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FAFSA Simplification Successes: A Four-State Case Study of Best Practices and Completion Strategies

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The State Higher Education Executive Officers Association (SHEEO) serves the executives of statewide governing, policy, and coordinating boards of postsecondary education and their staffs. Founded in 1954, SHEEO promotes an environment that values higher education and its role in ensuring the equitable education of all Americans, regardless of race/ethnicity, gender, or socioeconomic factors. Together with its members, SHEEO aims to achieve this vision by equipping state higher education executive officers and their staffs with the tools to effectively advance the value of higher education, promoting public policies and academic practices that enable all Americans to achieve success in the 21st century, and serving as an advocate for state higher education leadership. For more information, visit sheeo.org.

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INTRODUCTION

Simplification of the Free Application for Federal Student Aid (FAFSA) entails significant changes to the FAFSA and the methodology for determining eligibility for federal financial aid for the 2024-25 academic year. These changes – including a reduction in the number of questions students are required to answer and expanded eligibility for the federal Pell Grant – are broadly celebrated for increasing access to federal financial aid and making the application process simpler and more predictable. The changes to the FAFSA form that were mandated by the Simplification Act delayed implementation and shifted the timeline for release of the 2024-25 FAFSA from October to December 2023. This shift has also led to delays in processing the FAFSA, with states and institutions receiving their first Institutional Student Information Records (ISIRs) in mid-March 2024.

Through a partnership with the National Association of State Student Grant and Aid Programs (NASSGAP) and support from the Bill and Melinda Gates Foundation, the Joyce Foundation, and The Kresge Foundation, SHEEO initially convened 12 states from across the country (now expanded to 17 states) in 2022 to participate in a learning community. The learning community provided states with opportunities to examine the impact of FAFSA simplification on state financial aid programs and to take advantage of the open policy window to reconsider state financial aid policies and processes.

During the first two years of the project, SHEEO and NASSGAP staff provided technical assistance to states, organized in-person and virtual convenings, brought in expert voices in financial aid and FAFSA completion, and served as a communication liaison with the U.S. Department of Education (ED). SHEEO staff and collaborators published a [national data modeling policy brief](#) and a [simplification guidebook](#) to assist state team members and the broader state agency community with preparing for simplification and anticipating changes to state financial aid programs. Feedback from state members has confirmed that, despite the challenges and uncertainties around the rollout of the new FAFSA, states were as prepared as possible to implement the new FAFSA due in part to their participation in the learning community.

As the first phase of the learning community concludes, SHEEO staff have conducted case-study interviews with state members of the learning community and the larger SHEEO membership. While all states have worked diligently to help students complete the new FAFSA, the four states selected – Alabama, Illinois, Louisiana, and Minnesota – were chosen to represent states that implemented successful strategies for taking advantage of the policy window (Minnesota), employing FAFSA completion initiatives (Alabama, Illinois, and Louisiana), and preparing for the new FAFSA (all states).

POLICY WINDOW

MINNESOTA

The Minnesota Office of Higher Education (OHE) began preparing early for FAFSA simplification changes in their state, starting with the creation of a cross-agency working group in 2021. The working group met frequently to develop a roadmap and timeline for forthcoming changes, with consideration of the state's legislative schedule. Importantly, OHE leveraged long-standing relationships with partners outside of the agency, including high schools, campuses, and community organizations. Aware of the competing interests of legislators, OHE also informed the Minnesota state legislature of the potential effects of simplification well in advance of implementation.

The Minnesota state grant program is tied directly to the FAFSA and does not have an alternative application. OHE modeled the effects of the new FAFSA on Pell Grant and Minnesota state grant receipt early in the process to determine the potential implications for programs and students. As new guidance was released continuously from ED, OHE revised and revisited the projected changes to state financial aid programs.

The state context in Minnesota enabled OHE to move swiftly and efficiently to prepare for the impending changes of simplification. The office maintained strong, positive relationships with the system offices of the public institutions in the state as well as with the state legislature. They did not need to invest time and resources into establishing trust with their government partners, as a history of collaboration was already present. Moreover, the Minnesota state grant is available to students at both public and private institutions, so most legislators had constituents in their district who received the state grant. Legislators were therefore receptive to OHE's concerns about the effects of simplification on the Minnesota state grant and the consequences for students.

In addition to addressing the basic changes brought about by simplification, OHE used simplification as a policy window¹ to update the state grant program. The agency fixed some elements of the program to remain within the spirit of the new FAFSA by expanding financial aid eligibility (i.e., switching from terms of enrollment to terms of receipt eligibility). These changes were implemented through state statute rather than administrative rules and were bolstered by disciplined decision-making and documentation. OHE maintained lines of communication with all constituents – students, families, institutions, and legislators – to clearly articulate their decisions, the reasoning for these decisions, and how these decisions would benefit students and institutions.

Responding to simplification in Minnesota was a success thanks to a state context of cooperation and trust and the long runway to implementation that the OHE staff created. Staff were intentional in identifying the problem they were trying to solve, justifying proposed changes, and communicating transparently with stakeholders. By bringing all affected partners to the table, the Minnesota OHE was able not only to address challenges and concerns with the new FAFSA, but also bring about positive changes to the state grant program that will benefit students for years to come.

1. <https://sheeod.medium.com/the-fafsa-simplification-act-opens-a-policy-window-to-improve-state-student-aid-programs-7188b113b178>

UNIVERSAL FAFSA

Universal FAFSA is a catch-all phrase to describe state policies that mandate FAFSA completion as a high school graduation requirement. Universal FAFSA policies have been overwhelmingly successful in promoting FAFSA completion without diminishing high school graduation rates.² While the policy specifics vary from state to state, most policies include an opt-out waiver to be completed by a student's parents/guardians or a school administrator. The challenges of the new FAFSA, however, have led to state-level concerns about the impacts on high school students who may be unable to complete a FAFSA. This next section focuses on the strategies Universal FAFSA states have used to promote FAFSA completion despite these challenges.

LOUISIANA

Louisiana was the first state to implement a Universal FAFSA policy, beginning with the high school class of 2018. In its first year, the policy increased FAFSA completion by 26%, putting Louisiana at the top of the National College Attainment Network's (NCAN) FAFSA Tracker as of June 30 that year.³ In March 2024, the Louisiana Board of Elementary and Secondary Education voted to remove FAFSA submission as a high school graduation requirement beginning with the class of 2025.

The reasons cited for repeal of the Universal FAFSA policy center on students and families feeling coerced or forced into completing the form. Part of the public call for repeal of the policy stemmed from misinformation regarding the ability of students to complete waivers (i.e., many families were unaware of the process for opting out).

Since 2008, the Louisiana Office of Student Financial Assistance (LOSFA) has been involved in statewide FAFSA completion efforts. LOSFA developed strategies over the past six years in conjunction with the universal FAFSA policy to deepen the culture of FAFSA completion throughout the state. With the repeal of the policy and the rollout of the new FAFSA, LOSFA staff will continue to ensure that students who want to complete a FAFSA are still able to do so, regardless of the impact on high school graduation. With the implementation of the policy, LOSFA staff pivoted to holding completion events at high schools (rather than primarily at colleges), including all-day events at multiple locations across the state. LOSFA has also facilitated relationships between local high schools and colleges in the community to assist with these completion events (particularly as college staff await ISIRs to process aid packages).

LOSFA staff remain hopeful that FAFSA completion will remain high in the state despite the repeal of the Universal FAFSA policy. The state maintains a culture of FAFSA completion due to the history of the graduation requirement as well as the FAFSA being used as an option to apply for the state's merit-based scholarship, the Taylor Opportunity Program for Students (TOPS).

One key factor that enables Louisiana to promote FAFSA completion is the large number of outreach professionals and the high capacity to reach students through collaborative partnerships with agencies and organizations across the state. These individuals work tirelessly and passionately to promote FAFSA completion, often going to great lengths to assist students. Staff have fielded personal and social media messages, legislative requests, and phone calls, and have traveled across the state to meet students and families where they are.

2. <https://www.ncan.org/news/661777/Do-Universal-FAFSA-Policies-Prevent-High-School-Graduation.htm>

3. <https://www.ncan.org/news/667451/Louisiana-Board-Rescinds-States-Universal-FAFSA-Policy.htm#>

ALABAMA

Alabama's FAFSA Completion Requirement became effective for the Class of 2022, increasing FAFSA completion by 24.9% and moving Alabama from 34th to 9th in national completion rankings. In conjunction with the high school graduation mandate, the Alabama Commission on Higher Education (ACHE) contracted with Oracle Student Financial Planning to manage and track the FAFSA completions of Alabama's graduating seniors, report on student errors found in the FAFSA completion process, and provide supportive information for high schools and their counselors. Thus, Oracle supplies the ACHE FAFSA Portal with real-time FAFSA completion data and manages the technical and systemic changes needed to adjust to the new FAFSA.

Oracle Student Financial Planning provides useful information that enables ACHE to focus on strategies that promote FAFSA completion across the state. ACHE sends letters directly to high school seniors via email, encouraging students to complete the FAFSA and informing them of their FAFSA status, such as identifying specific errors found with their individual submissions. In addition, high school counselors receive information as it relates to the FAFSA status of their students and schools, along with offers of assistance and troubleshooting from ACHE staff.

Yet, recent changes to the FAFSA have resulted in several delays with the 2024-25 form and have created various challenges for students, parents, high schools, and higher education entities. ACHE has worked diligently with Oracle Student Financial Planning to maintain and share up-to-date FAFSA information on submission errors and completions with students and schools as everyone is navigating the changes and issues brought about by the simplification. ACHE has also requested that the Alabama State Department of Education (ALSDE) extend the accessibility graduating seniors have to their high school email addresses (typically email addresses expire after a student graduates). This brief extension will allow ACHE to continue outreach efforts to graduated seniors throughout the summer by offering assistance with their identified FAFSA errors to ensure completion so their financial aid awards can be determined before starting their college classes this fall.

A spirit of collaboration and cooperation in Alabama has enabled ACHE to work closely with career coaches and student success organizations in schools, colleges, and universities, the Alabama Community College System, Alabama nonprofit organizations (such as Alabama Possible and Alabama FAST), and ALSDE. Moreover, ACHE recognizes that teaming with Oracle Student Financial Planning has been invaluable as Oracle has a greater expertise in understanding the federal changes to make the necessary adjustments as well as applying the technical advancements to the automated processes impacted by FAFSA simplification. This additional capacity afforded by these partnerships allows ACHE and its staff to focus on successfully communicating with Alabama's students, parents, and high schools in support of FAFSA completion.

ILLINOIS

Even prior to adopting Universal FAFSA for the class of 2021, Illinois was among the top 10 states for FAFSA completion. The first year of adoption coincided with a precipitous drop in FAFSA completions across the country due to the COVID-19 pandemic, but Illinois still increased completions by 3.1 percentage points.⁴ The Illinois Student Assistance Commission (ISAC) has fostered a statewide culture of FAFSA completion through extensive outreach and support for students.

ISAC began using FAFSA data matching to drive FAFSA completion in 2007. That effort began in partnership with Chicago Public Schools (CPS) and was extended to all schools statewide in 2017. In 2009, ISAC created ISACorps, a group of highly trained recent college graduates serving as near-peer mentors to high school students. ISACorps members serve every county in the state and provide mentoring and

4. <https://www.ncan.org/news/news.asp?id=613062>

support for students and their families through the college application process, including completing the FAFSA. The standard term of service for an ISACorps member is two years, however, in light of the challenges with FAFSA simplification, they have the option to extend their contracts for an additional year.

ISAC has also used a text messaging service to connect college-bound students with financial aid experts at the agency since January 2016. Via the text messaging service, students and parents can ask questions about the college application, admission, and financing processes, including FAFSA completion assistance. New for this year, high school counselors and college access professionals can also use the service to seek technical assistance.

To highlight resources, provide technical training, and share best practices across the state, ISAC hosts a FAFSA symposium each year. The event brings together college access professionals and other practitioners to share strategies for FAFSA completion. In addition, the professional outreach staff at ISAC have held online and in-person workshops to assist with FAFSA corrections and have provided additional training on paper FAFSA completion for students with mixed-status families. Many completion events have been offered in Spanish, as have materials and videos about the college-going process.

ISAC, along with staff from all education agencies in Illinois, participate in weekly calls with the Governor's Office to ensure a coordinated state effort to drive FAFSA completion and administer the FAFSA mandate. Resources are shared and leveraged among the agencies, and collaborative efforts, particularly around media and statewide FAFSA completion campaigns are a major undertaking each year. The state of Illinois, from the highest levels of government to the grassroots community level, has built a college-going and FAFSA completion culture.

THEMES

Shared themes that were identified among states' responses to FAFSA simplification included high staff capacity, early planning, and cross-agency collaboration and trust-building.

HIGH STAFF CAPACITY

The work of responding to FAFSA simplification cannot be completed without the time, resources, and expertise of agency staff. In a standard year, offices with lean staff can prioritize the areas of highest concern and focus their efforts on the most pressing issues. In the first year of FAFSA simplification, however, demands on state agency staff time increased substantially and staff were pulled in multiple directions: interfacing with U.S. ED staff, responding to inquiries from concerned students and families, offering direction to high school counselors and state institutions of higher education, providing updates to legislators, and predicting the impacts on state grant programs.

All of these activities – which were heightened and on a compressed timeline due to the complicated rollout of the new form – called for additional staff capacity beyond a normal FAFSA year. States that were able to respond quickly and effectively to the challenges of the new FAFSA had sufficient capacity – whether through collaboration with other agencies, hiring of contracted employees, or a preexisting cadre of outreach staff – to provide support and communication to their stakeholders.

Hiring additional staff is often beyond the scope of most state agencies and may be an unattainable strategy on short notice. States with limited staff capacity can still provide meaningful and impactful support to students, families, and institutions through a shared commitment to and passion for promoting postsecondary access. It is ultimately the dedication of state agency staff that ensures a successful transition to the new FAFSA.

EARLY PLANNING

States that planned for the potential impacts of FAFSA simplification well in advance of implementation felt better prepared and able to handle the unforeseen challenges that followed. A long runway of at least two years allows state agencies to alert legislators to potential effects and the need for policy response, prepare predictive models measuring the impact on Pell Grant receipt and state grant programs, communicate the forthcoming changes to students and their families, and provide information and outreach to high school counselors.

Making legislators aware of the potential impacts of FAFSA simplification well before they are realized can ensure that the legislature accounts for potential policy changes in their legislative agenda. Because most state legislatures only meet during designated times throughout the year and short (i.e., non-budget) sessions may not provide an opportunity to enact substantive changes, careful advance planning is needed to align with the legislative calendar. Early communications with legislators are especially impactful when tied directly to the implications for constituents in a legislator's district.

While not attainable for all state agencies, predictive modeling of the impact of simplification on Pell Grant receipt and state grant programs can assist with preparing for the potential negative impacts on some students. State agencies can develop strategies (e.g., grandfathering clauses, emergency grants) to protect students who might lose financial aid because of changes to the federal methodology. Modeling the impacts on state grant aid receipt may also assist with developing budget projections and making appropriations requests for future years.

In the early stages of preparation, communication with stakeholders is paramount. Students, their families, and high school counselors are already inundated with information about the college-going process. The changes to the FAFSA form and the process for awarding aid are complex enough to necessitate explanation and reassurance from state agency outreach staff. Moreover, the challenges with the FAFSA rollout could have led students and families to lose trust in the system, if not for the support and assistance of state agency staff.

CROSS-AGENCY COLLABORATION AND TRUST-BUILDING

The changes brought about by FAFSA simplification touch all education-related state and community agencies, including boards of secondary and higher education, financial aid associations, and student success organizations. Strong coordination across these agencies reduces duplication of efforts, increases capacity for outreach and assistance, and streamlines messaging to students and families.

While funding and resources vary across state agencies, reducing redundancy and duplication of efforts is a shared interest to ensure limited resources are targeted to their most effective use. Education-related agencies can collaborate on FAFSA completion events to meet students and families where they are and provide staff expertise needed to troubleshoot challenges and answer questions. With the frequent changes and updates to the FAFSA form and the federal methodology for awarding aid, consistent and accurate messaging to students and families is critical. Collaboration across agencies ensures that students and high school counselors receive information that does not conflict with or contradict communications from other sources.

The midst of a crisis is a challenging time to develop these cross-agency relationships and build trust among partners. Rather, a prior culture of trust and collaboration is a crucial prerequisite for responding quickly and efficiently when obstacles arise. This trust and collaboration extends beyond state agencies to high schools and college campuses, including both the two-year and four-year sectors. The existence of shared trust and understanding prior to the challenging rollout of the new FAFSA allowed state agencies to skip over the timely process of relationship-building and instead focus their capacity on providing the communications students, high schools, and institutions needed.