

September 10, 2012

Ms. Martha J. Kanter
Under Secretary of Education
Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

Mr. James Runcie
Chief Operating Officer
Federal Student Aid
Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

Dear Undersecretary Kanter and Chief Operating Officer Runcie:

On behalf of the undersigned organizations, we write to thank you for expanding the Free Application for Federal Student Aid (FAFSA) Completion Project and ask that you expand the program to all schools as soon as possible. At a time when postsecondary education is becoming increasingly important for employment opportunities and career growth, it's disheartening to witness the trajectory of a student's educational and career path altered by something as simple as incomplete or unsubmitted paperwork.

As we all work to increase the percentage of American students that complete a postsecondary program, we applaud you for focusing attention and resources on assisting students with the financial aid process. Today, only about 1/3 of Americans age 25-29 have earned a bachelor's degree or higher. For students from low-income families, the college completion rate is even lower: only about 8% have earned a bachelor's degree by their mid-twenties.¹ And yet, we know that postsecondary education is critical to developing a strong labor force. Sixty-three percent of all job openings in 2018 will require workers to have at least some college education and will, for the most part, pay more than those that don't.²

Collectively, our organizations work to assist students in applying for and transitioning to college; we recognize the significant difference a completed FAFSA plays in each student's chances of enrolling, persisting, and graduating from college:

Enrollment: A Consortium on Chicago School Research study finds that students who completed a FAFSA were more than 50% more likely to enroll than students who had not.³

Persistence: Novak and McKinney explored FAFSA completion among more than 10,000 undergraduate students and found that students who filed a FAFSA have 72% higher odds of persisting through their first year of college than do students who do not file. "The effect of filing a FAFSA was even more significant among lower-income Pell Grant eligible students, as these FAFSA

¹ U.S. Census Bureau, *Current Population Survey, Annual Social and Economic Supplement, 1980-2011*; Tom Mortenson, "Bachelor's Degree Attainment by Age 24 by Family Income Quartiles, 1970 to 2009."

² "Help Wanted: Projections of Jobs and Education Requirements Through 2018," a Georgetown University Center on Education and Workforce report.

³ From *High School to the Future: Potholes on the Road to College*, Consortium on Chicago School Research, University of Chicago, 2008.)

filers have 122% higher odds of persisting compared to their lower-income peers who did not file a FAFSA.”⁴

Graduation: A study by the Bridgespan Group finds that applying for financial aid and college loans improves the likelihood that a student will obtain a bachelor’s degree, as does a student or parent’s attendance at an information session on financial aid benefits.

The timing of a student’s FAFSA submission is another major factor that significantly affects outcomes, and the Completion Project is a great option to improve submission dates. The American Council on Education (ACE) estimates that approximately one in five low-income students who are enrolled in college and would likely be eligible for Pell grants never filed a FAFSA. In addition, the report points out that many students, when they do apply, apply late (after April), which makes it less likely they would receive federal, state, and institutional aid. Middle-income and upper-income students, moreover, were more likely than low-income students to file their FAFSA before April 1. Even among students who fill out their FAFSA, the ACE report showed that filing a FAFSA later than other students is a significant barrier to students’ ability to leverage financial resources. This is because colleges and states often award their aid on a first-come/first-served basis, and there may not be sufficient aid for students who apply late. Among college-goers who filed a FAFSA before April 1, 34 percent of financial aid applicants received state aid; only 30 percent of those who filed in April or May and 20 percent of those who filed in June or later received state aid. Similarly, 41 percent of pre-April financial aid applicants received institutional aid while only 27 percent of students who filed in April or May and only 18 percent of those who filed during or after the month of June received institutional aid.

These figures suggest that an investment in programs like the FAFSA completion project can have disproportionately large impact on college going rates in the U.S. Our experience with the first round of Completion Project participants has taught us that students are often unaware of missing signatures or incomplete information regarding expected family contribution. Simple interventions can significantly improve enrollment, persistence, and graduation outcomes.

We commend the Department for expanding the program to 80 school systems, and encourage you to offer the program nationally as soon as possible. We believe the Completion Project is a key element in fulfilling the President’s goal of having the highest proportion of college graduates in the world by 2020, and, once available in all schools, will prove to be a very cost effective method of increasing college enrollment rates. With the help of the completion project, and with minimal effort and expenditures, schools can focus attention on those minor errors and significantly improve access to financial aid.

Thank you for your leadership with this important program and for your ongoing attention to college access and enrollment issues.

Sincerely,

American Association of School Administrators
American School Counselor Association
City Year, Inc.
Civic Enterprises
College Board
College Summit
Jobs for the Future
National Association for College Admissions Counseling

⁴ The Consequences of Leaving Money on the Table: Examining Persistence among Student Who Do Not File a FAFSA, 2011. P.5.