

“Some People Don’t Like Financial Aid, ‘Cause They Don’t Know How It Works, Completely”: Student and Staff Perspectives on Student Debt

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ABSTRACT

Conversations about student debt frequently target attendees of four-year and professional institutions, since higher-cost institutions are more likely to lead to high levels of debt. While some research has focused on financial aid and college funding at community colleges, we have comparatively limited scholarship regarding conceptualizations of student debt. Some scholars have studied financial aid staff at community colleges, but research has been primarily quantitative in nature. This study remedies that gap by offering a qualitative perspective about student debt, pairing student and staff views and analyzing them by investigating the social meaning of the money, or what student debt means to students and the staff members working in financial aid. Findings indicate that staff perspectives varied between paternalism and support of student debt, while students possessed emotional perspectives relating to fear of debt. Students in this study were fully aware that student loan debt is problematic and could have negative consequences on their future financial health. Because of the limited ability of grant and scholarship funding to cover their living expenses—as staff perspectives indicate—loan debt was an unavoidable last resort to pursue their educational goals.

Keywords: financial aid, student debt, qualitative research, community colleges

Conversations about student debt frequently target attendees of four-year and professional institutions, since higher-cost institutions are more likely to lead to high levels of debt. While some research has focused on financial aid and the experience of receiving college funding at community colleges (Graves, 2024, 2025a, 2025b;

Luna-Torres et al., 2018; McKinney et al., 2015; Ocean, 2021), we have comparatively limited scholarship regarding conceptualizations of student debt specifically. Additionally, while some scholars have studied financial aid staff at community colleges, that research has been primarily quantitative in nature (McKinney & Roberts, 2012; McKinney et al., 2013). This study remedies that gap by offering a qualitative perspective about student debt, pairing student and staff views and analyzing them by investigating the social meaning of the money, or what student debt means to students (Goldrick-Rab et al., 2009; McDonough & Calderone, 2006; McKinnon-Crowley et al., 2023; Zelizer, 2017). Focusing on a large, urban multi-campus community college in Texas that I term MCC (Koh et al., 2022), in this case study I ask (Yin, 2018): how do students receiving financial aid and financial aid staff understand the meaning of student debt? To answer this question, I first review literature about student loan debt, focusing on community colleges, address theoretical considerations about debt, explain my methodology, discuss the study's findings from both student and staff perspective, and end with implications for research and practice.

LITERATURE REVIEW

This section addresses contemporary research about financial aid in community colleges, starting with a summary of the student aid experience, moving to a discussion of research about community college staff and debt. It concludes with the theoretical framework that situates the study.

Community College Students and Financial Aid

Increases in the price of higher education in all sectors have impacted community colleges and contributed to a higher student debt load through loans (Keeney et al., 2023; Koh et al., 2022). Typically, community colleges are cheaper than four-year colleges in both net and sticker price for in-district students (Keeney et al., 2023), but the sector is not immune from cost increases. Research on policy-level attempts to ameliorate student loan burden such as Promise Programs—or income-based, location-dependent grant aid—has indicated both increased community college enrollment and lowering student loan take-up (Odle et al., 2021; Odle et al., 2025). Even though community college students might attend such institutions with varying purposes including intending to transfer to a four-year college, pursuing a workforce credential like a certificate, or simply taking a course for personal enrichment, some students still default—do not repay—their student loans (McKinney et al., 2021). One study found that those community college students who have defaulted are more likely to be those who completed some community college coursework but had yet to complete a degree or credential; this finding applies even if their loan debt is comparatively low, in amounts under \$5,000 (McKinney et al., 2021). Most of the growth in student loan debt in the last 10 years has come from graduate student borrowing, which by definition cannot be in the community college sector (Looney & Yannelis, 2024).

Community college students are more likely to be Black and Latine and older compared to attendees of four-year institutions (McKinney et al., 2021). Research has demonstrated time and again that Black students in particular hold a disproportionate share of student loan debt and are more likely to be in default on loans (González Canché, 2022; Jabbari et al., 2023). Such facts have inspired some financial aid scholars to take approaches such as Critical Race Theory. In such approaches, scholars have argued that the financial aid system itself is inherently racialized and discriminatory, intent on preserving the status quo of White wealth relative to individuals of color (Graves, 2024, 2025a, 2025b; Hypolite & Tichavakunda, 2019). In a study analyzing the Servicemen's Readjustment Act of 1944/The G.I. Bill, Graves (2025a) stated:

My approach is to contextualize the racial inequities by showing they are not by chance, but by design in an aid process that has been racialized since inception. Racism is the tool, but white supremacy is the goal for a complex aid system. (p. 938)

Before even holding and repaying student debt, though, community college students must go through the arduous process of applying for and receiving aid through completing the Free Application for Federal Student Aid (FAFSA) and passing verification or audits of the FAFSA's accuracy (Campbell et al., 2015; Cesar-Davis et al., 2024; Graves, 2024, 2025a), which research has found to disproportionately and negatively impact students of color.

Further, students must keep minimum grade point average and course completion requirements for Satisfactory Academic Progress to retain financial aid, a policy whose details in inception do not always match the goals of community college students given that their enrollment patterns do often mirror those of full-time, four-year students (Ocean, 2021; Taylor & Pauter, 2024). Community college financial aid staff fill in the gap of helping students access and receive monies.

Community College Financial Aid Staff

Literature about financial aid staff reflects a complex view of students and aid. Some community college staff viewed themselves as gatekeepers of aid protecting the federal government's money (McKinney & Roberts, 2012; McKinney et al., 2013; White, 2013). For instance, in White's study, staff members used language such as "you owe the federal government" when discussing aid with students (White, 2013, p. 142). In others, financial aid staff described themselves as agents enabling student success and contributors to their local community context (McKinnon-Crowley, 2022b). The COVID-19 pandemic and its dramatic changes in community college practice through the transition to online conditions and, briefly, funding structures through short-term yet significant financial investment via the Higher Education Emergency Relief Fund (HEERF) led some community colleges to focus on accommodating students' basic needs in their financial aid practice, using aid as a mechanism for determining student eligibility for campus-level programs of support (McKinnon-Crowley, 2022a, 2023; Pierce, 2021; Trentacoste et al., 2021). I argue, however, that it is crucial to view student debt at community colleges from both the

student and staff perspectives in its socially situated context, a perspective requiring qualitative research.

Theoretical Considerations: Social Meaning of Money

The majority of contemporary research about student debt in community colleges (and elsewhere) is quantitative in nature, likely because many research questions about student debt can be answered with numeric data. An analysis of student debt in such a numerical fashion, however, underemphasizes the amount of work required to receive and keep aid for imagined future gain, as the literature about verification has shown (e.g., Graves, 2024). Students receiving financial aid must know and understand what exactly financial aid means in terms of their future earnings, repayment options, and how to obtain, keep, and utilize financial aid, information that is certainly not easy to access (Graves, 2025a; Johnson et al., 2016; Porter et al., 2006; Ziskin et al., 2014). In addition, the economic returns for higher education are future-oriented. Students might think that a higher education degree is a good thing to possess and could think about the value of their degree in purely monetary terms (Cottom, 2017), but in the meantime they must actually pay for college and any other expenses in the present, not a future moment (Johnson et al., 2016), decisions which have both personal and social implications.

Overall, research on students receiving financial aid has typically utilized two perspectives: human capital theory, a concept from economics that emphasizes the rational decision-making capabilities of individuals, and financial nexus theory. In human capital theory, people make decisions based on the highest expected financial value to them over time. All decisions, especially those delaying immediate gratifications, consider the individual's consumption, leisure, and opportunity cost decisions. With regard to the decision to enter higher education rather than the workforce and accumulate student loan debt, this paradigm assumes that students are acting in what they perceive to be their best future interests, assuming that their happiness or earning potential will be greater over time because they enrolled in higher education (Davies & Lea, 1995; Goldrick-Rab et al., 2009). In this model, rational action designed to maximize the individual's own earning potential is the desired goal (Toutkoushian, 2019). Another model, financial nexus theory, situates student debt decisions in a larger matrix or web of influences beyond students' autonomous, rational assumptions about maximizing financial benefit. This theoretical model analyzes sociocultural and personal factors relating to debt. It considers how students think about college affordability (or lack thereof) and how financial aid information is presented, disseminated, and understood by students. Students and their parents may be motivated by psychological factors when considering financial aid such as risk aversion. There is, of course, no guarantee that the economic investment of college will yield economic returns (Goldrick-Rab et al., 2009).

In an economic view, a useable and useful financial aid system for students must be one that accurately portrays the amount of student debt that an individual can accrue and clearly communicates the financial benefits to be obtained from a degree.

In a less abstract and more concrete sense, students should also understand the terms and repayment options of their loans. To obtain this information, however, scholars need to know what current students think about financial aid and debt and if they think the investment is economically beneficial. I argue, therefore, that students' conceptions of their debt are just as important as the amount. As Zelizer (2017) argued, money and debt are not, in fact, fungible.

Money—and, by extension, financial aid—is embedded in a network of social and cultural relationships (Goldrick-Rab et al., 2009; McKinnon-Crowley et al., 2023; Perna, 2006; Zelizer, 2017). Students might think about the acquisition of debt as a sensible investment in future earnings, or as an absolute last resort, or something in the middle. Loans in particular hold an unusual place in financial aid. While from the perspective of financial aid policy and from staff members, loans are a form of financial aid, students could view loans differently, as something to be avoided at all costs (Hispanic Association of Colleges and Universities, 1994). These different understandings of the terms could lead to significantly different conceptions of aid (Wozniak, 2016). Missing from these discussions of student debt is an analysis of how students conceptualize aid *and* how the staff members they interact with to receive aid understand debt.

METHODS

As a case study (Yin, 2018), this paper utilizes interviews with 15 students receiving financial aid and 15 current and former financial aid staff members at the same large community college in Texas that I call “MCC.” Data collection was bounded by taking place at a single institution over a period of two months during the COVID-19 pandemic. See Table 1 for details about participant demographics. Students were required to be currently receiving some sort of financial aid at MCC at the time of data collection in order to participate; students were recruited through an email sent by MCC’s financial aid office. Staff members were recruited through email invitations to current and former MCC financial aid staff members.

I used ~45-minute interviews, document analysis of MCC’s website content, and demographic surveys collecting participants’ experiences with financial aid and their identities. All interviews were audio-recorded and transcribed. Twenty-nine of the 30 participants, both students and staff, completed a demographic questionnaire about their educational background, their student financing for college, and their history with MCC. In the interviews, I asked staff participants about their history and own experience with financial aid, their views on education funding, the purposes of financial aid, how they thought students conceptualize aid and the process of receiving it, during which perspectives on student debt emerged. I asked students about their financial aid packages, their educational history and experiences at MCC, their interactions with staff, and how they paid for college. Data analysis used the framework of social meaning of money to make sense of views of debt (Zelizer, 2017), systematically reading and annotating the transcripts with that lens.

Table 1: Participant Demographics

	<i>N</i>
Gender	
Women	26
Men	3
Unassigned	1
Racial Identity (Self-Described) ¹	
Asian	1
Black or African American	4
Hispanic	10
Idk [likely I don't know]	1
Mexican American	1
White, White European, or Caucasian	13
Type of Financial Aid While in College ²	
Grants	23
CARES/HEERF Funds	5
Federal loans	20
Scholarships	8
Work-study or service aid	4
No aid	1

Note. Table adapted from McKinnon-Crowley (2022b)

Positionality

I had what the literature would call minimal student loan debt from both her undergraduate and master's degrees, but I was able to defer them in graduate school and then pay them off within 10 years using traditional repayment methods. These perspectives shape my understanding of what role loans ought to play, if any, in how individuals and their families pay for higher education.

FINDINGS

This paper asks: how do students receiving financial aid and financial aid staff understand the meaning of student debt? Findings from the staff perspective indicate a complex view of student debt and its utility in the lives of community college students, with some staff members worrying that students could abuse the system by actions such as repeatedly failing to make Satisfactory Academic Progress, misunderstanding their economic needs, and overdrawing on student loans. Students could accrue substantial loan debt that staff viewed as excessive. From the student

¹ Numbers exceeded 30 due to multiple responses from participants in the demographic survey.

perspective, fear, terminological misapprehensions, and confusion permeated their understanding of debt and financial aid more generally.

Staff Perspectives

Staff members viewed community college students accruing debt as enabling education access but still expressed caution that it could be over-used and therefore amount to an abuse of government funding. The majority of staff members were clear that aid and “the right to an education is a human right,” as Marlene argued (all names are pseudonyms), but staff members also told stories of students abusing or misusing financial aid, and therefore the government’s money. In the staff members’ recounting, this abuse could occur in a few different ways. Students could take financial aid monies and then vanish with it, never to be seen again, or receive as much grant and loan aid as possible for a purpose with which staff disagreed. Staff were skeptical that students understood the consequences of their financial aid decision-making.

“Peace Out”: Students’ Potential for Abusing Aid

An abiding concern within financial aid practice as a whole is the student who appears at a school, takes the most financial aid possible in grants and loans, and subsequently disappears (Campbell et al., 2015). As Tina said, “Unfortunately, everybody’s not gonna be on the up-and-up. ‘I’m gonna register for school, get my loans, and peace out [leave].’” This fear motivates many policies within financial aid practice, including Satisfactory Academic Progress (SAP), which is supposed to ensure that students use aid to make progress toward their degrees (Ocean, 2021). The financial aid staff at MCC believed that students needed financial aid, but only within certain circumstances.

Some staff found students to be unduly “entitled” to aid, as Thomas phrased it, a characteristic he linked to Americans overall. Racquel and Lydia also noted that some students felt “entitled” to aid, a negative characteristic; other staff were less direct in claiming student entitlement. They offered a more tempered view of student attitudes and potential abuse of aid. Irina alluded to the extant possibility of students misleading the system about their need, saying that students genuinely, “Really do have a financial need, that they’re there because they want to learn, that they want to be there, that there’s no other way that they can go to school without help from financial aid.” While Irina did say that “There are the few that would really like the extra money [laughter] if it’s there,” she continued to say that “I feel that all of our students come from a place where they recognize that they need this education, and they can’t get it unless they have financial aid. There’s definitely a need.” Irina was certain that most students only used financial aid because their circumstances required it.

Olivia offered a similar interpretation of financial aid and need to Irina, stating when asked why she thought students applied for financial aid:

Because they need the help, in probably 95 percent of the cases. There's a few out there that are doing it just to—'cause we see them come in, and they enroll, and then they withdraw, so they're doing it to delay making payments on student loans. There's a few that're out there—they had the job change or lost their job, so coming back to school and getting financial aid is a way to get some extra income until things get better, the small percentage of career changers, right, that need that extra assistance to get started 'cause they're still trying to maybe work their job but come back to school and need extra money for child care. Most students are [applying] because they need the money to pay for school.

While offering reasons why some might use financial aid as a financial bridge to avoid other loan payments or gaining a little extra income, Olivia thought “95 percent” of students were using aid correctly, namely for their educational expenses. This quote can be read as Olivia and Irina emphasizing students’ genuine need strongly because of a narrative, shared by some of their colleagues, that students took on more aid than they needed. Other staff, however, thought students were underestimating their own financial aid needs to their detriment.

Encouraging Students to Accept Aid

Some staff believed that students were overly cautious in their approach to aid—believing it to be a scam—or were excessively concerned about taking out student loans. Lydia noted that while some students felt “entitled” to aid, others were so fearful of grant aid being a trick that they refused it when offered, musing that students might think:

With how society is today, there are so many untrue and unrealistic things, sources of money that are offered to people that financial aid is falling into that realm of maybe this is too good to be true. Maybe this isn't really money that's here to assist me.

Lydia believed that students might be too cautious in their pursuit of aid, to the point that those who needed it and met the criteria for grant eligibility in particular might refuse it out of an overabundance of caution. In a similar vein, Gabriella, speculating on motivations for students refusing aid, said that some students were unwilling to take it out of “pride”:

There are some students that are like, "I don't want to take free money," because they have that pride level. I'm like, "Girl, somebody's gonna take it if you don't. Why make it harder on yourself?" It's like, "You don't have to, but if you qualify, there's a reason you qualify. Don't add a struggle to your list. Let's try to make this burden a little easier for you.

Gabriella encouraged students to use the “vital” resource of student aid to make their lives a little less difficult. She believed they should swallow their pride to take the needed money.

Other staff reported that students thought they should take aid only if completely destitute. If they perceived themselves as more financially secure than any other student, they believed they ought to refuse offered aid. Antonia saw students’

perceptions of the necessity of aid as varying by age and other demographic features, noting,

My older students tend to tell me lately that, "I don't want no government handout," or, "I'm so well off right now that I feel bad for taking the money from somebody." I say, "Well you're not taking the money from somebody. You're eligible, you're eligible" ... My younger students, especially my Latinx students or my low income students will say that their parents don't want them to take out those loans and be in debt because what they see in the news.

The fear of loan debt loomed large for students, in staff members' reporting. In addition to students' concern with taking aid that they did not feel that they needed or wanted, Antonia observed that students experienced "stress" regarding financial aid, as students wondered: "What are the consequences to this to receiving this money, this free money?" Mindful of the fear toward student loans, Antonia encouraged students to apply for financial aid in a more covert manner. She passed along the information that a FAFSA application was required to receive scholarships through MCC. Scholarships were more palatable to students than grants or loans, as she reported students saying: "Oh okay, scholarships, I'm okay with that, that's 100 percent free money. Let me apply for financial aid." She also told students that even if they were offered a loan, they would not have to accept it.

Although these staff members frequently encouraged students to apply for aid, they were also mindful that short-term abuse of aid was possible. Per financial aid policy, disappearing with a loan and being a so-called "Pell runner" would cut off future aid eligibility, however. While students who do maximize their loans and then disappear are a possibility, this could prevent them from getting financial aid ever again and delay any transition to the post-educational workforce. Some staff members did not want financial aid to be used for non-educational expenses, but others understood that sometimes students' only source of income would be financial aid.

Inappropriate Uses of Financial Aid Monies

Although many staff were clear that financial aid was supposed to be a supplement to whatever other earnings and resources students could access—as Olivia said, "Financial aid is just there to help you get started, and it's definitely not there to help you pay for everything"—some staff were concerned that students were relying solely on financial aid for all of their income. In those cases, students could accrue substantial loan debt that staff viewed as excessive. In response to a question about whether students took financial aid for granted, Marlene replied,

I think in some cases, especially when you come across students who are in large loan debt. Even when they're young or when they're older...they're more interested in a way of paying just cost of living, really, and the only way to do that is go to school and get the financial aid.

Even though students were relying on financial aid to pay their living expenses, Marlene considered such behavior as a potential abuse of the system.

Dina was also concerned with how financial aid could be repurposed for personal use, specifically loan aid:

Other times, I think students see financial aid as—and if I’m being completely honest, a lot of ’em see it as a way to use for expenses other than financial aid [laughter]. Only again, that’s just personal experience that I have heard students say, “Use this money for my spring break cruise,” [laughter] or, “I need to borrow an additional 2,000.” I’m like, “Well, you just borrowed 3,500 last semester.”

Again, that’s where my reality check comes in. I’m like, “Well, what happened?” It’s none of my business, but at the same time, it’s like, “Well, you know these loans funds have to be paid back.”

When students asked to take out more loans than they had been previously given, Dina wanted to know what had changed in their lives that had required the use of more loans, and was simultaneously deeply concerned with high student debt burdens. Dina decries the use of financial aid for a “spring break cruise,” but seems content with students using it to fund the expenses of daily life. She continued with her thoughts on loans:

That’s the other thing is the borrow, borrow, borrow will eventually lead to that high debt, but like I tell them. It’s like if you borrow it wisely, it’s a good investment, but I do think some students—and not all, definitely not all students. It’s probably even a smaller percentage, I think, of students that see it as a way to use it for other than [laughter] educational purposes. I think for the most part, most of ’em are honestly usin’ it just to live day by day.

She understood that sometimes students had no choice but to take out loans as a source of replacement income as they completed their educational goals, including but not limited to getting a better job.

For some staff members, financial aid was supposed to help students get a better job as quickly as possible, not be used to cover living expenses in their entirety. From the staff perspective, delaying graduation by staying enrolled at MCC—and therefore continuing to get grants and loans—was perceived as a misuse of aid. Since some staff viewed students’ time at MCC purely as workforce preparation, putting off graduation merely delayed students’ inevitable exit (or re-entry) into the job market with their degree or certificate in hand. Staying in school and continuing to receive aid contravened that work-oriented purpose.

When speaking generally about the purpose of financial aid, Emilia said, I’ve seen both ends: those who use it too much and really need to, I don’t know. Once you got your degree, you need to go out in the workforce. You can’t just keep jumping from degree, degree, degree. Fortunately now there are limits that prevent them from continuing to do that. You do see that side of it. Be it’s their intentions, at first, were to make a better life for themselves, but then they got, I don’t know, afraid to go to that next step...I wouldn’t say it’s super common, but I have seen some students exhaust their whole Pell eligibility at [MCC] and they just didn’t seem like they wanted to go to the four year school or take employment once they finished one degree.

These students, in Emilia’s recounting, knew enough about financial aid to keep receiving it by declaring new degree plans and getting the maximum possible aid, but were not willing to take the next step and actually leave MCC. “Exhausting Pell

eligibility” means that the student used Pell Grants for 12 semesters of coursework, the maximum allowed (Davidson, 2014). In Emilia’s view, some students used financial aid to enable their lack of decision-making: she believed they should have gone into the workforce or transferred instead of staying at MCC.

Tina offered a similar story about how students maximized financial aid by using loans rather than grants to delay their next step:

Unfortunately, you have some people who have \$40,000, \$50,000 in student loans, but no degree, so that pattern—every time I’ve seen that, it’s kind of a pattern of people who wanna go to school, get loans so they can get money, but that’s the minority. I don’t see it a lot, but it does happen, and I think that’s why they have so many rules in place that the federal government has to try to catch people from doin’ it.

She did emphasize that this was a rare occurrence, and that government safeguards were in place to keep people from taking out what she viewed as too many loans without gaining a degree.

“All Free Money”: Staff Concern with Student Loan Debt

Despite these concerns regarding loan take-up, some staff were very concerned about students maximizing the amount of loans they could take out without seeing an appropriate return on that investment. Miriam, for example, believed that students thought financial aid was: “all free money, and they feel like once they fill it [FASFA] out, they should get the maximum.” Like Emilia, she believed that students should make sure to use their financial aid in a way that maximized their workforce potential, and opined that: “I wish the federal government would give schools a little bit more flexible [flexibility]” in making sure that they were only awarding aid to students who were going to use it to get the most well-paying job they could find. For her, that was the point of financial aid. Miriam wanted schools rather than the government to have more discretion in apportioning aid so that schools could discern who was appropriately using aid.

Thomas thought that students had a similarly economic orientation toward their time at MCC. He explicitly stated that the purpose of financial aid from the student view was “Gainful employment...people look to their education as a way to change their lives, not only as a way to be smarter, but as a way to change their lives, meaning they’re getting better jobs.” Thomas remarked that from the government’s perspective, “It’s [the purpose of financial aid] not really just educating people for the sake of their mental edification. It’s about getting gainful employment.” For these staff, the purpose of financial aid and higher education started and ended with student employment.

Students at MCC could have been studying at the school on and off for a number of years, and their financial aid profile followed them the entire time. They would not be able to escape their previous financial aid decisions. Staff worried that students were not taking the burden of eventually repaying the loans seriously, especially since student loans are almost impossible to discharge. Thomas, aware of the expenses of college, stated:

College comes with a very big price tag. Even if you can get a discount on that price tag—your financial aid may not pay for everything, but it can give you a great big discount. Or even if you get a student loan that you have to pay back later when you are making more money.

He attributed this style of college financing to American mores, continuing on to say: “that’s another way of American life is finance it now and pay for it later.” “Later,” though, was often closer than students thought.

Miriam in particular worried about students taking on loan debt that they did not understand because it would need to be paid back much later. She contrasted student loan debt to owing money on a car or a house with the following example:

When you look at your education, and you spend the money, you’re not thinking of that money in the back of, “Oh, I have to make this payment because I’m reading this book. Oh, yeah, I gotta make my loan payment.” You’re not thinking of that. There’s no tangible item, and it’s hard for people to understand your tangible item is what’s in your head. I don’t think that’s a problem with the student.

Conceptually, the very abstract nature of loans made them difficult to equate to other recurring, visible indicators of debt burdens.

Staff were aware that students could use financial aid in what they felt to be inappropriate ways. This could include too much loan debt or delaying graduation, but staff knew that loan bills would come due eventually and students would face the consequences of their financial aid decisions. Staff occasionally took a paternalistic view toward student financial aid decision-making, viewing them as naïfs who did not understand what they were doing, or more cynically, viewing students as malfeasants manipulating the systems for their own ends. Students expressed more emotional perspectives toward what financial aid meant for them, in some cases echoing misapprehensions about loans, specifically.

Student Perspectives: Fear of Financial Aid

All of the students in this study were using some type of financial aid, usually grants and loans. While they were comfortable enough with financial aid at MCC to speak to me about it, they were afraid of anything to do with financial aid outside of their own experiences, and believed that other students were similarly fearful. For example, Sylvia received exclusively HEERF funding for her financial aid package. She was otherwise paying for MCC out-of-pocket. Sylvia had, however, opted to take a provided loan in the past, but then immediately canceled it out of fear:

I did take out a loan a year or two ago for...I forget what they’re called, a subsidized loan, but then I immediately cancelled it because I thought that it would be smart to take out subsidized loans, even though I could afford to pay cash for my tuition and then have some extra cash on hand while I’m in school, and then pay it back once I graduate since there was no interest on it. Then, I saw a show about student loans and how the loan services are really shady—a lot of them are really shady—and how you don’t have any control over what service you get and how there’s a lot of people who have student loans, and they’ve been

making payments on their loans, and years later, they find out that those payments weren't applied to their actual loans.

Though Sylvia's concerns about her student loan payments being incorrectly applied were likely unfounded—and she correctly understood that subsidized loans received no interest while the borrower was in school—she was so nervous that her repayment money might be misapplied that she opted not to receive any loans at all. Other students were similarly loan-averse, like Victoria. She had no loans, but expressed the worry that “my biggest fear is not being able to get it [financial aid] and being in debt,” which is a bit of a contradiction in terms given the role that loans play in financial aid, but perhaps she is speaking of grant aid versus loans. The students in the study who did receive loans were not always clear about the types of loans they had.

Loan Confusion

Perhaps unsurprisingly, students were often imprecise about their types of financial aid, including both loans and grants. Two students, though, were well-informed about the different types of loans they held: Richard and Paulina knew that they had both subsidized and unsubsidized loans and used that terminology when speaking with me. Most loan-holding students were like Amelia, who when asked about her loan type said simply: “it's the bad one [Laughs]. The not good one.” Students were often vague about the types of grants they received as well. When asked about the kind of aid they had, the Pell Grant was a recognizable term for nine students; others simply said they were getting grants and were unclear about the types received. A few students like Paulina—without being directly asked—read me their most recent financial aid award letter or summary of aid and so provided precise details, but this was uncommon. Students were more likely to mention grants and loans when describing their aid packages as kinds of aid rather than scholarships, perhaps on account of the informational barriers discussed below.

Previous Degrees Impacting Aid

Sylvia and Aida both had completed bachelor's degrees prior to enrolling in MCC. In both cases, they decided that they wanted to pursue medical re-skilling rather than their bachelor's majors. This led to problems with their financial aid. Completion of a bachelor's degree impacted their SAP status. Since they had already achieved a higher education credential, they had to ask for special permission to be eligible for loan or grant aid; the Pell Grant was not available to them due to their earned degrees. Sylvia, who had not previously received financial aid, was irked at the SAP process when she applied for her the loan that she ultimately rejected:

You're only eligible to get financial aid if you had this SAP. Since I already had a college degree, I was automatically not making Satisfactory Academic Progress because I had too many credits. I had to do some extra paperwork to prove that I was making progress. Then, I did that, and then I got the loan.

...I guess the closest thing [to making her sad or angry about aid] would be the SAP. I just felt annoyed that I had to jump through hoops to prove that I was making academic progress when I've never had a student loan in my life. I should automatically be eligible for a loan since I've never had one.... It just seemed like kind of a silly and annoying thing that I had to do.

To solve the issue, Sylvia had to go into the MCC financial aid office in person "a couple a times and have them walk me through the process of fixing my SAP." Aida, who had received financial aid during her bachelor's degree, was less annoyed at the process of receiving aid than Sylvia. Not being eligible for the Pell Grant, as she had been during her first degree, was "probably just my biggest barrier. I've met whatever I could meet [in terms of grant eligibility], and it sucks, because it was all in a degree that I'm not using." Aida blamed herself for her choices in her younger years rather than financial aid staff or systems, however.

Aida compared the complete financial aid information she received from MCC with the partial data about the consequences of loan debt and borrowing she had received from her previous institution. She had attended a four-year, not-for-profit institution prior to attending both a for-profit institution and then, later, MCC. Reflecting on this experience, she remarked,

I feel like I've been very lucky with the ladies down at the [MCC campus] location. They've been very great to me...I feel like when I went to...my state university... they didn't really explain much to me, and I didn't really know what I was signing away on. I will say that. But at [MCC], I've been very lucky, but I feel like maybe when I was 18, I didn't really know what was happening, and-the full outcome of what I was doing.

Aida blames that institution for not properly briefing her about student loan debt. She had accrued approximately \$32,000 in loan debt prior to attending MCC, perhaps from both her not-for-profit and her for-profit institution. Aida was happy that MCC told her the truth about financial aid and did not push her into getting loans that she did not understand. Students usually did not attack financial aid staff over their difficulties with the financial processes, preferring instead to blame the overall system.

Confusion with Federal Systems

Students were puzzled by many aspects of the aid process, and sometimes made incorrect assumptions about what financial aid meant. Their confusion was not on account of staff behavior, in students' assessment, but rather endemic to financial aid. Students blamed outside sources. Staff's agency in financial aid decision-making, limited as it might be, was not evident to students. On account of these informational hurdles, students were not always accurate in their definitions of financial aid. As might be expected, definitions were a source of confusion as were the procedures that appeared to be without rationale.

Victoria, when asked to define financial aid, offered the following definition: "Business, financial. Money management, money in general." Other students were a little closer to what a staffer or researcher would define as financial aid, with Aida

defining aid as “grants and whatnot” and immediately following that with a discussion of scholarships. Even though students were generally correct in their definitional understandings of financial aid and knew that grants and loans were included, not all conceptions of aid were accurate.

Other Terminological Confusions with Financial Aid

Although Amelia and Sally were unique in their use of FAFSA to mean the financial aid office, some students used inconsistent terminology to refer to financial aid and were unclear, as briefly mentioned above about what financial aid actually meant. Students were unsure about the source of each kind of aid they received and whether it came directly from MCC or from the state and federal government. Such information is highly specialized knowledge, however. When asked to define aid in their own words, students’ provided definitions ranged from Sylvia’s very specific if slightly inaccurate “an array of ways to fund your education, and it can be through loans, grants—grants would’ve covered scholarships—and then, also, I guess grants could also cover gifts from family and other community members,” to Rosa’s and Paulina’s “lifesaving” definition of aid, to Victoria’s “money in general” definition quoted above. These definitions imply different orientations to financial aid, with some referring to the types of aid and aware of the functions that it played in student lives. Martina waxed poetic about the functional definition of aid when she said it is:

A beautiful tool that allows people to go and achieve their dream that people that wouldn’t have had—if they didn’t have parents that had a college fund for them, or they’re not able to pay for it on their own, that they can meet their goals and their dreams, achieve those dreams.

Beyond the forms that aid took, financial aid also meant the potential to “achieve those dreams” and attain educational success.

This range of definition corresponds to a range of understandings of aid, with consequences for student experiences with both received aid and the types of financial aid they might pursue in the future. Dylan used “FAFSA” to refer to federal aid systems. Olga gave her financial aid packaging, or perhaps the MCC financial aid office a substantial amount of agency. When commenting on her Summer 2020 enrollment, Olga stated “My financial aids³ said you need 12 hours.” Sally conflated grants with all of financial aid. She said the purpose of financial aid was “to definitely help guide a student where we get our grants, and make sure we’re distributed right.” Sally might not realize that loans were also part of financial aid, or she considered loans to fall outside of the semantic field of “financial aid.” Richard defined financial aid to include “grants and loans,” rather than scholarships or work-study, indicating that he might not pursue those types of aid in the future. Richard noted that while he was personally comfortable with financial aid, he knew that other people were reluctant to file for or use financial aid because it might be too good to be true:

³ This could also be read as “financial aides,” referring to the people who helped her with financial aid who were therefore her “aides.”

Interviewer: How do you think other students think about financial aid?

Richard: They might experience it differently, like some people don't like financial aid, 'cause they don't know how it works, completely. Like, I have some friends who aren't at all using financial aid, because they don't wanna pay it back if they have to drop the class.

He links other students' behavior in avoiding financial aid to lack of information about it, though here he seems to conflate financial aid as a whole with loan aid.

Staff Frustration with Student Terminology

The terminological confusion regarding financial aid irritated Racquel in her capacity as a staff member, who—while either conflating FAFSA with disbursed aid herself or adopting a student view of its uses—reported:

So they [students] start looking around for "How do I pay for tuition, and magically, FAFSA appears." ... The humor on some level is that I hear students all the time say, "Oh, I got denied financial aid." "You just got your Pell—not your Pell, but your loan distribution." I kind of go back and say, "Financial aid is an umbrella term for all of these types of aid. What you didn't get was grant funding. Under the big four, we checked off one that you weren't eligible for."

My other favorite, and it's like a pet peeve amongst all of my colleagues is that they got their financial aid reward letter. I'm like "rewarding you for?" just as a question, and then for years it was "my financial AIDS." I was like, "God, I hope we get a vaccine for that someday." "Yeah, my financial aids." "No, no, just one.

There's just one financial aid. We do a lot of crap, but it's just one.

Racquel offers this as a humorous—if off-color— example of student language use regarding financial aid, but the terminological confusion could have impact for students in their understanding and subsequent navigation of the aid process. Students who do not understand scholarships as part of financial aid, like Richard, might not see that as a source of available financing, and students might not realize that loans are included in financial aid, shaping their understandings of student debt.

DISCUSSION

In this study, I ask about the conceptual and social role that debt plays in the community college context. As the literature indicates, despite the comparatively low cost of community colleges when compared to four-year institutions, more and more students are accruing debt (Koh et al., 2022). This fact has not escaped the notice of community college financial aid staff concerned that students use money in a way suitable for their goals, both worried about their future but also the role of government resources. Student debt does not mean the same thing in all contexts (McKinnon-Crowley et al., 2023; Zelizer, 2017) and emotional language often appeared in the context of this study.

Staff in this study harbored complex views of student need. Keenly aware of the source of financial aid as federal monies (McKinney et al., 2013; White, 2013), they

were concerned that students would either knowingly or unknowingly take on too much loan debt and be unable to pay it back. Even staff who held the most expansive view of financial aid as necessary government intervention to enable college access still worried that students expressed entitlement to aid and could abuse it. This perspective was embedded in a view of the role of financial aid and community college education as a whole: preparing students to go into the workforce as soon as possible. According to staff, the overarching meaning of financial aid was to enable the government to invest money into students, students to trade their time and effort for this money, and then gain a return on their investment through the degree. Student loans were a surety for this purpose.

Students, though, were confused and fearful about loans and financial aid. Sylvia took and returned a loan after watching a program about student debt. Lydia reported similar concern from other students. The fear of student debt, specifically, permeated many conversations with students in my study; the ones who possessed debt usually had negative feelings toward this burden, like Amelia and Dylan indicated. I suspect that the media and scholarly attention toward student loan debt messaging has been too effective (e.g., Scott-Clayton, 2018), and as a result of this particular aspect of students' experiences (Perna, 2006), students preferred to avoid student loans entirely; remember Antonia's expressed concern about students and their parents' perceptions of news reports. While not inherently incorrect, student avoidance of even subsidized loans could lengthen their time in school, preventing them from attaining their educational goals quickly. This finding adds nuance to the literature about student debt (Johnson et al., 2016; Shaffer, 2014; Ziskin et al., 2014) and financial aid systems as a whole. Students in this study were fully aware that student loan debt is problematic and could have negative consequences on their future financial health. Because of the limited ability of grant and scholarship funding to cover their living expenses—as staff perspectives indicate—loan debt was an unavoidable last resort to pursue their educational goals. Perhaps understandably, students see loans similar to the context of replacement wages for lost income rather than a supplement or subsidy to achieve educational goals.

Additionally, though beyond the scope of this study to investigate fully, terminological differences persist in what counts as financial aid from the student and the staff perspective. Policymakers, staff, and scholars consider loans forms of financial aid, while many students do not, considering them to be in a separate category from aid that is not usually repaid such as grants and scholarships (McKinney et al., 2015). These conceptual and semantic distinctions lead to both communication issues and differences in import, given that the participants in the study frame loans as to be avoided whenever possible. Would financial aid as a whole be lumped into that group, causing students to avoid completing the FAFSA and therefore losing eligibility for scholarships?

CONCLUSION

This study has used a social meaning of money perspective to investigate how students and staff at a large community college understand financial aid and

student loan debt. It has added to the limited literature about community college financial aid staff and paired their perspectives on aid with students'. In an environment of increasing loan use for community college students, it is useful to understand both their attitudes toward aid but also those working with such policies at the institutional level. When higher education funding at the federal and state level remains uncertain in form as of this writing, community college students might become even more reliant on loans. Future research could conduct similar research at other institutions or delve more deeply into debt accrual decisions for community college students. At the level of practice, staff should ensure that their language and terminological choices are clear, accurate, and account for student concerns regarding debt.

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