



National Report Provides State Recommendations to Dramatically Increase FAFSA Completion

Washington, D.C. (January 16, 2020) — Education Strategy Group (ESG) and the Level Up coalition today released a series of recommendations for states and local communities as they work to increase students' completion of the Free Application for Federal Student Aid (FAFSA).

In today's economy, most jobs with family-sustaining wages require postsecondary education or training. Yet, with rising tuition costs, college affordability presents a significant barrier for many students and their families. The FAFSA, a form used to determine eligibility for federal aid—and increasingly, state, institutional, and private aid—can be key to ensuring a postsecondary credential or degree remains in reach.

Students who complete the FAFSA are more likely to enroll in higher education, with 90 percent of FAFSA completers attending college directly after high school, compared to just 55 percent of students who don't complete the FAFSA. FAFSA completers are also more likely to persist in their college coursework and obtain a degree. Despite this, over a third of high school seniors fail to complete the FAFSA each year, leaving an estimated \$3.4 billion in financial aid on the table. And the students who stand to benefit most, including low-income and first-generation students, are the least likely to complete the form.

"States have made increasing the number of students earning a postsecondary credential a top priority, recognizing that it is a door-opener to economic mobility," said Matt Gandal, president of Education Strategy Group. "And yet, for far too many students each year, the doors to economic opportunity remain shut as they struggle to afford higher education. Our report shows that we can move the needle on college access and success, especially for traditionally underserved students, by making a more concerted effort to increase FAFSA completion."

Informed by an analysis of state and local policies and practices from across the country, <u>*Fast*</u> <u>*Track FAFSA Completion*</u> provides a roadmap for states and local communities to dramatically increase the likelihood that students complete the FAFSA.

The report specifically recommends that states:

- 1. Set a FAFSA completion goal tied to existing initiatives and priorities to create momentum.
- 2. Build shared ownership across K-12 and higher education.
- 3. Create incentives for local and regional implementation of FAFSA completion strategies.
- 4. Use data to target supports and transparently report progress.
- 5. Establish partnerships to provide on-the-ground training and support.
- 6. Spread awareness about the importance of FAFSA completion.

The FAFSA is notorious for its complexity, which often serves as a barrier to completion. In fact, about one-quarter of all students who did not complete the FAFSA attributed that failure to a lack of information about how to complete the form.

Congress recently took steps to simplify the FAFSA (<u>FUTURE Act</u>), reducing the number of questions and eliminating the burdensome verification process. This action is long overdue and a welcome step forward in making it easier for students to apply for and receive financial aid. But the important work of ensuring students understand the process and actually take the steps to apply remains a state and local responsibility.

States and communities need to use all the levers at their disposal to ensure FAFSA becomes an asset not a barrier for young people. Leading states have proven that significant progress is possible with the right combination of incentives and supports. In a few short years, Tennessee and Louisiana both experienced over 20 percentage point gains in FAFSA completion, making them the top two states in the nation.

"Our work to increase FAFSA completion in Tennessee has shown us that this is about more than completing a form: it's about opening up an opportunity to go to college to students that need it the most. This report provides an important template to help all states make dramatic progress in FAFSA completion," states Mike Krause, Executive Director of the Tennessee Higher Education Commission.

FAFSA completion strategies are also critically important in closing equity gaps. Students of color are significantly less likely to complete the FAFSA, with 34 percent of Hispanic students and 26 percent of African-American students having not completed the FAFSA last year, compared to just 18 percent of white students. For this reason, students from traditionally underserved backgrounds have the most to gain from state and local strategies for increasing FAFSA completion.

"Financial aid is a critical element in determining the transition from secondary to postsecondary studies, particularly for historically disadvantaged students," said Louisiana Superintendent of Education John White. "By elevating financial aid planning as a top policy priority, Louisiana has provided students with the certainty that comes with having a funded next step. As a result, more Louisiana students than ever before are completing the FAFSA each year and enrolling in college immediately following graduation."

Postsecondary credentials have become increasingly important in building economic prosperity. FAFSA should be an enabler in increasing access and success. This new report shows states and communities how to help as many students as possible realize that the doors of higher education are open to them.

To further help drive community focus on FAFSA completion, Chiefs for Change, a bipartisan network of diverse state and district education chiefs and a Level Up coalition member, recently launched <u>FAFSA Fast Break</u>, a competition among 20 districts to get the greatest percentage of high school seniors to complete the FAFSA.

For more information, download *Fast Track FAFSA Completion* at http://edstrategy.org/resource/fast-track-fafsa-completion/.

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About Education Strategy Group

Education Strategy Group supports America's education leaders and employers at the transition points that have the highest stakes for students and the highest impact for states, communities,

and economies. We bring deep experience leading policy development, advocacy, and implementation work in the K-12, higher education, and workforce sectors.

About Level Up

Level Up is a coalition, organized by the Education Strategy Group, of local, state and national K-12 and higher education partners committed to measurably increasing the numbers of American high school students — particularly students of color, those from low-income families, and those whose parents did not attend college —who are prepared for and successfully complete postsecondary education and training programs.