

Universal FAFSA

LEARNINGS FROM OTHER STATES

Massachusetts decision-makers are contemplating adopting a universal FAFSA policy¹, mirroring the initiatives of thirteen other states. The primary goal of this policy is to enhance college enrollment, persistence and completion rates and maximize the financial aid for which students qualify from federal sources. This strategy also aims to extend the reach of our state financial aid programs, thereby increasing college affordability for students.

In this brief, we present evidence-based best practices that are crucial for ensuring the efficacy of the policy in converting the surge in FAFSA applications into higher college enrollment and completion rates and an increased number of Pell Grant recipients.

BACKGROUND

The introduction of the Free Application for Federal Student Aid (FAFSA) in 1992 significantly boosted financial aid applications, resulting in increased college attendance and retention. This positive impact of financial aid is most notable for students from low-income families and students of color.

Despite its role as a crucial gateway to federal, state, and institutional financial aid, many students are either misinformed, unaware, or mistakenly believe they don't qualify for such assistance. Consequently, they often overlook filing their FAFSA, thereby missing out on essential financial support.

The high school class of 2023 left more than \$4 billion in Pell Grants on the table by not completing the FAFSA. In Massachusetts, \$53 million was left on the table in 2023.

According to the National FAFSA Tracker, the completion rate for Massachusetts in 2022-23 was 61%, which is higher than the national average of 54% and ranks 16th in the nation in terms of FAFSA filings. Regarding year-over-year percentage change in filings, Massachusetts ranks 45th nationally, showing no change at 0%

MAIN FINDINGS

1. Louisiana was the first state to require FAFSA completion for high school graduation in 2018, and they now lead the nation with FAFSA completion, with 77% of high school seniors filing the form in its best year.
2. Thirteen² other states have adopted some form of universal FAFSA, though none have replicated the success of Louisiana. Tennessee is the only other state with an annual FAFSA filing rate over 75%.
3. FAFSA mandate alone will not move the needle on enrollment and completion. It must be paired with other initiatives, programs, services and funds. School counseling is imperative³ for students to make the right choices for them.
4. Leveraging federal financial aid will be important as Massachusetts implements last-dollar grant programs with MASSReconnect and MassGrant Plus expansion. This ensures federal grants are applied before state grants.

RECOMMENDATIONS

Universal FAFSA initiatives can increase FAFSA filings, create college-going awareness, start a conversation between students and school counselors, introduce students to their options regarding financial aid and close gaps in access between low-income and higher income students. Below are some recommendations to keep in mind:

- Support students and families with financial aid form submission and begin educating students about financial aid prior to their senior year.
- Provide easy pathways for students to opt-out without giving a reason or any self-identifying information and provide K-12 incentives to ensure that opt-outs aren't granted too easily.
- Ensure resources are available to increase staff capacity, and training.
- Partner with nonprofit organizations, Massachusetts Educational Financing Authority (MEFA), and outreach staff to establish a robust framework that supports and reinforces guidance for filing a FAFSA.
- Make funding available to support school districts and target districts with lower-income high schools and/or lower financial aid form submission rates.
- Require schools to publicly report the number of completions and waivers annually.
- Encourage data-sharing through MEFA/EDWIN Analytics to report on FAFSA filings so that school counselors can follow up with students who have not filed.

¹ Bill H.1294 An Act to facilitate student financial assistance introduced by Representative Andres X. Vargas and Representative Chynah Tyler to maximize federal and state postsecondary financial aid options through the encouragement and requirement of graduating students to submit the applicable application for federal and state financial aid.

² Instead of mandating FAFSA completion statewide, Colorado initiated a grant program for Local Education Agencies (LEAs) that choose to implement a FAFSA completion requirement. In California, the responsibility for ensuring FAFSA or California Dream Act Application completion falls on local educational agencies (LEAs).

³ Maryland opts not to mandate FAFSA filing by students but rather tasks Local Education Agencies (LEAs) with actively encouraging and assisting high school seniors in completing and submitting the FAFSA.

³ School counselors can also help students translate how and where students can use their financial aid to guide them to the best choice possible and navigate conversations about ROI since financial aid can go towards an approved skilled trade program, community college, and four-year institution.

What are the Best Practices that Should be Incorporated?

Since efforts to increase FAFSA completion rates are especially critical for students who have historically faced structural inequities in their path to degree attainment, such as students of color, those who are first-generation to college, and students from families with low incomes, adhering to best practices is essential to ensuring optimal outcomes. It is also important to recognize that translating these gains into enrollment and completion takes more than just filing a FAFSA and the research on this topic is still very preliminary. Below are some recommendations and best practices to follow:

Research shows that student protections should be a main consideration and must take into account each student's unique circumstance.

Providing Choice

Thoughtful consideration of a student's individual circumstances is imperative.

- Implement an opt-out provision for students, parents and carefully evaluate the need for the collection of personal information.
- Offer a state-level alternative to the FAFSA for students who are ineligible to file the federal application.⁴
- Introduce a waiver option for counselors ensuring that this requirement doesn't impede graduation.

Research shows that universal mandates must be paired with funding and resources to achieve success.

Funding and Resources

Allocating funding and resources to support implementation, particularly in underserved communities, is vital. This includes prioritizing support for school districts with high percentages of economically disadvantaged students, ensuring equitable access to necessary resources.

Allocating funding and resources for the implementation and execution of staff and administrator training, as well as the development of workshops and support services, is essential. Additionally, resources should be dedicated to fostering collaboration with stakeholders and community organizations to provide comprehensive support for students, parents, and guardians.

Research shows that reporting and data-sharing are important for tracking and evaluation purposes as well as building trust.

Tracking, Reporting and Data Sharing

Continuously monitoring enrollment, completion rates, and FAFSA filings to evaluate the effectiveness of the initiative to support continued policy, process, and support improvement.

Ensuring transparency in financial and resource allocation facilitates ongoing improvement and illuminates areas of need.

Incentivize collaboration between districts, high schools, colleges, and communities for implementation and improvement. By establishing these practices, high school counselors and local college access partners can better target their outreach efforts to students and help them receive the support they need—both in terms of advising and financial aid resources.

⁴ The Department of Higher Education (DHE) has announced that it is implementing [The Massachusetts Application for State Financial Aid \(MASFA\)](#) allowing undocumented students to apply for state need-based financial aid.

What Would Universal FAFSA Cost in Massachusetts?

In order for a universal FAFSA policy to be successful, FAFSA completion requirements must be paired with adequate support for all involved in the financial aid application process - students, families, and guidance counselors. Drawing from our research, we strongly advocate for adopting this approach and investment model. While it may entail a greater financial investment, we firmly believe that allocating resources towards such supports will generate the most beneficial outcomes for students and result in a significant return on investment for the state.

The cost of a program designed for success ranges from \$9.5 million to \$13 million.

COST ESTIMATES OF FAFSA SUPPORT FOR MASSACHUSETTS	
PER STUDENT COST ESTIMATES ARE DERIVED BY THE AUTHOR BASED ON ESTABLISHED INDUSTRY BENCHMARKS.	
COMPLETION RATE	60.86%
12TH GR ENROLLMENT 2022-2023	75,390.00
FAFSA COMPLETIONS JUN 09, 2023	45,879.00
FAFSA NON-FILERS	29,511.00
FAFSA SUPPORT ONLY \$180-\$200 PER STUDENT	\$5,607,090.00
COLLEGE GUIDANCE SUPPORT AND FAFSA SUPPORT \$450 PER STUDENT	\$13,279,950.00
TARGETED APPROACH WITH MIX OF BOTH	\$9,443,520.00

Filing a FAFSA can yield positive outcomes, specifically for those who may have faced barriers in the financial aid process in the past: lower-income communities, students of color, and students from mixed-status families. Access to financial aid, creating a college-going mindset, and guidance around graduation can be beneficial outcomes in their own right, but learnings from other states emphasize the need to incorporate best practices for optimum results and outcomes.

Acknowledgements

At Hildreth Institute, we strive to learn from other states, partners, peers and educators about the best practices and learnings from their own experiences, research findings, perspective and lessons learned. We believe that leveraging these learnings can give us the opportunity to study the initiatives being proposed in Massachusetts with a critical lens to ensure their implementation is done correctly and equitably.

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Peter Granville - The Century Foundation - [Should States Make the FAFSA Mandatory?](#)
 Ellie Bruecker PhD - [An Exploration of Financial Aid Application Patterns and College Access](#)
 Louisiana Office of Student Financial Aid (LOSFA) - [Universal FAFSA Implementation Tips and Lessons Learned](#)
 Adam Siedel - [OneGoal Massachusetts](#)
 Mark Bilotta - [MassEdCO](#)
 Peter Barros - [La Vida Scholars](#)
 Lane Glenn - [Northern Essex Community College](#)
 Femi Stoltz - uAspire - [Universal FAFSA: Policy to Promote College Access in Massachusetts](#)
 Mireya Sandoval - uAspire - [Opportunities and Challenges of Universal FAFSA](#)

Click [here](#) to learn more about who we are and what we do.