

Increasing Ohio's FAFSA completion rate should be a priority

Anyone needing financial aid to make their college education dream come true needs parents to complete the Free Application for Federal Student Aid, known as FAFSA. It's the key to federal student financial aid (Pell Grants) and it's also used to determine eligibility for Ohio College Opportunity Grants (OCOG) as well as grants from private colleges and universities. Completing FAFSA is a critical first step for students seeking help in funding their post-secondary education and training, not only for traditional college degrees but also for certificates and credentials.

FAFSA is a strong indicator of whether a high school senior will attend college.

According to the National College Access Network (NCAN), 92% of high school seniors who complete FAFSA attend college directly from high school, compared to 51% of students who do not file FAFSA.

FAFSA has a strong correlation with positive post-secondary outcomes.

FAFSA completers are also more likely to persist in their educations and receive a degree.

Federal aid dollars – primarily Pell grants – are left on the table.

While the Ohio FAFSA completion rate had risen to 66.6% (higher than the 61% national rate pre-COVID-19), Ohioans still leave \$87 million in

federal aid on the table by students who do not apply. Ohio ranks 14th nationally for percentage of eligible students who completed FAFSA.

Requiring FAFSA completion for graduation makes sense.

With its straight-forward approach to implementation and exemption by parents, the budget proposal's provision can be an effective way to boost our completion rates and post-secondary attainment. Louisiana, the first state to require FAFSA completion for graduation, saw a 25% increase in its completion rate in the first year. Illinois and Texas have adopted the requirement for future years.

The COVID-19 pandemic has seemingly led to a marked decrease in FAFSA completion: compared to March 2020, Ohio's completion rate is down 9%, similar to the national rate. And, many of our community foundations are reporting that scholarship applications – an important source of post-secondary education funding – are down anywhere from 10% – 25%. These figures support the need for a strong, direct approach for increasing Ohio student FAFSA rates. Our post-COVID-19 recovery – for Ohioans and the state – can be strengthened by an increased focus on post-secondary attainment that includes requiring FAFSA completion as a graduation requirement as well as other strategies to incentivize and support schools striving to increase their completion rates and students' post-secondary education success.



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Recommendations

- **Require FAFSA completion** for graduation, with a general exemption parents can submit without impacting the student's graduation and no sooner than the 2022-23 academic year.
- **Provide \$2 million in funding to ESCs to deliver professional development** opportunities and support for high school counselors to update their preparation relative to college and career readiness. High school counselors are in the unique position to lead the efforts around student college and career readiness and need the skills and tools to help more families and students complete the FAFSA. And, we know that such investments bear fruit: in Brookville, counselors participated in seminars and the completion rate went from 57% to 96% the next year.
- **Provide financial incentives** to districts that increase their completion rates by 5% or more, with a FAFSA22 effort funded with \$2.5 million.
- **Support districts** with best practices for increasing completion and timely data for use in targeting completion efforts.
- **Declare an annual FAFSA completion day.**
- **Require reporting and distribution** of FAFSA completion rates to superintendents and on school report cards.
- **Create a statewide entity** charged with working long-term to increase completion rates.
- **Change the ratio** to one high school counselor for every 250 students.



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Philanthropy Ohio is an association of foundations, corporate giving programs, individuals and organizations actively involved in philanthropy in Ohio. Its mission is to lead and equip Ohio philanthropy to be effective, powerful change agents in our communities. It provides the network, tools and knowledge to help people engaged in philanthropy become more effective, powerful change agents in their communities. Together, its more than 220 members hold over \$50 billion in as-sets and provide over \$4 billion in grants to nonprofit organizations that work to improve the lives of community residents.