careers. (Personal communication, October 3, 2008)

...I think when they see the valedictorians and salutatorians come here it changes. (Personal communication, October 3, 2008)

...by taking and elevating this to those smart students are going to College D, we basically raised the tide. (Personal communication, October 3, 2008)

Internally the decision to use non-need in institutional financial aid policies was a primary vehicle by which College D sought to raise the profile of the institution through the increased enrollment of high-performing students. The inclusion of non-need in institutional financial aid policies increased the number of high-performing students enrolled in College C and the profile of the institution. As stated by SP1D,

“...at one point there was 26 valedictorians and salutatorians on this campus” (Personal communication, October 3, 2008).

Externally, the inclusion of non-need also fed into the external factors identified (i.e., competition and a changing donor base) by College D as influential in the decision to offer non-need financial aid. As stated by SP1D, “...we look at academic rigor...and the external factor is...what is the willingness, the capability of the community and our donor base to provide money” (Personal communication, October 3, 2008). As noted by SP1D, a change in the number of donors and the image of those donors on the endowment had changed to reflect the goals of College D to raise its profile as an institution of academic rigor. In addition, the competition faced by College D from four-year institutions and the job market for high-performing students was also mediated by the incentive of non-need financial aid to draw students to College D (SP1D, personal communication, October 3, 2008).

Table 28.

Summary of Themes Represented in the Interplay of Internal and External Factors Identified by College D

- Raise profile of institution
 - Increase access to education
-

Interplay Between the Internal and External Factors: Cross-Case Analysis

This section explores the interplay between the internal and external factors identified by the four community colleges cases in this study as developed through a cross-case analysis of the community colleges in this study. The intent of this section is to describe the similarities and differences among the four case sites. To assist with the cross-case analysis, Table 29, provides a summary of the themes that emerged through the case analysis of the interplay of internal and external factors identified by the four community colleges in this study.

Four themes emerged from the interplay between the internal and external factors that influenced the decision of the four community colleges in this study to include non-need in institutional financial aid. The four themes cut-across the four

community colleges in this study and include: (1) Increase access, (2) raise profile of institution, (3) shift in culture, and (4) strategize goals.

Table 29.

Themes of the Interplay of Internal and External Factors Identified by the Colleges

College A	College B	College C	College D	Synthesis
	• Increase access		• Increase access	• Increase access
	• Raise profile of institution		• Raise profile of institution	• Raise profile of institution
• Shift in culture	• Shift in culture			• Shift in culture
• Strategize goals	• Strategize goals			• Strategize goals
• State aid policy				• State aid policy

Increase Access

One theme that cut across the four community colleges in this study was increase access to education through financial assistance. Three of the four case sites in this study identified increase access to education by broadening aid opportunities beyond need-based offerings as an explanation for the decision to include non-need in institutional community college financial aid policies (i.e., Colleges B, C, and D). Access and the intention to increase access were indicated in the analyses of the prior research questions in multiple ways.

The most evident example of the intention to promote access was the identification of minimizing student debt as an internal factor that influenced the decision to include non-need aid by College C. The identification of minimizing student debt as an internal factor advanced the concept that increasing access was one explanation for the move to include non-need in institutional financial aid policies.

The intention to increase access through the use of non-need aid was further recognized by College B. As noted in the analyses of Research Question 2, "...it does kind of potentially open that door for those students that had nothing left for them

even though they did excel at previous schooling” (SP2B, personal communication, October 24, 2008). Excerpts from College B and College D further clarified the intent to increase access as an explanation to include non-need in institutional financial aid policies:

...I think back to our mission is to help the most...there are a lot of people at College B that everything we do ought to help the most needy...and the student that is here performing, excelling...I think we have blinders on and we have a bias that if they do not have money, they are not getting financial aid, fine...we know lots of students apply for financial aid. They do not believe they are eligible. They do not want whatever...there are all kinds of excuses why students do not file a FAFSA. Or if they do file a FAFSA there are life circumstances that totally block their access to money because they cannot complete whatever it is that they go to get done...and it is not within their control. (SP2B, personal communication, October 24, 2008)

...where we feel the students are hurt the most are the well-performing students...that is high school students, 3.5 and above G.P.A....and those students that are coming from middle-income families, they are not academically challenging enough to compete for the high-level scholarships available to the country. (SP1D, personal communication, October 3, 2008)

The suggestion that non-need increased access by providing financial aid to students who did not receive need-based aid was supported further by College D.

According to SP1D:

...what we are concerned about is the student who worked really hard, 3.75 G.P.A., S.A.T. scores are good, but they are not enough to where people are chasing you...what are your options? Well, my family, they are in hardship because putting me through is a lot of money. Well, we (College D) are going to offer you a scholarship. (Personal communication, October 3, 2008)

The use of non-need within need, need-based, and non-need aid and the combination of all three types of aid at the community colleges in this study provided a basis for considering increased access as an explanation for the use of non-need aid at the participating community colleges. The use of the three types of aid in combination with each other allowed a limited number of awards to be used for more students. The focus was not non-need but on how the aid was distributed to ensure that students do not double up on scholarship and grants, but that more students get a financial aid award of some type. As SP1B stated:

...a lot of students applied for both merit-need and merit, so that way it worked out last year, everyone that applied under merit-need got a scholarship. If we saw they were eligible under merit and their name also came up on merit-need we moved them over and gave them a merit scholarship so we could give more. (Personal communication, August 27, 2008)

The concept of spreading aid around was further enforced at College B by the rule that students did not receive both need and non-need dollars from the College. As noted by SP1B, “the student gets one or the other. This helps spread the dollars” (Personal communication, August 27, 2008).

Raise Profile of Institutions

Another theme identified in my study as an explanation for the decision to include non-need in institutional financial aid policies was to raise the profile of community colleges. The most evident example of the intention to raise the profile of community colleges through the use of non-need aid was the reflection by Study Participant 1D about how they were perceived:

...there was a period of time when the image of the college was strictly that you went there because you were not good enough to go to the University. We took offense to that...we have a tradition here of putting out high quality graduates that go on to very successful university careers (Personal communication, October 3, 2008).

According to College D, the intention of including non-need in the institution’s financial aid policies was to make academic rigor the reason why students attended College D (SP1D, personal communication, October 3, 2008). Study Participant 1D further explained, “...what I am getting at is, we did not use need, we used academic rigor as what we want to set as the reason to come to school here” (Personal communication, October 3, 2008).

The intention to raise the profile of community colleges with the use of non-need aid was further recognized by College B. As noted in the analyses of Research Question 2, “...the idea (that) we want to hold up high that we have achieving students and that the community college is not just the place to go if you cannot do something else (is valued)” (SP2B, personal communication, October 24, 2008). Excerpts from

College B and College D further clarified the intent to raise the profile of community colleges as an explanation to include non-need aid in institutional financial aid policies:

...I think there is faculty motivation to say “we do have great students. We do teach high quality students because we have quality teaching”...And at the same time, it is a way for the institution to be proud in its culture of...we are helping many parts of society that would never have access to an education. We have some of the best and the brightest here. It is not one or the other...these scholarships offer a balance. (SP2B, personal communication, October 24, 2008)

...by taking and elevating this (aid) to those smart students are going to College D, we basically raised the tide. So the high watermark of the students academically went up. (SP1D, personal communication, October 3, 2008)

Shift in Culture

A third theme that emerged as an explanation for the decision to include non-need was a shift in culture within the community college. Three of the four institutions in this study experienced a shift in culture either through a change in leadership, changes in student demographics, changes in staff and faculty, or changes in donors.

Both College A and B referenced a change in the culture and leadership within their institutions that influenced the move to include non-need aid in institutional financial aid policies. The use of non-need in College A’s institutional financial aid policies was initiated by the arrival of a new president. According to SP1A, “...in the last two years, especially there has just been this turn on the head of what the college is and what it means” which had resulted in the establishment of the first three non-need based awards at College A (Personal communication, October 17, 2008). The influence of leadership and the inclusion of non-need aid in institutional financial aid policies was also linked at College C, where the inception and the continual disbursement of non-need was developed in the Office of the President (SP2C, personal communication, October 20, 2008).

The use of non-need at College B increasingly became an accepted way to determine aid eligibility as faculty and students changed over and brought new values and expectations to the institution. According to SP2B:

...the purpose of the institution was different. The purpose of the institution was different and why we even came together to create this place and with that generation moving out and a younger different generation moving in, it isn't necessarily about the community college movement as much as it was about application. (Personal communication, October 24, 2008)

...the students coming expect their work to be rewarded. (Personal communication, October 24, 2008)

The influence of a shift in culture within a college on the decision to include non-need in institutional financial aid policies was also referenced by College D. Unlike Colleges A and C which referred to a change in leadership or College B which suggested a change in faculty and student demographics, College D experienced a change in the image and number of its donor base which, though external to the college, influenced the inclusion of non-need aid in the college's financial aid policies (SP1D, personal communication, October 3, 2008).

Strategize Goals

A final theme that emerged from my study was the influence of strategic plans and the effort to strategically meet institutional goals as influential in the decision to include non-need in institutional financial aid policies. For College A the presence of institutional and state strategic plans that emphasized the goals related to enrollment, retention, and student preparation and performance established an environment open to the inclusion of non-need institutional financial aid offerings. The inclusion of non-need in institutional financial aid policies for College B was influenced by the college's strategic plan. College B recognized that the inclusion of non-need as a part of the institution's financial aid policies allowed for the consideration of a change to non-need in aid policy as a tool to meet other internal goals (i.e., goals identified in the college's strategic plan such as enrollment and student achievement).

Summary

In summary, the internal factors identified by the four community college cases in this study were more important in the decision by each institution to include

non-need in institutional financial aid policies when compared to the external factors identified. The external factors identified by the study participants re-enforced the internal decision to include non-need in institutional financial aid policies either through a climate of increased acceptance of recognizing academic performance or as a way to respond to external changes in the community, such as competition or changes in a donor base.

In addition, four themes emerged from across the cases in this study that offer possible explanations for the move to include non-need in institutional community college financial aid policies when the interplay between internal and external factors was considered: (1) Access, (2) raise the profile of community colleges, (3) cultural shift within the college, and (4) strategize goals. The four themes were not exclusive of each other. As indicated by the quotes that support these explanations, the likelihood was high that the colleges in this study used one or more explanations to express their college's decision to include non-need in institutional financial aid policies.

Summary of Findings

This chapter presented an overview of the findings as they related to the four research questions: (1) What meaning do those involved in the formulation of institutional financial aid policy at community colleges give to need and non-need as criteria for financial aid? (2) What internal factors influenced the decision to include non-need in institutional financial aid policies at community colleges? (3) What external factors influenced the decision to include non-need in institutional financial aid policies at community colleges? and (4) What explains the move away from need-based towards the inclusion of non-need in institutional community college financial aid policies? In keeping with the case study methods, data analyzed included interview transcripts and documents. The interviews conducted for this study served as the primary source in which the findings are based. Six interviews were conducted. The documents collected from the institutions and regarding state financial and education policies supported technical aspects of the move to include non-need in institutional

financial aid policies, such as the establishment of the programs, number of student recipients, types of financial aid programs, history of the institutions, and state financial aid programs. Documents examined included materials such as institutional financial aid offerings, institutional financial awards and disbursements, and state financial aid policies.

The profiles of the community colleges in the first section of this chapter described the context and the nature of the non-need financial aid offerings for each institution. Section two presented the findings associated with the four research questions. The findings associated with Research Question 1 revealed that the meaning of need and non-need identified in the literature were similar to the meanings given to need and non-need by all four colleges studied. The findings also recognized the differences among the four colleges studied with regard to the types of non-need criteria that were used to determine non-need aid eligibility, as well as the presence of non-need within need financial aid awards at three of the four colleges studied. Finally the findings indicated the first reference to increase access to education as an intention of the decision to include non-need aid.

Research Question 2 focused on the internal factors that influenced the decision by the community colleges in this study to include non-need in institutional financial aid policies. Multiple internal factors were identified by the colleges as influential in their decision to include non-need in institutional financial aid policies. The internal factors identified by the four community colleges in this study included: (1) Award performance, (2) shift in culture, (3) increase enrollment, (4) strategize goals, (5) increase retention, and (6) incentive attendance.

Research Question 3 focused on the external factors that influenced the decision by the community colleges in this study to include non-need in institutional financial aid policies. Multiple external factors were identified by the colleges as influential in their decision to include non-need in institutional financial aid policies. The external factors identified by the four community colleges in this study included: (1) Competitors, (2) federal aid policy, (3) state aid policy, (4) student performance, (5) donor base, (6) state education policy, and (7) funds.

The findings associated with Research Question 4 revealed that, for the majority of the community colleges included in this study, the internal factors identified were more important in the decision to include non-need in institutional financial aid policies. In addition, four themes emerged from across the cases that offer explanations for the interplay among internal and external factors that influenced inclusion of non-need in institutional financial aid policies emerged: (1) Increase access, (2) raise profile of institution, (3) shift in culture, and (4) strategize goals.

In the foregoing sections, I have revealed the findings from my research on the exploration of the move to include non-need in community college institutional financial aid policies. In the following chapter, I will describe the findings in relation to the existing literature, discuss implications of the findings for practice and policy, and suggest recommendations for future research on the topic of non-need aid in institutional community college financial aid policies.

Chapter 5 – Summary, Discussion, and Implications

The purpose of this study is to explore the move to include non-need in community college institutional financial aid policies. This chapter discusses the findings of my study in relation to the literature review and how the findings are in agreement or in contrast with previously published works, implications for practice, and recommendations for future research.

This study focused on the exploration of the factors that influenced community colleges to move to include non-need in institutional financial aid policies. In the last two decades, a fundamental shift in postsecondary education financial aid policy has occurred. More and more grants were being awarded based on non-need (Heller, 2006a). The rise in non-need aid throughout the United States (U.S.) was well-documented (Heller 2006a, 2006b; National Association of State and Grant Aid Programs, 2005). Since 1981, need-based grants had grown from \$0.9 billion in 1981 to \$4.5 billion in 2003, while spending on non-need grants increased at approximately twice that rate from less than \$100,000 in 1981 to \$1.6 billion in 2003 (Heller, 2006a). The rise of non-need aid in the United States was mirrored at the institutional level (National Association of State and Grant Aid Programs, 2005). However, the rise of non-need financial aid awards at community colleges was largely unexplored in the literature. This study contributed to the body of knowledge of financial aid policy and aimed to increase the understanding of the move to non-need financial aid policies in community colleges from the experiences of those who formulated institutional community college financial aid policies in the community college cases selected for this study.

Summary and Discussion

This section discusses the findings to the four research questions in relation to the related literature in Chapter 2 and other literature thought to be relevant. The four research questions of my study were:

1. What meaning do those involved in the formulation of institutional financial aid policy at community colleges give to need and non-need as criteria for financial aid?
2. What internal factors influenced the decision to include non-need in institutional financial aid policies at community colleges?
3. What external factors influenced the decision to include non-need in institutional financial aid policies at community colleges?
4. What explains the move away from need-based towards the inclusion of non-need in institutional community college financial aid policies?

Findings were shown to have both agreed and contrasted with previously published works as described in the literature review. The philosophical approach was interpretive social science using unique case study method with four community colleges and six study participants. The findings of this study were explored through the lens of the four community colleges selected for this study. The findings and discussion may differ for colleges that are different in size, setting, and student demographics. The data collected and analyzed included interviews with six study participants and written materials. Quotes from study participants, that previously may have been shared, were used to connect the findings of this study with the discussion and analysis as it relates to the relevant literature.

Research Question 1: What meaning do those involved in the formulation of institutional financial aid policy at community colleges give to need and non-need as criteria for financial aid?

This section presents the findings in response to Research Question 1 in relation to the literature. This section is divided into two-sub-sections. The first sub-section provides an analysis of the findings of the individual case studies in response to Research Question 1 from Chapter 4 with the literature relevant to these findings from Chapter 2. The second sub-section describes the findings that emerged from the cross-case analysis from Chapter 4 with the literature relevant to these findings from Chapter 2.

Summary and Discussion of Individual Case Studies

The community colleges in this study shared similar meanings of need and non-need as criteria for financial aid. In addition, the shared meanings of need and non-need were also reflected in the definition given to these criteria in the literature. A review of the literature on financial aid policy in the U.S. illustrated that the concepts of need and non-need as criteria for financial aid were well defined (Porter, 1984; Wick, 1997). Need, as it relates to financial aid policy, was defined by the community colleges in this study and in the literature as the gap between the cost of college and what a student and her/his family can afford to pay for college. According to Wick (1997), need was defined by financial aid administrators as “the difference between the total cost of an education at a particular institution and the amount a family and/or the student is able to contribute to that cost” (p. 3). In her dissertation, Porter (1984) confirmed the definition identified by Wick as “the difference between what it costs to attend the institution of choice and what the family can reasonably be expected to contribute toward those expenses” (p. 23).

Non-need was defined by the community colleges in this study and in the literature as awarding financial aid based on achievement, such as test scores, class ranks, or athletic skills. Porter (1984) defined non-need awards in the literature as “monetary grants or scholarships given to a student based singularly on academic non-need;” in other words, the student’s level of financial need was not taken into consideration (p. 29). The assumption within this study that the meanings identified were shared among all individuals involved in the formulation of financial aid policy was justified because need and non-need were well defined in the literature.

The responses by the community colleges in this study provided greater depth to the one dimensional definitions of need and non-need identified in the literature. An analysis across all cases discovered differences in how the non-need criterion was determined, the use of a single criterion or multiple criteria, and the strong presence of non-need within need financial aid offerings. The exploration of the meaning given to need and non-need by those involved in the actual formulation of institutional

financial aid policy illustrated that meanings may not differ from those in the literature but are more complex than the definitions provided may indicate.

Summary and Discussion of Cross-case Analysis

A single theme emerged in the exploration of the meaning given to need and non-need by community colleges in this study - the theme of access to education. The greatest evidence of access to education as it relates to Research Question 1 was the use of non-need within need, in which need drove the award but performance (non-need) was recognized. Access to education, as it was associated with need and non-need, was both aligned with and contradicted in the literature.

Heller (2003) asserted that non-need as a primary criterion for eligibility led to decreased access to postsecondary education for underrepresented students. Similar concerns were proposed by Green (2004) and Baum and Schwartz (1988) who asserted the use of non-need as a criterion in financial aid policy moved public dollars from needy students to those who could finance an education, a less optimal use of funds when there were limited financial aid resources. The assertions put forth in the literature that suggested a non-beneficial relationship with regard to the use of non-need as a criterion in institutional financial aid policies was not found to be the case for the four community colleges in the study. Instead the practice of the use of non-need within need offered a potential resolution to the concerns raised in the literature regarding non-need financial aid offerings as a barrier to access (Heller, 2003). Heller (2003) asserted that non-need as a primary criterion for eligibility led to decreased access to postsecondary education for underrepresented students. The assertion by the community colleges in this study that the use of non-need within need may open the door to award excellence and performance and still remain committed to providing access to a postsecondary education was contrary to Heller's (2003) assertion that non-need as the only criterion may lead to decreased access.

In contrast, the community colleges in this study aligned their use of non-need financial aid with the benefits of non-need asserted in the literature. Baum and Schwartz (1988), McPherson and Shapiro (1998), and Porter and McColloch (1983)

proposed that there was a beneficial relationship related to the use of non-need in institutional financial aid policies. Non-need as a criterion in financial aid policy was related to institutional health, promotion of academic excellence, and increased persistence. In addition, the benefits of non-need as a criterion in financial aid policies was echoed in the historical analysis of U.S. financial aid policy over the last 60 years in which the final era, according to Cunningham & Parker (1999), asserted that non-need increased access to an education through expansion of financial assistance to the middle class. The inclusion of non-need in the institutional financial aid policies of the four community colleges in this study was recognized often in relation to a student's need. The concerns associated with the inclusion of non-need in institutional financial aid policies were not realized by many of the community colleges in this study.

The use of non-need within need at the colleges in this study suggested that there was an opportunity to formulate institutional financial aid policy to meet institutional goals identified in the literature, such as strategic use of funds, the health of the institution, and increase access. Exploration of the internal and external factors, as well as, the interplay between these factors in the analysis of Research Questions 2, 3, and 4 provided further insight into the potential of non-need within need-based aid and also the relationship between access and non-need aid. Though the literature was predominantly focused on financial aid that was either need- or non-need, this study confirmed the literature that suggested that in practice institutions were combining need and non-need criteria in ways to meet institutional strategic goals.

According to Horn, Peter, and Carroll (2003), institutions were implementing different financial aid strategies to achieve their various goals. "Some institutions aim to promote access to low-income and otherwise disadvantaged students, others use institutional aid to increase the enrollment of non-meritorious students, and still others use it to increase tuition revenues (Horn et al., 2003, p. iii). As findings related to Research Questions 1 and 3 illustrated, the community colleges in this study used need, non-need, and a combination of both to meet the goals suggested by Horn et al., as well as, others in order to advance their institutions.

This section described the findings of this study in relation to the present literature on the meanings given to non-need and need in financial aid policies within the community college context. The next section focuses on the relationship to the literature of the internal factors identified in response to Research Question 2.

Research Question 2: What internal factors influenced the decision to include non-need aid in institutional financial aid policies at community colleges?

This section presents the findings in response to Research Question 2 in relation to the literature. This section is divided into two-sub-sections. The first sub-section provides an analysis of the findings of the individual case studies in response to Research Question 2 from Chapter 4 with the literature relevant to these findings from Chapter 2. The second sub-section describes the findings that emerged from the cross-case analysis from Chapter 4 with the literature relevant to these findings from Chapter 2.

Summary and Discussion of Individual Case Studies

The key finding of my study in regard to the second research question was the discovery that many of the internal factors identified by the individual community colleges in this study were shared by other colleges in this study as influential in the decision to include non-need in institutional financial aid policies. Internal factors resided inside the institution. The identification of multiple internal factors influential in the decision to include non-need was in agreement with the literature which proposed a range of internal factors from the health of the institution to institutional mission as influential on the decision to include non-need (Baum & Schwartz, 1988; Cunningham & Parker, 1999; El-Khawas, 1979; Green, 2004; McPherson & Shapiro, 1998; Porter & McColloch, 1983; and Wick, 1997). In addition, many of the influential internal factors identified by the community colleges in this study were also identified in the literature. Table 30 provides a summary of the internal factors identified by the colleges in this study.

In addition to the influential factors internal to postsecondary institutions shared among the community colleges in this study and in the literature, the richer

dimensions provided to these factors through the experiences of the community colleges provided greater understanding for me as the researcher. My understanding of the contributions of the different factors, how they were compared internally, and how any one factor could move a two-year college from need-based institutional financial aid policies to non-need policies were enhanced by the experiences of the colleges.

The community colleges in this study provided insights into the emphasis placed on the internal factors identified by them, as well as, in the literature. General terms such as enrollment and access revealed efforts to target specific enrollment groups and the attributes (i.e. performance, preparation) that were of interest. In addition, the analysis raised the differences among four community colleges in this study with regard to their interpretation of the meaning of an influential internal factor. As cited in Research Question 2, College D targeted enrollment through the attraction of high-performing students while College B targeted enrollment to shape their overall student population which may address underrepresented communities, high-performing students, or students at a specific stage in their education (i.e., direct from high school, transfer).

The case analysis of the four community colleges also revealed in regard to the second research question a single internal factor identified by a community college in this study that was not identified in the literature. College C indicated one of the internal factors that led to the inclusion of non-need in the college's institutional financial aid policies was the goal to incentivize students to attend the College. As SP1C stated, a purpose of the non-need financial aid offering at College C was to encourage well performing and high-achieving students to attend the institution (Personal communication, October 20, 2008).

Table 30.

Internal Factors Identified by the Colleges

College A	College B	College C	College D
<ul style="list-style-type: none"> • Award good performance and student preparation 	<ul style="list-style-type: none"> • Award good performance and student preparation 	<ul style="list-style-type: none"> • Award performance and student preparation 	<ul style="list-style-type: none"> • Award performance and student preparation
<ul style="list-style-type: none"> • Cultural shift 	<ul style="list-style-type: none"> • Cultural shift: Personnel and students 	<ul style="list-style-type: none"> • Leadership 	-
<ul style="list-style-type: none"> • Enrollment 	<ul style="list-style-type: none"> • Targeted recruitment 	-	<ul style="list-style-type: none"> • Increase high performing student enrollment
-	<ul style="list-style-type: none"> • Access 	<ul style="list-style-type: none"> • Minimize student debt 	-
<ul style="list-style-type: none"> • Strategic use of dollars 	<ul style="list-style-type: none"> • Strategic plan 	-	-
<ul style="list-style-type: none"> • Retention 	<ul style="list-style-type: none"> • Retention 	-	-
-	-	<ul style="list-style-type: none"> • Incentive to attend institution 	-

Summary and Discussion of Cross-case Analysis

Five themes emerged in the exploration of the internal factors influential in the decision to include non-need in institutional financial aid policies that were shared between the cross-case analysis of the community colleges in this study and in prior review of related literature. The themes from the cross-case analysis in Chapter 4 and the review of related literature in Chapter 2 are described in Table 31.

As in Research Question 1, the theme of access to education in the context given to the meanings of need and non-need emerged with regard to the combined need-based and non-need aid offerings and the use of non-need to reach students who were ineligible for need-based aid. Echoing the assertions made in the related literature that the inclusion of non-need in institutional financial aid policies may be beneficial (Baum & Schwartz, 1988; Cunningham & Parker, 1999; McPherson & Shapiro, 1998; Porter & McColloch, 1983) additional detail was revealed in my study regarding the influence of access on the decision to include non-need in institutional

financial aid policies. The recognition of access was raised in two capacities by the community colleges in this study. First, the decision to include non-need in institutional financial aid policies was deemed as a way to increase access to more students by widening the door to an education to students who would not be eligible for need-based aid. This was exemplified in the responses by College B and D which recognized that the use of non-need in institutional financial aid policies allowed for the door to an education to open to a wider audience. Second, the decision to include non-need financial aid was also recognized as a way to fill the gap between the cost of attendance and a student's ability to pay in order to minimize student debt, as proposed through the comments made by College C in which non-need was used as a vehicle to minimize student loan debt.

The recognition non-need aid may lead to greater access, especially for students who are high performing but not attending college, was acknowledged in the literature. Baum and Schwartz (1988) suggested social benefits exist when non-need is used as a criterion in the formulation of financial aid policy. They asserted that "the college attendance of non-meritorious students who would not otherwise have attended or from the increased academic excellence engendered by the prospect of receiving a non-need award" (pp. 129-130). They went onto to state that a benefit of non-need was that the effort of students to receive non-need led to the promotion of academic excellence. This was echoed by McPherson and Shapiro (1998) who asserted non-need was an incentive for pre-college students to be academically prepared for college, "the prospect of non-need dollars may induce students to improve their performance both in strictly academic pursuits and in those kinds of extracurricular activities that college admissions committees seem to care about" (p.111). The diffusion of purposes era, cited in Cunningham and Parker (1999), affirmed access as an internal factor influential in the formulation of financial aid policy. The specific focus within access noted by Cunningham and Parker (1999) during this era was expansion of financial aid to the middle class.

Table 31.

Summary of Internal Themes Identified in Cross-Case Analysis of Colleges and in the Review of Related Literature

Cross-Case Themes	Literature Review
• Award performance	• Award performance
• Shift in culture	-
• Increase enrollment	• Enrollment • Health of the institution (i.e., enrollment)
• Access to education	• Access
• Strategize goals	• Strategic use of funds
• Increase retention	• Persistence
• Incentivize attendance	-
-	• Equity
-	• Institutional costs
	• Health of the institution (i.e., revenue)

Another theme that was discovered was the recognition of awarding student performance through institutional funds as influential in the decision to include non-need in institutional financial aid policies. The literature identified the awarding of financial aid for student performance as influential in the decision to include non-need

aid which considers a student's merit within its criteria for eligibility (Porter, 1984) Porter and McColloch (1983) asserted non-need aid and its emphasis on student performance was a tool that institutions should consider in enrollment planning. Though this research focused on four-year institution, the community colleges in this study affirmed the assertions put forth by Porter and McColloch. Baum and Schwartz (1988) agreed with Porter and McColloch that the awarding of performance is an influential factor on the formulation of non-need aid. However, their work emphasized access to students who would have not attended without non-need aid and the incentive non-need aid offered to students to excel in academics as a way to pay for college. This last point was aligned with McPherson and Shapiro (1998) who argued that non-need was an incentive for pre-college students to be academically prepared.

All four community colleges in this study shared the assertions put forth in the literature that awarding performance was an influential internal factor in the decision to include non-need in financial aid policies. This was evidenced in College D's work to attract valedictorians and salutatorians and by College C's effort to incentive well-performing students to attend the institution.

Both increased enrollment and persistence were identified by the community colleges in this study and in the related literature. The literature emphasized enrollment within the context of the health of the institution. The health of the institution was a consistent influential internal factor identified throughout the three distinct eras of financial aid policy cited in Cunningham & Parker (1999). During the national economy era the revenue from enrollments were used by institutions to stabilize themselves against rising and dropping student populations as the college age population expanded and contracted. Later during the diffusion of purposed era non-need aid was used by institutions to formulate policies to strategically meet institutional goals, including enrollment. Colleges A, B and D each identified enrollment within the context of strategic institutional goals for the college. College B referred to the influence of enrollment on non-need aid as a means to target recruitment to shape the college's student population. While College D focused on

enrolling high-performing students as a vehicle by which to increase the profile of the institution.

Increased persistence was noted in the relevant literature as a strategic goal which may be achieved through the use of non-need (Baum & Schwartz, 1988; McPherson & Shapiro, 1998). Both Baum and Schwartz (1988) and McPherson and Shapiro (1998) emphasized the value of non-need in incentivizing students to be academically prepared for college, as well as, to persist from one year to the next. This paralleled the work by College C to use the institution's non-need aid program to incentive well-performing students to attend the two-year institution prior to transferring to a four-year institution.

The final theme shared among the community colleges in this study and in the relevant literature was the strategic use of funds. The use of institutional funds to meet internal strategic goals for a college was highlighted in the previous discussion regarding enrollment and persistence goals at the institutional level. All four community colleges in this study identified a strategic institutional goal or the use of aid for strategic purposes as influential in their decision to include non-need in institutional financial aid policies. The diffusion of purposes era cited in Cunningham and Parker (1999) recognized an institution's goal to use limited funds strategically as influential in the formulation of financial aid policy, such as non-need aid. During this time though institutions continued to draw on federal financial aid, institutions began to invest in institutional programs, including non-need aid, as a tool to achieve institutional goals. As recognized by Cunningham and Parker (1999) the multiple types of institutional aid, such as need-based and non-need, allowed postsecondary institutions to formulate institutional financial aid to meet strategic institutional goals in areas of enrollment, persistence, and graduation.

Another finding in this study was the realization that a single internal factor identified by the community colleges in this study was not identified in the literature – a shift in culture. Colleges A, B, and C each identified a shift in culture as an influential internal factor. Both College A and C identified changes in leadership as an influential internal factor in their decision to include non-need. College B expanded on

the concept of a change in a single leader to suggest that a change in the personnel at any level, when done so in mass, and/or a change in the demographics of the students served by an institution also influence a college's decision to include non-need within the institutional financial aid policies of that college. The relevant literature did not identify a shift in culture, either through a change in leadership or a change in student or faculty demographics, as an influential internal factor. However, the literature did address leadership with regard to the discussion of the individuals involved in the formulation of institutional financial aid policies.

El-Khawas (1979) asserted institutional leadership should lead the institution in the formulation of financial aid policies. As a result of changes in financial aid policy in the United States cited in El-Khawas (1979), administrators learned that student aid “can have a powerful effect – positive or negative – on an institution’s mission and objectives” (p. 4). Further, she stated that institutional financial aid policies should be expanded to include campus officials and administrators. Johnstone and Huff (1983), who agreed with El-Khawas’ assertions, and El-Khawas (1979) conveyed the value of leadership and perhaps the possibility of influence when leadership changes on institutional financial aid policy but did not identify a shift in personnel as an influential factor. Instead their work assisted with identifying who should have been contacted for the purposes of this study.

A final finding was the discovery that three influential internal factors were identified in the literature but were not recognized by the community colleges in this study: (1) Equity, (2) institutional costs, and (3) health of an institution as it relates to revenue. Equity was raised in the literature in the discussion of perceptions of need and non-need criteria in the formulation of financial aid policy. Three studies that emphasized need as a criterion for eligibility in the formulation of financial aid policy each identified equity as influential factor that shapes the perception of need in financial aid policies. The studies asserted that equity should be an influential internal factor among postsecondary institutions to support fair access to higher education through financial aid among different socioeconomic classes (Advisory Committee on Student Financial Assistance, 2005; Heller & Marin, 2002; U.S. Department of

Education, 2006). The studies (Advisory Committee on Student Financial Assistance, 2005; Heller & Marin, 2002; U.S. Department of Education, 2006) further noted that need-based aid was associated with greater equity while non-need decreased equity.

In addition to equity, neither institutional costs nor health of the institution with regard to revenue were cited as influential internal factors by the community colleges in this study. El-Kahwas (1979) asserted that the formulation of institutional financial aid policy may be influenced by the impact of aid as a factor of institutional costs. The costs associated with non-need were highlighted by Heller (2006a) which identified increased expense relevant to non-need aid compared with need-based aid.

The literature also emphasized revenue within the context of the health of the institution. The health of the institution was a consistent influential internal factor identified throughout the three distinct eras of financial aid policy cited in Cunningham and Parker (1999). During the universal access era revenue, tuition revenue was asserted to be influential in the formulation of financial aid policy. According to Cunningham and Parker (1999) as enrollment and tuition revenues declined in the 1970s and federal financial aid dollars increased, institutions reduced expenditures for financial aid. They (1999) further asserted that the role of tuition revenue continued to play a major role in institutional decisions about financial aid policy in both the universal access and diffusion of purposes eras. Despite these assertions in the literature, none of the community colleges in this study identified either revenue or institutional costs as an influential factor in the decision to include non-need in institutional financial aid policies. The closest recognition of the role of revenue and costs was identified by College A with regard to influential external factors. College A identified state funding, as it is positively associated with increased enrollments, as influential in their decision to include non-need in institutional financial aid policies.

In summary, the institutions that participated in this study share the majority of internal factors identified by the colleges in this study as influential on the decision to include non-need in institutional financial aid policies. As illustrated with the findings

presented in response to Research Question 1, the responses by the community colleges in this study to Research Question 2 further expanded an understanding of the influences on community colleges to move to include non-need within their institutional financial aid policies. By dialoguing with the community colleges in this study, it was the insights provided with regard to how the internal factors arose, the needs of a specific institution, and the future goals of an institution, that gave shape to the internal factors identified and depth to the exploration of the community college move to include non-need aid. The recognition of the nuances among the institutions provided insight into the level of contribution given to the internal factors that influenced the decision to include non-need in institutional financial aid policies. In addition, the depth of my understanding as the researcher regarding the move towards the inclusion of non-need aid at community colleges was increased by the recognition that internal factors identified by the community colleges and in the literature were also different. Finally, the findings to Research Question 2 advanced the theme identified in Research Question 1 which suggested that how institutional community college financial aid policies are structured and designed to include non-need may lead to increased access.

This section described the findings of this study in relation to the present literature on the internal factors that influenced the decision to include non-need in institutional community college financial aid policies. The next section focuses on the relationship to the literature of the external factors identified in response to Research Question 3.

Research Question 3: What External Factors Influenced the Decision to Include Non-need in Institutional Financial Aid Policies at Community Colleges?

This section presents the findings in response to Research Question 3 in relation to the related literature reviews in Chapter 2. First, an analysis of the findings in response to Research Question 3 from Chapter 4 is compared with the literature relevant to these findings from Chapter 2 for the individual case studies. This is followed by a comparison of the findings that emerged from the cross-case analysis with the literature relevant to these findings.

Summary and Discussion of Individual Case Studies

The key finding of my study in regard to the third research question was the discovery of many external factors identified by the colleges in this study as influential in the decision to include non-need in institutional financial aid policies. External factors were distinguished as coming from outside the institution and having an impact on the internal formulation of institutional financial aid policies. The identification of multiple external factors influential in the decision to include non-need was in agreement with the prior related literature which proposed a range of external factors from competition to state financial aid policies (Advisory Committee on Student Financial Assistance, 2002; Baum & Schwartz, 1998; Green, 2004; Heller 2003, Heller & Marin, 2002; McPherson & Shapiro, 1998; Porter & McColloch, 1983; and U.S. Department of Education, 2006). In addition, many of the influential external factors identified by the community colleges (i.e., federal financial aid policies, state education policies, and competition) in this study were also identified in the literature. Table 32 provides a summary of the external factors identified by the colleges in this study.

Another finding was that only one of the external factors identified by the community colleges in this study was shared by other colleges in this study. One external factor, competitors, was identified by two of the four colleges in this study. A final finding showed that College C was the only college to identify no influential external factors on their decision to include non-need in their institutional financial aid policies.

In addition to the influential factors external to postsecondary institutions shared among the community colleges in this study and in the literature, the experiences of the participating community colleges offered a deeper and richer understanding for me as the researcher into the contributions of the various factors, how they compared, and how any one factor could move a two-year college from need-based institutional financial aid policies to non-need policies. For example, by dialoguing directly with individuals who were participants in the formulation of non-need institutional financial aid policies I was able to discover the context in which

competition was perceived. This is evidenced by College A which viewed competition as influential in terms of four-year institutions as recipients for limited non-need state aid dollars. College D, however, identified competition in broader terms citing postsecondary institutions and the job market as the College's source of competition that influenced the institution's decision to include non-need aid.

Another finding in this study was the discovery that two external factors identified by the community colleges in this study were not identified in the literature: (1) Student performance and (2) donor base. College B identified student performance as an influential external factor as it related to the recognition that student achievement should be valued. College B shared the perception of non-need as a valuable criterion for financial aid by the business community and the public as influential in their decision to move to include non-need aid. As SP2B described in the business world "excellence and success is recognized...performance and excellence is what gets reward so why aren't we rewarding that...merit is an okay practice" (Personal communication, October 24, 2008). While, College D recognized its changing donor base as influential in the college's decision to award non-need financial aid (SP1D, personal communication, October 3, 2008). In addition, federal education policies were identified in the literature but were not recognized by the community colleges in this study.

A final discovery with regard to the findings for Research Question 3 was the lack of identification of any external factors on the decision of one community college – College C - to include non-need in institutional financial aid policies. The exclusion of the influence of external factors on College C's decision to include non-need in institution financial aid policies contradicted multiple authors in the literature who asserted that external factors do play a part (Advisory Committee on Student Financial Assistance, 2002; Baum and Schwartz, 1998; Green, 2004; Heller 2003, Heller & Marin, 2002; McPherson & Shapiro, 1998; Porter & McColloch, 1983; and U.S. Department of Education, 2006).

Table 32.

External Factors Identified by the Colleges

College A	College B	College C	College D
● Influence of four- year institutions	-	-	● Competition
-	● Federal financial aid policy	-	-
● State financial aid policy	-	-	-
-	● Value of awarding performance	-	-
-	-	-	● Donor base
● New state focus	-	-	-
● Funding	-	-	-

Though the responses by the community colleges in this study and the prior related literature are not exact matches, the literature provided a solid foundation by which to explore the external factors that influenced the decision of the community colleges in this study to include non-need in institutional financial aid policies. The different external factors identified in the literature and by the majority of the community colleges in this study provided greater insight to the focus of this study, non-need aid. The influential external factors identified were done so by those individuals who were responsible for the formulation of non-need financial aid at each institution. In addition, the external factors recognized in the literature were developed from research that viewed non-need through the lens of the state or a four-year institution. The study participants in this study gave voice specifically to the community college perspective with regard to the influential external factors in the decision to include non-need aid, a perspective that was absent from the literature.

Summary and Discussion of Cross-case Analysis

Four major themes emerged in the exploration of external factors influential in the decision to include non-need in institutional financial aid policies that were shared between the cross-case analysis of the community colleges in this study and in the literature. A synthesis of the themes from the cross-case analysis and the literature relevant to the influential internal factors identified in Chapters 2 and 4 is described in Table 33.

The theme of competition emerged from the responses by community colleges in this study and in the literature as an influential external factor in the decision to include non-need in institutional financial aid policies. Colleges A and D both discussed the presence of competition as influential in their decision to include non-need. Study Participant 1D referred to competition from both four-year institutions and the job market in good economic times (Personal communication, October 3, 2008). College A viewed competition through a different lens referring to the preferential focus of state non-need aid on four-year institutions. As recalled by Study Participant 1A:

...what ended up happening with a lot (of) merit based programs or strictly merit-based programs is even though the college (community college) has students at the institution that perform very well academically, the efforts at the state level tended to focus on four-year schools and a traditional academic regimen after high school. (Personal communication, October 17, 2008)

Competition as an influential external factor was also recognized in the literature. Cunningham and Parker (1999) viewed student aid policy through three distinct periods: (a) the national economy era, (b), the universal access era, and (c) the diffusion of purposes era. Through the exploration of the periods identified by Cunningham and Parker (1999) competition, as an influential external factor, emerged as a factor that remained present throughout the eras and the many changes in financial aid policy in the United States over the past six decades.

Table 33.

Summary of the External Factors Identified by the Colleges and in the Literature

Literature Review	Community College Cases	Synthesis
● Competition	● Competitors	● Competition
● Federal financial aid policies	● Federal aid policy	● Federal aid policy
● State financial aid policies	● State aid policy	● State aid policy
● State education policies	● State education policy	● State education policy
● Federal education policy	-	-
-	● Funds	-
-	● Student performance	-
-	● Donor base	-

Another common set of themes between my study findings and the prior literature was the identification of federal and state financial aid policies and state education policies as influential in the decision to include non-need in institutional financial aid policies. College A recognized the influence of state financial aid policies and state education policies as external factors in their decision to include non-need aid. College A was the only college in this study which had a non-need, state funded financial aid program. The influence of the presence of non-need at the state level and the institutional level, with regard to College A, gave credence to Doyle, Delaney, and Naughton's (2004) assertion that campuses appeared to reinforce state policy when distributing their own institutional aid, instead of using the opportunity to express different values. However, the majority of the cases in this study did not follow the assertion made by Doyle, Delaney, and Naughton (2004).

Three of the four community colleges in this study offered non-need institutional financial aid despite the fact that the state-funded financial aid programs

in the states where each of the colleges was located were need-based. This finding contradicted the assertion put forth by Doyle, Delaney, and Naughton (2004) that postsecondary institutions express similar values at the institutional level as those held at the state level.

In summary, the community colleges in this study shared many of the external factors identified by as influential on the decision to include non-need in institutional financial aid policies with the review of related literature. The responses by the community colleges in this study to Research Question 3 further expanded an understanding of the influences on community colleges to move to include non-need within their institutional financial aid policies. In addition, the depth of my understanding as the researcher regarding the move towards the inclusion of non-need aid at community colleges was increased by the recognition that external factors identified by the community colleges in this study and in the literature were also different. This suggests that additional research on the factors that were not shared by the literature and the community colleges in this study may be needed.

This section described the findings of this study in relation to the present literature on the external factors that influenced the decision to include non-need in institutional community college financial aid policies. The next section focuses on the relationship to the literature of the interplay between the internal and external factors identified in response to Research Question 4.

Research Question 4: What Explains the Move Away from Need-based Aid Towards the Inclusion of Non-need in Institutional Community College Financial Aid Policies?

This section presents the findings in response to Research Question 4 in relation to the literature. This section is divided into two sub-sections. The first sub-section provides a summary and discussion of the findings of the individual case studies in response to Research Question 2 from Chapter 4 with the literature relevant to these findings from Chapter 2. The second sub-section describes the findings that emerged from the cross-case analysis from Chapter 4 with the literature relevant to these findings from Chapter 2.

Summary and Discussion of Individual Case Studies

The key finding of my study in regard to the fourth research question was the internal factors identified by the community colleges in this study were more important in the decision by each institution to include non-need in institutional financial aid policies when compared to the external factors identified. The identification of external factors as influential on the decision to include non-need were secondary to the internal factors. The identification of external factors as influential echoed the decision internally to include non-need in institutional financial aid policies either through a climate of increased acceptance of recognizing academic performance or as a vehicle by which to respond to external factors, such as changes in the community. While the literature recognized the presence of both internal and external factors in the decision to include non-need in institutional financial aid policies, the literature did not identify internal and external factors as either primary or secondary. Another finding with regard to Research Question 4 was the exception to by a single community college to recognize a single external factor as influential in their decision to include non-need in institutional financial aid policies.

Summary and Discussion of Cross-case Analysis

Four themes emerged from the cross-case analysis of the community colleges in this study that offer possible explanations for the move to include non-need in institutional community college financial aid policies when the interplay between internal and external factors was considered: (1) Increase access, (2) raise the profile of community colleges, (3) cultural shift within the college, and (4) strategize goals. With the exception of one (i.e., raise the profile of the institution), all explanations were linked to findings by leading authors in prior related literature.

The intention to increase access at community colleges through the use of non-need aid was both contradicted and supported in the literature. The intent to increase access with the inclusion of non-need in institutional financial aid policies was recognized by the community colleges in this study as the expansion of financial assistance to students who were not eligible for financial aid and a strategy to reduce

student debt. A number of sources cited in the literature indicated the use of non-need does not increase access but decreased access for students (Advisory Committee on Student Financial Assistance, 2002; Green 2004; Heller, 2003; and Heller and Marin, 2002). The literature suggested the substitution of need with non-need increased the gap between the cost of education and the family's ability to pay and decreased college participation levels (Green 2004). Or as stated in the opposite form, the use of need-based aid was a better use of financial aid dollars to minimize the gap between costs and ability to pay, to increase participation levels, and to maximize funds.

In the analysis in this study, none of the community colleges selected and interviewed indicated that the use of non-need in their institutional financial aid policies was framed in the limitations identified in the literature which make the use of non-need and the goal to increase access irreconcilable. Not a single community college in this study indicated that the use of non-need was in substitution of need-based aid or that funds were limited. The only indication that funds were limited was made by College A in reference to state non-need funds awarded to institutions. Finally, none of the community colleges in this study disputed the argument that need-based aid is a valued financial aid strategy to increase access and participation. What the community colleges in this study did indicate was that through the thoughtful design and structure of non-need aid, community colleges could include non-need in their institutional financial aid policies with the intention of increasing access. This was evidenced in the use of non-need within need and the disbursement of non-need and need-based aid dollars in order to maximize the number of students who receive financial assistance.

The concept that non-need was beneficial to community colleges and other postsecondary institutions was not only suggested in the institutional policies of the colleges in this study but was also supported in the literature. The literature indicated the use of non-need aid was associated with three goals that benefit the institutions: (1) institutional health, (2) promotion of academic excellence, and (3) increased student persistence (Baum & Schwartz, 1988; McPherson and Shapiro, 1998; and Porter and

McColloch, 1983). Within these goals was the promotion of access as indicated by Baum and Schwartz (1988) in her work which asserted that a benefit of non-need was the attraction of non-meritorious students who were not attending college. By supplanting need-based aid with non-need, these students may attend college when, without the non-need grant, they would have not done so. A point which was made all the more clear in the case analysis of College D which suggested the use of non-need attracts students who are leaders who in turn attract students who follow.

A shift in the culture of community colleges offered a second explanation by the colleges in this study in regard to the decision to include non-need in institutional community college financial aid policies. The majority of community colleges in this study experienced a shift in culture either through a change in leadership, changes in student demographics, retirements, or changes in donors. The influence of changing personnel, student populations, and local communities was not referenced broadly in the literature. Though the literature remains narrow in its research on the influence of cultural shifts and leadership on the decision to include non-need in institutional financial aid policies, the majority of community colleges in this study referred to the influence of the culture of their institution and any changes within the culture as an explanation for the inclusion of non-need within their institutional financial aid policies.

The intention to raise the profile of community colleges emerged as a third explanation to include non-need in institutional financial aid policies. The intent to raise the profile of their institution with the inclusion of non-need in institutional financial aid policies was recognized by the community colleges in this study as the means by which to make academic rigor the reason why students attended their institutions. Though the intention to raise the profile of community colleges through the use of non-need financial aid emerged in this study, it was not fully discussed in the related research on non-need reviewed in the literature. The gap between the literature and the perspectives of those involved at the community college in the formulation of non-need institutional financial aid policies again supports the unique contribution of this study to explore the inclusion of non-need from the perspective of

those who formulate institutional financial aid policies. This study asserted that the perspective of those who experience the move to include non-need in institutional financial aid policies had not been a perspective found in the prior literature.

A final theme that emerged was the influence of strategic plans and the effort to strategically meet institutional goals as influenced in the decision to include non-need in institutional financial aid policies. Both College A and B identified their institutional strategic plans as influential in the decision to include non-need in institutional financial aid policies. The influence of strategy to implement institutional goals was well reflected in the literature. Cunningham and Parker (1999) cited the health of the institution and the strategic use of funds as institutional factors that influenced financial aid policy over the last 60 years. The influence of strategic goals was further echoed by Porter and McColloch (1983) who asserted that non-need grants were a tool that institutions should incorporate as part of their enrollment planning. Their findings supported the idea that non-need grants were a policy tool used to support the health of an institution and therefore provide a benefit.

In summary, the institutions that participated in this study placed more importance on internal factors in the decision by each institution to include non-need in institutional financial aid policies than external factors. The responses by the community colleges in this study to Research Question 4 further expanded an understanding of the influences on community colleges to move to include non-need within their institutional financial aid policies. By dialoguing with the community colleges in this study, it was revealed that the identification of external factors as influential echoed the decision internally to include non-need in institutional financial aid policies either through a climate of increased acceptance of recognizing academic performance or as a vehicle by which to respond to external factors. This discovery filled a gap in the literature which recognized the presence of both internal and external factors in the decision to include non-need in institutional financial aid policies but did not assert whether the internal factors or external factors were primary or secondary in the decision to include non-need. In addition, the findings to Research

Question 4 advanced four themes (i.e., increase access, raise profile of institution, shift in culture, and strategize goals) identified as possible explanations for the decision to include non-need in institutional financial aid policies when the interplay between the internal and external factors identified as influential were considered.

Summary

This section summarized the major findings of this study and discussed the findings in relation to the present literature. The relationship to past work was discussed for each research question. The findings across the research questions were similar to findings of general writings and research in the literature. While there were many of the research findings that were in agreement across the literature, there were also some differences as discussed above. One contrast in this study and the literature was the intention to raise the profile of the institution with the inclusion of non-need in institutional financial aid policies as the means by which to make academic rigor the reason why students attended their institutions. Another new finding of this study was the presence of multiple internal and external factors that were not mentioned in the literature and recognized by the community colleges in this study, such as reducing student loan debt and changes in donor base. Reversely, an assertion from the literature that was not identified in any of the cases of was the influence of federal education policies as an external factor.

The primary new perspective offered by this study was the addition to the one dimensional definitions and influential internal and external factors found in the literature. Though many parallels emerged between the meanings and factors identified in the literature and among the community colleges in this study, the exploration of the meanings given to need and non-need, as well as the internal and external factors that influenced the decision to include non-need in institutional financial aid policies offered a greater understanding to the complex decision to include non-need financial aid offerings at the institutional level. Perhaps most insightful was the surfacing of four explanations from across the community college

cases for the move to include non-need in institutional community college financial aid policies: (1) Increase access, (2) raise profile of institution, (3) shift in culture, and (4) strategize goals. In addition, much of the prior related literature focused on four-year institutions. This study provided voice to community colleges and their decision to include non-need in institutional financial aid policies. Though the meanings given to need and non-need, as well as, the influence of internal and external factors remain similar between the four-year focused literature and the responses of the community colleges in this study, the reflection of the missions and challenges unique to community colleges were more visible in the findings in response to the research questions that shaped this study. As SP2B stated,

... every year when the discussion of what to do with money comes up there is still a question is this the right thing to do regarding merit. And this policy deserves this question. When we developed the idea, even still when we get together with some small group to just talk about what we are going to do with the money, how do we split it up, do we still want to do this? There is still a question: Are we really doing the right thing by not having it all need-based at some level? So it is not a done deal year to year. It is a philosophical issue that still deserves questioning. And people raise the issue, is this really what we should be doing with this money. (Personal communication, October 24, 2008).

Implications for Practice

The purpose of this study was to explore the decision of community colleges to include non-need in institutional financial aid policies from the perspective of those who were involved in the formulation of institutional financial aid policies. The motivation for this study arose out of the curiosity about community college financial aid policies that aggregately had increased the funding for non-need financial aid dramatically in the last decade. What led to this counter-intuitive expansion of policy at community colleges? How did the expansion of non-need relate to the open door admission policies of community colleges? The insights revealed through the profiles of the community colleges and the findings provided a reflective pathway for other community colleges to consider in their decision about whether or not to include non-need in institutional financial aid policies. The community college cases examined in this study provided an understanding of the context and considerations in which the

decision to include non-need financial aid was made and the opportunities and challenges this decision offered.

There were several implications for practice from the findings and discussion of the experiences described in this study that can assist in the thinking and considerations of community colleges who want to include non-need in institutional financial aid policies. The implications of findings in my study may be useful to leaders internal to a community college (i.e., president, financial aid director, foundation staff, enrollment manager) and those who develop policies external to a community college (i.e., state and national policymakers, state agencies).

This section is organized by the implications for practice for these two groups. These implications synthesize the findings across the four research questions and were chosen because they are directly related to my study findings and discussion in relation to prior research and are thought to be useful to a wide group of individuals among the two groups noted above. By the nature of an interpretive social study, it is recognized that readers may glean implications and meaning of the study differently. Each will read the profiles, analysis, findings, and discussion related to the research questions in Chapter 4 and, depending on their context and experience, may draw implications and insights in addition to and even unlike those listed here.

Implications for Practice: Internal Leaders

Reading the experiences of community colleges that have chosen to include non-need in institutional financial aid policies may inspire those community colleges considering a similar change in policy to move forward. It was insightful to recognize that while differences existed among the community colleges with regard to how non-need institutional financial aid policies were developed, the presence of non-need financial aid offerings, and the internal and external factors that led to the decision to include non-need, were similar among the community colleges participating in this study and generally supported by prior related research, suggesting that many perceived challenges of this policy change may be overcome. In addition, each community college sustained their own unique mission within the context of their

community and state even though all of the community colleges in this study chose to include non-need in institutional financial aid policies.

The implication for community colleges is that in the decision to move to include non-need in institutional financial aid policies it may be insightful to consider the unique structure and goals of the institution and state context. The findings of this study showed, though many of the internal and external factors identified by the community colleges in this study were shared, the non-need financial aid offerings at each institution emerged in a natural manner, as revealed in a close analysis of their contact and culture. For many of the community colleges in this study, the decision to include non-need institutional financial aid came during a moment of change for the institution (i.e., cultural shift, change in leadership, change in profile, change in program admission) where the decision to include non-need complimented and supported the change.

Another implication for community colleges was the importance of the level of acceptance of non-need financial aid outside of the institution. As indicated in this study, the existence of non-need federal and state financial aid policies and support for non-need within the community were present for the majority of the community colleges within this study. As the findings in this study illustrated many of the participating community colleges indicated that the inclusion of non-need in institutional financial aid policies was a policy that was not only reflective of the aid and education policies at the state and federal levels but also the business community, foundation members, and donors external to the institution. The identification of external factors as influential echoed the decision internally to include non-need in institutional financial aid policies either through a climate of increased acceptance of recognizing academic performance or as a vehicle by which to respond to external factors, such as changes in the community.

Finally, the implication that non-need equated with or decreased access was questioned. As suggested in Chapter 1 and 2 of this study, non-need financial aid policies were perceived in practice and in the research as non-beneficial to students and in fact often detrimental to efforts to expand access to students with high financial

need. Many of the community colleges in this study illustrated and the findings reflected that the structure and design of a non-need financial aid offering could impact the level of access. As illustrated by many of the community colleges in this study, non-need financial aid offerings do not have to come at the expense of need-based aid. Instead non-need aid can be used to expand access by reaching students who are just outside the eligibility requirements for non-need and would likely not have attended a postsecondary institution without the non-need aid.

Implications for Practice: External Leaders

Reflecting on the experiences of community colleges that have chosen to include non-need in institutional financial aid policies suggested that community colleges may benefit from educating policymakers at the local, state, and federal levels to the benefits of non-need financial aid. It was insightful to discover the concerns associated with non-need aid in the literature, such as decreased access and the diversion of funds from need-based aid offerings, were not found in the responses by the community colleges in this study. This suggests that perhaps remedies to the perceived concerns of the policy change to include non-need aid may be found at the institutional level.

The implication for external leaders was that the institutional decision to move to include non-need in institutional financial aid policies may offer structural and design elements that may be useful in the design of state or federal financial aid policy that includes non-need. The findings of this study showed that the participating community colleges did not shift from need-based to non-need aid, as was noted in the literature relative to state non-need financial aid programs, but instead continued to offer both forms of aid, as well as, a mixture of both in single aid offerings. In addition, non-need for the community colleges in this study provided the opportunity to expand access to those students who were just outside the eligibility requirements for need-based aid. The presence of a non-need aid option provided the community colleges in this study with an additional tool for meeting the gap between the cost of education and what students were able to pay.

Another implication for external leaders builds on the first implication with regard to the expansion of access to education for more students. The findings in this study suggested that the inclusion of non-need aid in institutional financial aid policies may expand access to more students. In particular, students who were not eligible for need-based aid or who did not apply for financial aid at all. A growing concern among education leaders is how to serve the middle-income student who is not eligible for need-based aid. The inclusion of non-need aid by the community colleges in this study may provide a method by which to meet the growing student population that are too wealthy to qualify for need-based aid but not wealthy enough to pay for a postsecondary education out-of-pocket. The community colleges in this study offered current practices for how to reach the middle-income population that may be incorporated or provided suggestions for reaching students in this population through state and federal aid policies.

Implications for Further Research

The purpose of this study was to explore the decision of community colleges to include non-need in institutional financial aid policies from the perspective of those who were involved in the formulation of institutional financial aid policies. The insights revealed through the profiles of the community colleges and the findings provided a foundation for further research regarding community college institutional financial aid policies and the opportunity to move beyond this exploratory study and contribute to a deeper understanding of connections and influences between financial aid policies and community colleges in the United States. Along with the insights provided by the colleges in this study, the boundaries of this study (i.e. profile of the institutions, philosophical approach) also point to the need for additional research to further unpack connections, definitions, and understandings identified in this study. This section identifies three areas in which studies are recommended for further research. The recommendations come directly from the findings across the four research questions that guided this study and the discussion of these findings in relation to prior related literature.

Increased access to education was identified by the community colleges in this study as an influential internal factor for the inclusion of non-need in institutional financial aid policies. The dialogue with the participating community colleges in this study identified the ability to expand access to students who were not eligible for need-based aid and/or did not apply for financial aid as a critical influence on the decision to include non-need. However, access was not defined within the scope of this study which suggests the need for further research with community colleges regarding the relationship between access and non-need aid. A study which critically explores how access is defined is important to further clarifying the theme of access to education that emerged in this study. A study that further explores the specific connection between institutional community college non-need financial aid offerings and increased access to education for students may also shed light on the specific design and structural elements that do or do not lead to increased access for students through the use of non-need institutional aid.

In addition, a deeper analysis that unpacks the connection between access and non-need would reveal which populations are served by increased access, who funds non-need programs designed to increase access, and who benefits from non-need offerings developed to increase access at community colleges. This study provided an initial link between increased access and non-need that was developed within the boundaries of the study which included four selected community colleges that were similar with regard to ethnicity of the student population (majority white) as well as size of the institution. The link between access and non-need in this study suggests the importance of research that focuses on the specifics of who is served, why they are served, and how they are served. A future study with this focus should take into consideration the G.I. Bill which was a very large and significant example of non-need aid program and the work of Mettler (2005) which explored the impact of government programs (i.e., the G.I. Bill) on the engagement of Americans in public life and democracy for the nation.

This study indicated that the existence of non-need federal and state financial aid policies and support for non-need within the community were present for the

majority of the community colleges who decided to include non-need in institutional financial aid policies. As the findings illustrated, many of the community colleges in this study indicated that the inclusion of non-need in institutional financial aid policies was a policy that was not only reflective of the aid and education policies at the state and federal levels but also the business community, foundation members, and donors external to the institution. Given the influence of the local community and state and federal aid and education policies indicated by the community colleges in this study in the decision to include non-need in community college institutional financial aid policies, further research to understand the experience and perspective of donors, foundation members, and policymakers in the decision to include non-need institutional financial aid should be undertaken.

Finally, the shift in culture within community colleges emerged in multiple findings in this study. A shift in culture identified by the community colleges relative to changes in leadership and donors, as well as, changes in the make-up of the faculty and student demographics was an influential factor for the inclusion of non-need in institutional financial aid policies. The dialogue with the community colleges in this study specifically identified the vision of a new leader and a changing perception of community colleges among a changing student and faculty population as a critical influence on the decision to include non-need. A study that further explores the influence of a shift in culture on institutional community college non-need financial aid may shed light on the specific personality and population traits, contexts, and perceptions that positively or negatively influence the decision to include non-need in institutional financial aid policies.

In addition, further research that juxtapositions the cultural shifts raised by the colleges in this study within the context of broader and deeper changes within higher education may provide insights into the impetus for the shifts within the institutions and offer a more critical analysis of the forces impacting higher education and movements, such as the inclusion of non-need. Finally, this study placed the historical context of the financial aid policy in the United States within the periods defined by Cunningham and Parker (1999). Research that expands beyond an institutional history

of higher education to one that explores the last 60 years of financial aid policy in broader terms that incorporates social, economic, and political happenings alternative to those proposed by Cunningham and Parker (1999), such as Jencks & Riesman (1968) may also provide a deeper understanding for the move by community colleges and higher education overall to include non-need in institutional, state, and federal financial aid policies.

Acknowledgement of Participants

I undertook this exploration of the inclusion of non-need in institutional community college financial aid policies because I was curious about the growth of this practice, wanted to explore its development, and because I believe that community colleges have and must continue to be innovative in their efforts to assist students in meeting their educational goals. The level of commitment and the passion of the study participants to developing creative ways to serve students as costs for a postsecondary education climb and student debt levels increase were remarkable. I was struck by the thoughtfulness and holistic way in which non-need was incorporated into the vision and strategic goals of the community colleges in this study to both benefit the student and the institution. Leaders within the college who understand their institutions, communities, and students were a critical linchpin in the design and implementation of non-need institutional financial aid offerings. The success of community colleges that include non-need in institutional financial aid policies hinges on a deep sense of the institution and the options available to morph financial aid policies and practices to maximize their benefit for students.

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APPENDICES

Appendix A
Nomination Solicitation List

- Participants in the 24th Annual Student Financial Aid Research Network
- Experts cited in the literature review
- Washington State Board for Community College Staff
- Community College Research Center Staff
- Center for Financial Aid Policy in Community Colleges
- Institute for College Access and Success
- American Association of Community Colleges Staff
- Oregon State University's community college leadership doctoral program student cohorts 1-15
- Leadership and listservs for regional student financial administrator associations
- Members of the Alabama, Alaska, and Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Montana, Nevada, New Jersey, New Mexico, New York, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Vermont, Virginia, and Wisconsin State Financial Aid Associations
- Community colleges in states with merit programs

Appendix B

Interview Protocol

1. Describe your college in terms such as purpose and context (i.e. social context, economic context, educational context)? What is the history of your college? What are the characteristics of the student population served by your college? How have the students your college serves changed in the last 10-15 years? How do you anticipate they will change in the next 5-10 years?
2. What is the mission of your college? Can you give an example of how the mission has been applied with regard to financial aid policy?
3. How does your college formulate financial aid policy at the present time? What policies govern the process? Who are the major players in the formulation process? What is the role of other major players in the formulation process? What is your role in the formulation of your college's financial aid policy?

Research Question 1: What meaning do those involved in the formulation of institutional financial aid policy at community colleges give to need and non-need as criteria for financial aid?

1. How do you define need as it relates to your college's financial aid policy? Non-need?
2. How did you develop your definition of need? Of non-need? What factors or conditions led to your meaning of need? Of non-need?
3. How does your meaning of need reveal itself in the formulation of your college's financial aid policy? Your meaning of non-need? How does the meaning of need influence the formulation of institutional financial aid policy? Of non-need? Do you believe your definition of need is the definition most dominant in your college's financial aid policy? Your definition of non-need?

Research Question 2: What internal factors have influenced the move towards the inclusion of a non-need component in institutional financial aid policies at community colleges?

1. What internal factors influenced the move toward non-need? Of the internal factors identified which ones are the most important in the decision to include a non-need-based financial aid policy? What internal issues did you face in the process of moving from only need-based aid towards non-need-based aid? What options were considered for each issue? What major internal challenges did you face in the process of moving from need-based aid toward non-need-

based aid? What options were considered for each challenge? What major internal opportunities arose in the process of moving from need-based aid to non-need-based aid? What options were considered for each opportunity?

Research Question 3: What external factors have influenced the move towards the inclusion of a non-need component in institutional financial aid policies at community colleges?

1. What external factors influenced the move toward non-need? Of the external factors identified which ones are the most important in the decision to include a non-need-based financial aid policy? What external issues did you face in the process of moving from only need-based aid towards non-need-based aid? What options were considered for each issue? What major external challenges did you face in the process of moving from need-based aid toward non-need-based aid? What major external opportunities arose in the process of moving from need-based aid to non-need-based aid? What options were considered for each opportunity?

Research Question 4: What explains the move from need toward the inclusion of non-need in institutional financial aid policy at community colleges?

1. What in your opinion explains the move toward non-need-based institutional financial aid policy at your college? What was the relative importance of the different internal factors that you identified in the formulation process? External factors? Describe the interplay of the internal and external factors you identified in the process of moving to non-need-based aid.
2. Would you like to share any other information based on your experience?

Could you identify other individuals at your institution who have been involved in the formulation of institutional financial aid policy, specifically the move toward non-need-based aid, whom you think would be useful to interview?