

What does the research say about barriers to FAFSA completion and strategies to boost completion?

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Earning a college credential or degree is increasingly important, both for the economic security of individuals and for the nation's economic development. For many students, financial aid is essential to that effort. Completing the Free Application for Federal Aid (FAFSA) is a key step in the college application process and allows students and families to access federal aid. FAFSA is also used by states and institutions to determine the need-based aid they award to students. From 1999 to 2011, FAFSA completion rose from 50 to 70 percent of undergraduates in the country (Page & Scott-Clayton, 2016). Yet, millions of students across the country who are eligible for federal aid still do not apply for it.

Based on data from the 2011/12 National Postsecondary Student Aid Study (NP-SAS), about a third of students who did not file a FAFSA would have been eligible for a Federal Pell Grant, which provides aid for low-income undergraduate students and substantially lowers the costs of college (Page & Scott-Clayton, 2016). These missed opportunities mean large numbers of low-income students do not access federal aid and, as a result, may not enroll in college at all.

FAFSA completion rates by high school and district are publicly available (<https://studentaid.ed.gov/sa/about/data-center/student/application-volume/fafsa-completion-high-school>), and recent estimates using these data reveal enormous variation across the states. For example, as of April 2016, in three states (Alaska, Arizona, and Utah) less than 25 percent of high school seniors had completed the FAFSA, while in Tennessee nearly 62 percent of seniors had completed it (Aldeman, 2016). More-

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over, from 2015 to 2016, FAFSA completion rates appeared to have declined in all but a small number of states, and the number of students who started but did not complete FAFSA increased (Aldeman, 2016; Warick, 2016).

What is the Free Application for Federal Student Aid (FAFSA)?

FAFSA is the gateway to need-based aid for college. The federal government, as well as states and institutions, use the FAFSA to determine the type (grants, work study, and/or loans) and amount of aid college students will be awarded.

Students can complete and submit the FAFSA as early as October 1. Visit the **Federal Student Aid** website (<https://financialaidtoolkit.ed.gov/tk/>) for more information about the FAFSA and to access resources in their Financial Aid Toolkit.

What are the barriers to FAFSA completion?

There are multiple reasons students may not complete the FAFSA, but research and survey data point to five common barriers.

1 Students and families think they do not have financial need

Davidson (2013) reviewed findings across five national financial aid surveys of students and parents, which were administered from 1992 to 2008. When asked why students did not complete the FAFSA, the top two answers across all five surveys were that students or parents did not have financial need or did not think they would qualify. However, a third of students who indicated they did not need aid were actually eligible, which reveals common misperceptions about who is eligible and how students qualify for aid.

2 Students and families lack awareness and information about financial aid

For low-income and first generation students, non-completion of the FAFSA is more often caused by a lack of awareness or a lack of access to information about financial aid. An extensive literature review of financial awareness and preparedness found that students' primary source of information about financial aid was their parents, followed by high school counselors and teachers and then higher education websites and other Internet sources (George-Jackson & Gast, 2015).

Yet, parents, particularly those who did not attend college, may not know about the existence of the Federal Pell Grant or other financial aid opportunities for low-income students, and they may not understand how to access and use online resources about financial aid or the FAFSA application itself (College Board Advocacy & Policy Center, 2010; Feeney & Heroff, 2013; George-Jackson & Gast, 2015). These challenges may be even more pronounced for immigrant parents who do not understand FAFSA terminology or may be hesitant to provide information to the government (College Board Advocacy & Policy Center, 2010).

Counselors also play a key role in helping students complete the FAFSA, but the amount and quality of information students get about financial aid varies considerably across schools (George-Jackson & Gast, 2015). Counselors may not have the time to help students with the financial aid process because many schools have high student-to-counselor ratios. The recommended ratio of students to counselors is 250 to 1, but the national average is nearly twice that (Bridgeland & Bruce, 2011). Counselors may also lack the proper training to help. Low-income students are more likely to attend schools with high student-to-counselor ratios and counselors that lack training, and thus are less likely to receive one-on-one help with filling out the FAFSA.

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3 Student and families are deterred by the cost of college and the thought of taking on debt

The cost of college is another area in which students and their families may lack access to accurate information. Low-income students and their families often overestimate the cost of college, which leads them to believe college is not feasible and prevents them from completing the FAFSA (College Board Advocacy & Policy Center, 2010; Feeney & Heroff, 2013; George-Jackson & Gast, 2015). Low- and middle-income parents may not be aware of the difference between the “sticker price” (the total cost of tuition) and the net price (the cost of college after financial aid) and may be scared away by the high sticker prices at many institutions. While this barrier can be partially addressed by increasing the awareness of financial aid opportunities, it is also rooted in a real problem—the rising cost of college—which is the responsibility of states and postsecondary institutions.

Some evidence also points to a negative perception of student loans, particularly for low-income students and their families—a sentiment that appears to be growing over time. For example, according to the 1992/93 NPSAS, only 3.6 percent of students did not complete the FAFSA because they did not want to take on loan debt. By the 2007/08 NPSAS, 40.2 percent of students reported “did not want to take on the debt” as a reason for not completing the FAFSA (Davidson, 2013).

4 Students and families are put off by the complexity of the FAFSA form and process

One barrier that is frequently mentioned in the research is the complexity of the FAFSA form and the process required to complete it (Bettinger, Long, & Oreopoulous, 2013; Davidson, 2013; Feeney & Heroff, 2013; George-Jackson & Gast, 2015). This barrier may affect many kinds of students, but it is particularly challenging for students who are the first in their families to go to college and whose parents have no experience with FAFSA. It can also be confusing for students with parents who are separated or divorced because they have to determine whose income and assets to report. This is especially true for students with an absent parent because of the difficulty obtaining information about their family’s income and assets. National survey data reveal that the complexity of the FAFSA form is consistently among the top four reasons given for not completing the application (Davidson, 2013). The complexity of the form also results in incomplete FAFSA submissions, due to errors or missing information.

The federal government has made some effort to simplify the FAFSA, primarily by allowing applicants to prepopulate the form with information from tax returns and to skip questions that do not apply to them. However, anecdotal evidence suggests that another recent change—the introduction of the FSA ID (<https://studentaid.ed.gov/sa/fafsa/filling-out/fsaid>), which gives individuals access to the Federal Student Aid online system and acts as a legal signature—may be connected to recent declines in FAFSA completion.¹

¹ <http://www.latimes.com/local/education/higher-ed/la-me-edu-fsa-id-2016-fafsa-financial-aid-cal-grant-20160301-story.html>

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5 Students and families face similar barriers to FAFSA renewal

Failing to renew the FAFSA each year is also a common problem. For example, more than half of all Pell Grant recipients do not refile a FAFSA application after their freshman year (Bird & Castleman, 2016). Barriers to renewal are similar to the barriers for completion: students may not think they are eligible even though they are, they may not be aware that they need to renew each year, or they may not receive the email reminders. In addition, the complexity of the renewal process may lead to negative responses, such as “the tendency to become frustrated with or procrastinate in the face of complex information; the tendency to favor near-term costs over longer-term investments; and limited attention” (Bird & Castleman, 2016, p. 398).

What are promising strategies for boosting FAFSA completion?



Offering personal assistance

The most effective strategy to increase FAFSA completion is personal one-on-one assistance or advising (Davidson, 2013; Page & Scott-Clayton, 2016). The well-known “H&R Block” study provides some of the most compelling evidence for the power of personalized attention in increasing FAFSA completion. In this study (Bettinger, Long, & Oreopoulos, 2013), low-income families who visited an H&R Block tax preparation center were randomly assigned to receive personalized information and assistance with completing and submitting FAFSA, personalized information but no assistance with completing and submitting the FAFSA, or a brochure about financial aid. While information alone did not impact families, information and assistance with completing and submitting FAFSA increased receipt of the Pell, college enrollment (by 8 percentage points for high school seniors and 1.5 percentage points for independent adults with no previous college experience), and college persistence.



Providing early, accurate, comprehensive, and clear information

One-on-one attention is not always possible, but some evidence suggests that how and when the information is provided is just as important. To be effective, financial aid information should be provided as early as possible and should be accurate, comprehensive, and clear (College Board Advocacy & Policy Center, 2010; Feeny & Heroff, 2013; George-Jackson & Gast, 2015). The federal student aid website includes a college preparation checklist (<https://studentaid.ed.gov/sa/sites/default/files/college-prep-checklist.pdf>) that begins in elementary school (“remind students to have fun learning”) and ends with very specific information for high school students and adult students filing a FAFSA.

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Correcting misperceptions

Misperceptions about financial aid, the cost of college, and the value of higher education may pose the biggest barrier of all (George-Jackson & Gast, 2015). The U.S. Department of Education has created two tools to help correct these misperceptions. The FAFSA4caster (<https://studentaid.ed.gov/sa/fafsa/estimate>) allows students and their families to estimate their federal student aid eligibility, and the college scorecard (<https://collegescorecard.ed.gov/>) allows students and their families to access specific information about a given college, such as estimated cost based on family income, student graduation rates, and average salary after graduating. Local FAFSA completion efforts have also focused on the importance of messaging. For example, in Dallas, Texas, students and families receive a tipsheet that debunks common myths about FAFSA.

Addressing common myths about FAFSA completion

MYTH “FAFSA is a waste of time because college is too expensive.”

“While getting a job to earn money right away may be tempting, a college degree pays off. By 2020, the majority of good-paying jobs will require some form of education beyond high school. The FAFSA is the most important form students fill out that can get them money for college. Filling out the FAFSA is the first step for almost all financial aid—including from the federal and state government, colleges, and many scholarships.”

MYTH “My parents make too much money to qualify for aid.”

“You will never know unless you apply. The reality is: The FAFSA opens doors for many types of aid, not just need-based. Colleges want to make sure you’ve maxed out your federal and state opportunities before awarding institutional funds. Colleges may not award merit aid and/or scholarships without the completion of the FAFSA.”

MYTH “Applying is unsafe, and as an undocumented student, I won’t get any money anyway.”

“The financial aid process is confidential. While undocumented students cannot receive federal money, they can qualify for local, state, and/or private money.”

MYTH “FAFSA will force me to take out loans, and I don’t want to take out any loans.”

“There are no strings attached for the FAFSA. The FAFSA allows colleges to understand how much financial need a student has and does not obligate a student or family to take out loans. It just shows families how much they would be eligible for from the federal government if they choose to borrow.”

Source: http://youcanaffordcollege.org/wp-content/uploads/2016/09/Commit_Influencer-Tipsheet_2016.pdf



Using student-level data to guide FAFSA outreach

The use of student-level data is an emerging tactic for FAFSA outreach and completion efforts. In addition to posting high school and district completion rates on the federal student aid website, the federal government is also supporting efforts to boost FAFSA completion through the FAFSA Completion Project, which directly provides individuals in select states with weekly student-level data about which students have completed FAFSA throughout the year, allowing schools to truly target their FAFSA completion efforts. In real time, counselors and other school staff can see who has completed the FAFSA, who has not, and who has submitted a FAFSA but has a missing signature or error in their form. It is recommended to directly contact these students and help them correctly submit a FAFSA (National Office for School Counselor Advocacy, 2012).

Where do we go from here?

The federal government, states, and schools are committed to improving FAFSA completion. Across the country there has been a proliferation of workshops, events, and initiatives that draw on schools, college access programs, community-based organizations, and federal and state resources to reach as many students and families as possible and to provide clear instructions on how to complete the FAFSA. Some of the more nationally recognized FAFSA completion initiatives include College Goal Sunday, FAFSA Frenzy, Cash for College, GEAR UP- or TRIO-funded FAFSA completion events, and Form Your Future, a new national campaign to help students complete FAFSA (<http://formyourfuture.org/>).

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