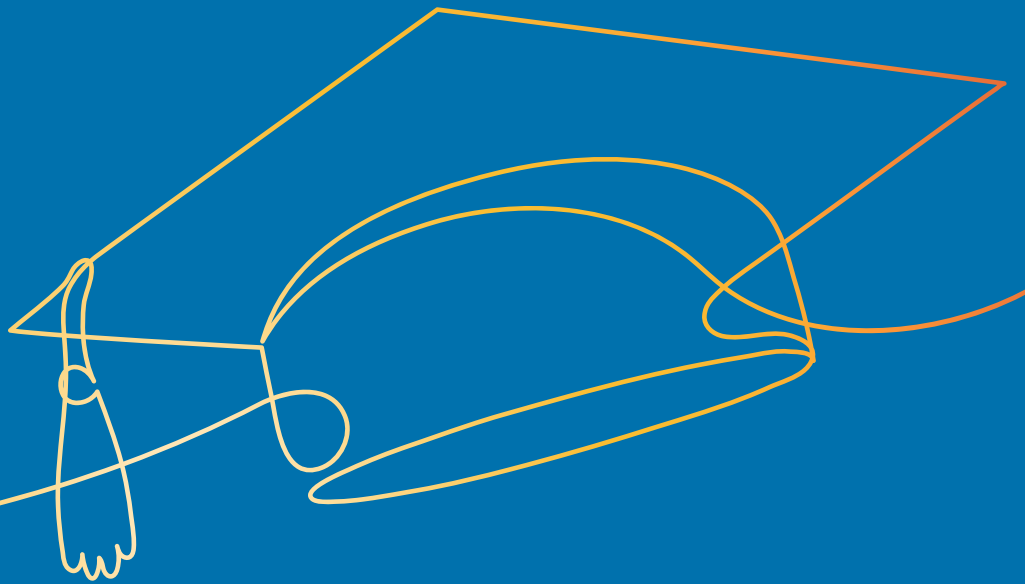


Opportunities & Challenges of Universal FAFSA



u•aspire



Universal FAFSA policies require students to submit¹ the Free Application for Federal Student Aid (FAFSA) or a state financial aid application before they graduate from high school.² These policies, also known as initiatives or mandates, tend to be unfunded³ and allow students to opt out by completing a waiver if they cannot meet the requirement. Since 2015, eight states have adopted or implemented “universal” FAFSA policies in an effort to raise college enrollment rates by increasing financial aid form completion.

¹ All five states currently implementing universal FAFSA require financial aid form submission, not completion.

² FAFSA completion is not a graduation requirement in California; it is a high school requirement that puts the responsibility on local education agencies to ensure seniors complete an application or an opt-out form.

³ In Texas, the universal FAFSA policy includes “outcomes bonus funding” when students enroll in college, enlist in the military, or complete workforce training, with higher bonus amounts if the student was eligible for free/reduced-price lunch or in special education.

Students who complete the FAFSA by the end of senior year are 84% more likely to enroll in college.

Louisiana was the first state to implement a universal FAFSA policy, followed by Illinois, Texas, Alabama, and California. [New Hampshire](#), [Kansas](#), and [Indiana](#) passed policies for future implementation.

To better understand the impact of universal FAFSA, we collected 19 survey responses and interviewed 19 practitioners from the five states implementing this policy. We then identified the **opportunities created for students, the challenges of implementation, and best practices to inform states** seeking to adopt an equitable and effective universal FAFSA policy.



Universal FAFSA Policies by State

	Louisiana	Illinois	Texas	Alabama	California
Policy passed	<u>Dec. 2015</u>	<u>Aug. 2019</u>	<u>June 2019</u>	<u>April 2021</u>	<u>July 2021</u>
School year policy went into effect	2017-2018	2020-2021	2021-2022	2021-2022	2022-2023
Supporting students and families with the FAFSA	Local Education Agencies (LEA)	School Districts	School Districts	School Districts	LEA
State financial aid form available for Dreamers	None	Alternative Application for Illinois Financial Aid	Texas Application for State Financial Aid (TASFA)	None	California Dream Act Application (CADAA)
State provides opt-out form	<u>Standardized Non-participation Form and LEA Hardship Waiver Form in English</u>	<u>Standardized Financial Aid Application Nonparticipation Form in English and Spanish</u>	<u>Standardized Financial Aid Application Opt-out Form in English and Spanish</u>	<u>Standardized FAFSA Non-participation Waiver in English, Arabic, Korean, and Spanish</u>	<u>Model Opt-out Form in English</u>
Able to opt student out	Parent, legal guardian, student if 18 or emancipated, LEA	Parent, legal guardian, student if 18 or emancipated	Parent, legal guardian, student if 18 or emancipated, counselor	Parent, legal guardian, student if 18 or emancipated	Parent, legal guardian, student if 18 or emancipated, counselor

SECTION ONE

Universal FAFSA Opportunities

“The greatest opportunity the FAFSA policy created is the idea that college is possible. Some students have no idea that they can attend college and they can afford it.”

— Career Coach, Public High School, Alabama

OPPORTUNITY

College Becomes a Viable Option



FAFSA mandates are increasing awareness of the availability of financial aid for college. A common misconception among students and families is that they won't qualify for financial aid so they don't need to fill out an application. Now that they're required to complete a financial aid application regardless of income, many students are surprised to discover that they are eligible.

“It created a path for students who initially did not view college as a first choice after high school.”

— College Advisor and School Counselor, Public High School, Texas

OPPORTUNITY

Earlier Financial Aid Conversations



Many counselors are starting conversations about the financial aid process earlier in high school to ensure students are aware of and better prepared for the FAFSA requirement and other financial aid steps during their senior year.

Best Practices

Kenner Discovery Health Sciences Academy in Louisiana starts the conversation junior year by hosting a boot camp for students and parent meetings to discuss senior year milestones, postsecondary pathway options, and their student's graduation plan. The academy is looking to start these conversations freshman year.



Rural Student Success Initiative in Texas begins postsecondary conversations in the eighth grade. They include parents in an effort to build trust, create parental buy-in, and reduce reluctance to sharing financial and personal information for financial aid applications during senior year.



OPPORTUNITY

Financial Aid for Alternative Pathways



Discussing the FAFSA requirement alongside different postsecondary options lets students know financial aid is available for more than associate's and bachelor's degree programs, like technical and certificate programs.

“Students come in and say ‘I’m not going to college. I don’t need to do this because I’m going to do automotive, cosmetology, welding, etc.’ I explain that all of that is considered college—‘you can get a technical degree.’ And I show them an example of what that looks like.”

— College Counselor, Public High School, Texas

OPPORTUNITY

Stronger Community



Universal FAFSA policies foster a cooperative environment among school leadership, staff, counselors, and teachers, all working together to ensure students and families receive support to navigate the financial aid process. In this collective effort, counselors team up with teachers to have classroom discussions about financial aid, and school principals disseminate information to students and families while making time to educate and lead difficult conversations with families.

Best Practice

Alabama Possible, a statewide nonprofit organization, created the Educator Advisory Council, to be an integral part of their Alabama Goes to College program. The program provides resources for students and families to explore college options, access financial aid, and transition from high school to college. The council consists of high school teachers, counselors, career coaches, and support staff who work collaboratively to contribute valuable insights into planning, strategy, and facilitation of programming throughout the school year.



“Having the support from my principal and my school district allows me to soar when it comes to FAFSA completion rates.”

— Counselor, Public High School, Louisiana

OPPORTUNITY

Impactful Partnerships



Leveraging external partnerships and expertise can be a major asset for schools in **bolstering staff capacity and strengthening student support**. Partners include higher education institutions, community-based organizations, state agencies, and college access organizations. Local colleges can provide critical support by hosting financial aid events, meeting one-on-one with students, leading class presentations, and helping students with matriculation and other steps in the financial aid process.

Best Practice

Education Service Center Region 19 provides financial aid form completion support and training opportunities to El Paso, Texas school districts. Prior to universal FAFSA, they ran regional financial aid events for high schools based on location, and they've now expanded these to every high school in El Paso. Events are supported by El Paso Community College, the University of Texas at El Paso, and Texas Tech, as well as volunteers from the Texas Workforce Commission.



OPPORTUNITY

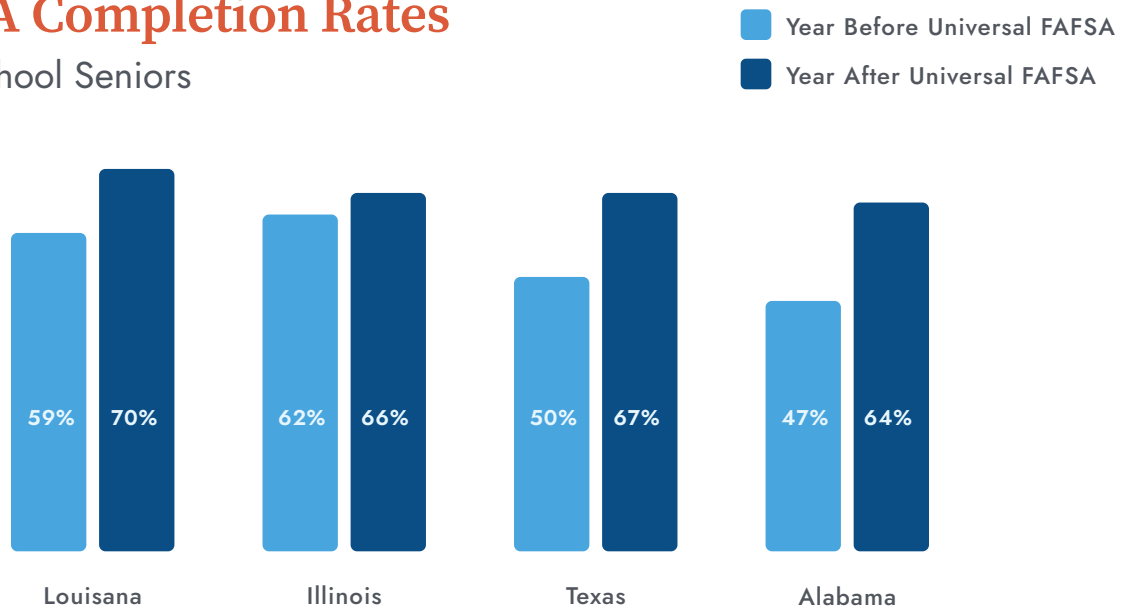
Increased FAFSA Completion



Louisiana, Illinois, Texas, and Alabama have all shown increased FAFSA completion rates the year after implementation. With Louisiana's policy, the FAFSA completion gap separating high-income districts from low-income districts closed from 8.5 percentage points to 1.1 percentage points in just one year. In its first year of universal FAFSA, the completion rate in California increased 21% when comparing February 2023 to February 2022.

FAFSA Completion Rates

High School Seniors



Source: [NCAN](#)

SECTION TWO

Universal FAFSA Challenges

“It has opened up the reality that one person can’t do 97 jobs and do all of them well.”

– College Counselor, Charter High School, Louisiana

CHALLENGE

Policy Communication



Across a number of states, a lack of communication from the state agencies charged with leading universal FAFSA created confusion for school districts, students, and families. During the first year of implementation, some schools were unaware of the policy and unable to prepare or provide appropriate support. Many parents were unfamiliar with the requirement or misinformed, believing it was a school requirement, not a statewide mandate. This led to conflicts with school counselors and negatively impacted parental buy-in.

“Parents are thinking this is coming from the school. I get a lot of parents asking ‘why did you all make this a requirement?’ Then I’m like, ‘oh, no, this is coming from the state.’” — Counselor, Public High School, Texas

Recommendation

Provide at minimum one academic year from the policy passing before the actual requirement takes effect.

For consideration: Pilot universal FAFSA with a few districts prior to statewide implementation. uAspire, California College Guidance Initiative, California Student Aid Commission, Education Trust-West, NextGen Policy, and WestEd ran a pilot in four California school districts to explore interventions and make recommendations for student-centered implementation of Assembly Bill 469. This pilot was funded by College Futures Foundation.

CHALLENGE

Family Reluctance



Counselors experienced pushback from families over their discomfort with the policy, mistrust of the government, and reluctance to share personal and financial information on forms. Despite the dedicated efforts of practitioners to meet one-on-one with parents, host financial aid events geared towards parents, and facilitate guided tours of local colleges, many families remain hesitant to complete a financial aid form given their lack of familiarity with the financial aid process and the graduation requirement.

“It’s not even the students most times—it’s the parents who don’t want to do it.” — Counselor, Public High School, Alabama

Recommendation

School districts must be required to support students and families with financial aid form submission.

For consideration: Require school districts to provide postsecondary pathway information throughout middle and/or high school, before senior year.

CHALLENGE

Staff Capacity



Postsecondary planning is just one of many responsibilities school counselors are juggling. Universal FAFSA policies add multiple steps and administrative tasks to the process, like explaining the requirement to students and families and helping students opt out. It's **challenging for school counselors to meet the demands of these policies** and adequately support students and families with the financial aid process, all while balancing their other responsibilities.

“I think a lot of the counselors are just experiencing initiative burnout where they’re so tired of trying to implement new strategies and programs. They want to help but they literally have no time.” — College Access Professional, State Agency, California

Recommendation

The policy must require financial aid application submission and not completion. After FAFSA submission, the steps to ensure a FAFSA is complete can be challenging and outside the scope of a school counselor.

For consideration: If sufficient resources are available to increase staff capacity, resources, and training, consider completion instead of submission to ensure students are able to complete the steps after submitting the FAFSA like verification.

CHALLENGE

Inconsistent Opt-out Process



The opt-out process in every state lacks standardization, burdening schools with additional administrative tasks. Counselors reported that introducing the opt-out process and making it accessible for students and families can be challenging. Many said that they wait until January or later to explain the opt-out process, hoping to avoid opt-outs from students who would otherwise qualify for financial aid. Once submitted, there's no standard guidance for tracking opt-out forms, leading to auditing concerns and questions about what to do with them and how to track them across schools and districts.

“Opt-out forms are one of the things people are always nervous about. They want to ensure they are following the right procedures. They have worries about being audited.”

— Director of College Access, College Access Organization, Texas

Recommendation

The state administrative agency should provide a standard opt-out form and schools should be required to conduct family outreach before a student opts out. Students and families should be able to opt out of these requirements without disclosing the reason (e.g., citizenship).

CHALLENGE

Funding Support



Universal FAFSA policies fail to provide the necessary funding to scale capacity and resources in school districts to support every senior with form completion. While FAFSA completion rates have increased, the current level of engagement and resources required by practitioners is not sustainable. Practitioners said they spend valuable time fundraising or pursuing grants to support their financial aid events and provide incentives to encourage completion, but these funds aren't consistent or available annually. Lack of funding leads to inconsistent implementation across school districts based on the individual efforts of staff and monetary resources available within certain communities.

“There’s no funding for FAFSA support. I was just brainstorming possible incentives or events to get students amped about the FAFSA or create parent buy-in. We could do some creative things, but I’d have to raise the money to be able to do that.”

— Counselor, Public High School, Alabama

Recommendation

Make funding available to support school districts with the implementation of universal FAFSA. Funding should be targeted to districts with lower-income high schools with lower financial aid form submission rates.

CHALLENGE

Data-Tracking Practices



The lack of consistency with data-gathering tools and practices means each school, school district, and organization can have its own method of tracking student and financial aid form completion data. Many states offer data-tracking platforms, but practitioners have found data mismatches between student information and completion status, leading them to build their own processes to ensure their students meet the graduation requirement.

Recommendation

Require schools to publicly report the number of completions and waivers annually.

For consideration: Disaggregate reports by race/ethnic group.

SUMMARY

Universal FAFSA Policy Recommendations

Phased-in Implementation Timeline

Provide at minimum one academic year from the policy passing before the actual requirement takes effect. For consideration: Pilot universal FAFSA with a few districts prior to statewide implementation.

Support for Students and Families

School districts must be required to support students and families with financial aid form submission. For consideration: Require districts to provide postsecondary pathway information throughout middle and high school, before senior year.

Submission Not Completion

The policy must require financial aid application submission and not completion. After submission, the steps to ensure a FAFSA is complete can be challenging and outside the scope of a school counselor.

Option to Opt-out

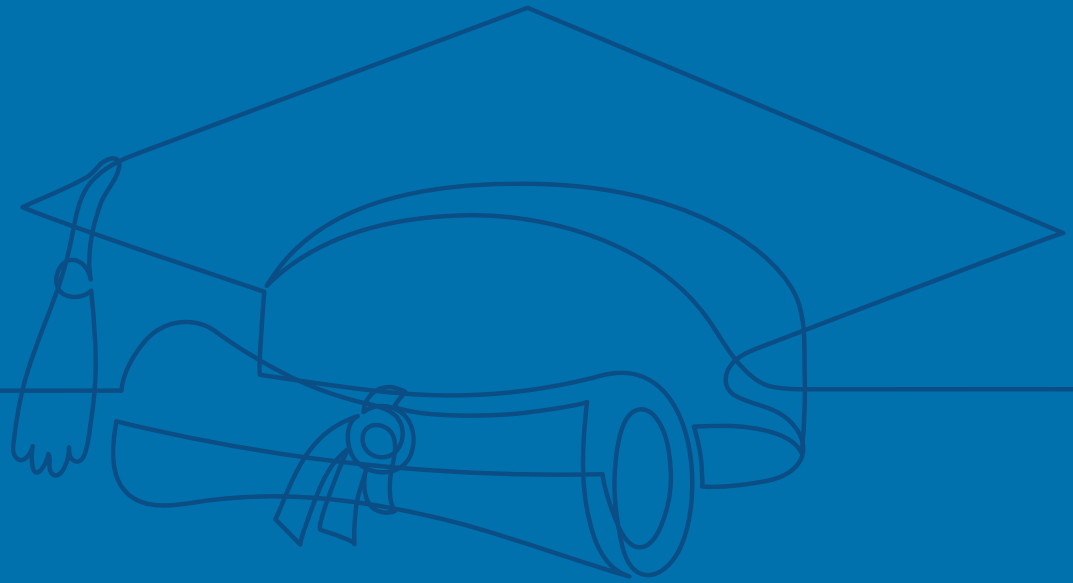
The state administrative agency should provide a standard opt-out form, and schools should be required to conduct family outreach before a student opts out. Students and families should be able to opt out of these requirements without disclosing the reason (e.g., citizenship).

Equitable Funding

Make funding available to support school districts with policy implementation and target funding to districts with lower-income high schools with lower financial aid form submission rates.

Reporting and Accountability

Require schools to publicly report the number of completions and waivers annually. For consideration: Disaggregate reports by race/ethnic group.



uAspire would like to thank the numerous practitioners who graciously shared their insights, knowledge, and experiences.

This material is based on research funded by the Bill & Melinda Gates Foundation. The findings and conclusions contained within are those of the authors and do not necessarily reflect the positions or policies of the Bill & Melinda Gates Foundation.

Author: Mireya Sandoval Contributors: Megan Lehr, Brendan Williams

Design by Ryan Stranz