ANALYSIS:
How Iowa and Louisiana Use State Data to Help Boost FAFSA Completion Rates

To better understand how states are leveraging their data to boost FAFSA completion rates, TICAS sought the expertise of policy and data experts in Iowa and Louisiana. From their feedback, we learned how these states are strategically tracking and reporting student data to increase their FAFSA completion rates.

WHAT IS THE FAFSA?

The Free Application for Federal Student Aid (FAFSA) is the official form that students fill out to receive federal financial aid. Each year, the office of Federal Student Aid (FSA) provides students who file a FAFSA approximately $112 billion in grants, work-study, and loan funds from the U.S. Department of Education to help pay for college or career programs. Many states and colleges use students’ FAFSA information to determine their eligibility for state and school aid, and some private financial aid providers use FAFSA information to determine whether students qualify for aid.

FAFSA COMPLETION AND RENEWAL RATES WERE ALREADY TOO LOW AND HAVE DECLINED SIGNIFICANTLY SINCE THE PANDEMIC

Filing a FAFSA is required each year to access the vast majority of financial aid available to students, including all forms of FSA: federal grants (i.e., Federal Pell Grant and Federal Supplemental Educational Opportunity Grant), Federal Work-Study, and U.S. Department of Education loans.

Since the onset of the COVID-19 pandemic, FAFSA completion rates have significantly declined, continuing through the 2022–2023 application cycle and negatively impacting college enrollment, retention, and completion rates. FAFSA renewals among students enrolled in college fell by 12 percent in 2022, or nearly 900,000 fewer students renewing. FSA data showed that renewals among enrolled students eligible for Federal Pell Grants dropped by more than 15 percent, or nearly 550,000 students, during that period.

The National Center for Education Statistics (NCES) found that high school seniors who complete a FAFSA are 84 percent more likely to enroll in postsecondary education in the fall following high school graduation than their counterparts who did not complete a FAFSA.

Each year, millions of students receive federal financial aid that makes higher education more accessible to them. However, for a variety of reasons students do not always successfully complete a FAFSA, leaving billions of dollars of unclaimed Pell Grants, and preventing students from considering all postsecondary options.\(^7\)

According to a recent analysis by the National College Attainment Network NCAN, the recent decline in FAFSA completion left close to $3.6 billion of unclaimed Pell Grant aid that could have gone to eligible students. In California alone, there was approximately $435 million of unclaimed Pell Grant aid in 2022.\(^8\)

Critically, although tuition and fees at community colleges are less expensive than in other sectors, and students are more likely to be eligible for need-based federal aid, students are less likely than their peers at other types of institutions to complete the FAFSA.\(^9\) For example, a decade ago, just one-third (33%) of California Community College (CCC) students filed a FAFSA, compared to nearly half (46%) of their peers in other states.\(^10\) Application rates have since increased, thanks in large part to efforts by the CCC system office to encourage and support students in FAFSA filing. The gap between filing rates among CCC students and the rest of the nation is closing.

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>CCC Student FAFSA Application Rate</th>
<th>Total Pell Grant Received by CCC Students</th>
<th>Average Pell Grant Award Received by CCC Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>33%</td>
<td>$668,724,505</td>
<td>$2,502</td>
</tr>
<tr>
<td>2015-16</td>
<td>58%</td>
<td>$1,620,350,136</td>
<td>$3,434</td>
</tr>
<tr>
<td>2017-18</td>
<td>56%</td>
<td>$1,570,736,130</td>
<td>$3,555</td>
</tr>
</tbody>
</table>

Source: TICAS calculations on the most recent federal data publicly available from the National Postsecondary Student Aid Study-Administrative Collection (NPSAS-AC) 2017-18, conducted by the National Center for Education Statistics, a division of the U.S. Department of Education.\(^11\)
RECENT STATE FAFSA COMPLETION DRIVES ARE AIMED AT IMPROVING AFFORDABILITY AS WELL AS ENROLLMENT, RETENTION, AND COMPLETION

Many states are making investments in FAFSA completion strategies and programs in addition to promoting inter-agency coordination to increase the number of students who complete a FAFSA in their state. For many states, the implementation of “FAFSA completion policies” seems to be successfully driving increases in applications. Given how strongly FAFSA completion is tied to postsecondary student success outcomes, states have implemented FAFSA completion policies that make the completion of the FAFSA form a high school graduation requirement.

Louisiana was the first state to implement FAFSA completion as a high school graduation requirement. The Louisiana Department of Education implemented the Financial Aid Access policy which required students, beginning with the high school class of 2018, to complete one of four tasks to graduate: submit a FAFSA, complete the state aid application, submit an opt-out form, or request a waiver from their school system. This new policy contributed to Louisiana’s 25.9 percent year-over-year increase in FAFSA completion. States like Texas and Alabama recently adopted FAFSA completion policies which led to increases in their completion rates. Texas, for example, saw a 26 percent year-over-year increase in completions with 51 percent of seniors completing a FAFSA in 2022.

These increases helped rebuild some momentum toward restoring FAFSA completion rates: the class of 2022 has a 52 percent FAFSA completion rate, compared to 50 percent in 2021 and 51 percent in 2020. However, the number of students applying for federal aid did not surpass the pre-pandemic 54 percent completion rate for the class of 2019.

KEY TAKEAWAYS FROM IOWA AND LOUISIANA’S EFFORTS TO INCREASE FAFSA COMPLETION RATES

For over a decade, states like Iowa and Louisiana have long established longitudinal data systems, connecting data to design programs and policies to address student success. These two states, specifically, stood out on how they use data to define state goals and support initiatives and activities to increase FAFSA completion rates and ensure students are enrolling in postsecondary education. We spoke with key staff about what they do and what they have learned about what works well.
The Iowa Statewide Longitudinal Data System (SLDS) was first established in 2012 as part of a U.S. Department of Education SLDS grant. This data system links partners from K-12, community colleges, public universities, and Iowa College Aid Commission, to better understand and support student success in Iowa. In addition to the SLDS, Iowa provides weekly student-level FAFSA reports to all public high schools using real-time data.

**Key Takeaways: State Longitudinal Data System**

Postsecondary Readiness is a state website powered by Iowa's SLDS that provides valuable information on how prepared Iowa high school graduates are for success in postsecondary education and community college-based training.

Building trust and strong relationships with different state agencies early on is key for achieving necessary buy-in in data-sharing to ensure the right research questions are being addressed and answered, and data is being used accurately and effectively.

All data-contributing partners now retain and update data on a rolling 15-year window for public reporting and research, including FAFSA data.

Source: Iowa College Aid [https://iowacollegeaid.gov/Finance](https://iowacollegeaid.gov/Finance)
Key Takeaways: Weekly FAFSA Reports

One of the highest impact strategies for increasing FAFSA completion in Iowa is the provision of up-to-date and accurate student-level data directly to high school counselors and administrators. The goal is to streamline, simplify, and automate the information flow needed to make it easier for school counselors to get the information they need to ensure their students are submitting a FAFSA.

Public schools can access student-specific FAFSA completion data through Iowa College Aid’s partnerships with the U.S. Department of Education, Iowa Department of Education, and the AEA PREP initiative.¹⁹

One hundred percent of public schools in the state receive student-level FAFSA data.

Reports include information such as whether each student has completed the FAFSA, is missing signatures, and/or has been selected for verification.

“Course to College” program²⁰ – provides weekly FASFA reports to school counselors who can opt in at different levels through their regional Area Education Agencies’ Postsecondary Readiness and Equity Partnership (AEA PREP), which has set data-sharing agreements with local public schools.

Merging data from multiple sources is important to keep in mind when collecting FAFSA data to prevent inaccuracies or inconsistencies in FAFSA reporting. FAFSA reporting requires intentional and careful cross-collaboration.

See How Your School Rates on Filing the FAFSA

It’s time to get more Iowans to file the FAFSA!

Source: Iowa College Aid https://iowacollegeaid.gov/FAFSArates
LOUISIANA

The Louisiana Believes Data Center is Louisiana’s public education state longitudinal data system managed by the Louisiana Department of Education (LDOE). Louisiana Believes Data Center collects and analyzes Louisiana’s public education data to better inform improvement strategies to increase student success at the K-12 and postsecondary education levels.21

Key Takeaways: Louisiana Department of Education

» LDOE provides school system and school-level data, and tracks FAFSA submission rates (not completion rates)22 of high school seniors, for public schools only.

Louisiana’s school systems can receive student-level data of those seniors who completed the FAFSA if the district has a FAFSA agreement with Louisiana Office of Student Financial Assistance.

» The Department partners with higher education entities and advocacy groups, such as the Louisiana Office of Student Financial Assistance (LOSFA), Career Compass, the Louisiana Education Loan Authority (LELA), and College Beyond, to expand outreach

Louisiana’s Financial Aid Access Policy, approved by the state Board of Elementary and Secondary Education in 2015, requires financial aid planning as a requirement for high school graduation. All high school graduates must complete a FAFSA, the TOPS Online Application23, or indicate that they do not plan to apply for financial aid by submitting a waiver.24

The LDOE created a Louisiana Counselor Assistance Center and a Financial Aid Working Group to support and ensure schools effectively implement the Financial Aid Access Policy.
Louisiana has a public-facing dashboard powered by the state longitudinal data system called Compete to Complete Louisiana FAFSA Challenge. For this specific tool, the LOSFA takes published senior enrollment data from the LDOE and populates it to the Compete to Complete LA to track students’ educational progress.

Senior enrollment data is updated every October and February of every school year to check for accuracy and student progress.

Given that data comes directly from the Federal Student Aid office, states cannot disaggregate the data. However, FSA is now collecting more demographic data through the FAFSA which could potentially lead to more disaggregated data in the future.

CONCLUSION

As we emerge from the pandemic, many state and school district leaders are working to continue prioritizing their students’ basic needs while also prioritizing college readiness. States like Iowa and Louisiana have done a great job in centering college readiness and FAFSA completion by putting in place mechanisms for effectively and accurately tracking and reporting student data and strengthening collaborative efforts with high school counselors to inform and increase their FAFSA completion rates. For many students, federal financial aid is a key factor for earning a college credential or degree. State efforts to increase FAFSA completion rates across the country are not only essential for increased postsecondary enrollment but also ensures that billions of federal aid dollars are not left on the table.
ENDNOTES

26. Iowa College Aid handles a majority (99%) of financial aid that is distributed out from the state to students. As the agency that distributes state funds, they receive all the FAFSAs that are filed in the state of Iowa.