

Testimony to the U.S. Senate Committee on Health, Education, Labor and Pensions

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Chairman Alexander, Senator Murray, members of the committee, thank you for the opportunity to speak with you today. The Colorado Community College System (CCCS) is the state's largest provider of higher education and career training in the state of Colorado, serving approximately 138,000 students annually at 13 colleges and 39 locations across Colorado. Despite being by far the most affordable public higher education option in the state, many of our students struggle to pay for college.

FAFSA's role in college enrollment and access

Approximately 40% of our students receive some form of financial aid in order to finance their post-secondary education, and, as you know, the Free Application for Federal Student Aid (FAFSA) must be completed in order to receive aid. In Colorado, the FAFSA is also used to establish eligibility for both state and institutional aid.

Completion of the FAFSA often determines whether a prospective student attends college and subsequently stays enrolled. Altogether, our students received \$211.1 million in federal financial aid (43% of which was Pell grants) and \$38.3 million in state financial aid in academic year 2016-17, all of which relied on filling out the FAFSA.

Unfortunately, completing the current FAFSA is a difficult and daunting task for many of our students, particularly for first-generation college students who comprise 54% of our

students. We therefore commend the committee for focusing on this critical element of college attainment.

In Colorado, 74% of all new jobs will require some form of post-secondary degree or certificate by 2020 according to the Center for Education and Workforce at Georgetown University. If a student does not go to college, he or she will have difficulty being successful in this increasingly complex, global economy and the shortage of skilled labor will continue to rise. Reducing the complexity of the FAFSA will help remove a barrier that precludes access to higher education. Some progress has been made in this regard through adoption of the prior-year tax information, the earlier FAFSA launch, and the IRS data retrieval tool, but more remains to be done.

Community colleges persistently have the lowest FAFSA application completion rate of any sector of higher education (see table 1). This is especially troubling given the fact that, overall, community college students and their families have lower incomes than students in any other non-profit sector of higher education. Survey results show that nearly 10% of community college students stated that the FAFSA application was “too much work” as a reason for not completing it (see table 2). A higher percentage of community colleges students (15%) said that the reason why they did not file a FAFSA was due to not having information about how to apply. Overall, the two major, and interrelated, reasons why students did not file a FAFSA were either that they “thought they were ineligible” or that they did not think there was “a need” to apply. And about one-third of the students said that they did not apply because they did not want to take on debt, which means that, in the process, they potentially missed the opportunity to

receive Pell or state grants that are not debt. All of this information highlights the difficulty and misunderstanding surrounding the FAFSA process.

This information indicates that prospective students need more concrete information about their eligibility status for aid, distinguishing between grants and loans, and understanding the costs of college. It is perhaps understandable, if not acceptable, that, for example, an older, working student who is enrolling at a community college to take just a course or two, might think that financial aid is not available to them — they may well be more focused on simply integrating their coursework into their busy lives. At CCCS, we allocate considerable resources towards support services to help our students understand the costs of going to college, beyond tuition and fees, and how to fill out the FAFSA form as a starting point to pay for college.

One of the major challenges faced by our students in completing the FAFSA is the verification process. Our financial aid administrators estimate that they spend 25% of their time annually supporting the current FAFSA and verification process. Some of these activities include:

- Preparing verification forms
- Assisting students in accurately completing verification forms
- Advising students on the acceptable documentation required for verification
- Updating any differences in the FAFSA data
- Once the corrected data is returned by the Federal Processor, an additional review must be made to ensure the student receives the proper amount of aid

In our system, we had 94,169 students submit the FAFSA last year, but only 53,582 actually completed the financial aid process. Of the 94,169 who applied, 37,008 (39.3%) were selected for verification and only 45% of those selected for verification completed the process (16,728 students). The complexity of the form is one of the reasons for the reduced number of students actually receiving aid. Simplification of the FAFSA form and process could make a significant difference in the ability of students to access federal and state aid to pursue their college degree. This experience is similar to one that we have heard from other community colleges across the country.

Therefore, we urge the committee to work to create both a form and related subsequent administrative processes that obviates the need for such widespread verification.

It is important to keep in mind that staff time currently focused on FAFSA support could be re-directed to wrap-around student services that are proven to increase student retention and completion. Community colleges often know strategies that help students succeed, but we currently lack the resources to provide them. Some of these student success strategies that could be attained through repurposed staff time include:

- Additional intensive academic advising, including pathways to success with an individual student's course planning throughout their program. For example, an intentional advising model, called Navigator, was piloted by CCCS. Results showed significant increases in persistence rates for students who met with a Navigator versus students who did not. The program resulted in higher retention rates (up 27 percentage points) and completion rates (up 6-11 percentage points). This program requires significant personnel resources that could be freed up through FAFSA simplification.

- Mentoring throughout a student's education in addition strong focus in their first term.
- Assist in finding solutions for students to resolve temporary roadblocks that would otherwise result in permanent educational goal derailment. This could include referrals for resources such as tutoring or financial emergencies.
- More robust financial literacy programs to assist in student loan debt management.
- Programs to assist in the scholarship application processes to reduce student debt.
- Pre-college outreach and preparation for high school and middle school students to assist the families in making college expenses affordable.

Conclusion

Thank you for the opportunity to present these views on this critical topic. We need every potential community college student to have an accessible and transparent way to receive federal student financial aid. There is no simple solution to making this happen, but progress is clearly being made and reauthorization of the Higher Education Act opens the prospect for more progress. I would be happy to answer any questions that you may have.

Table 1: FAFSA Application by Sector

FAFSA Applications by Sector*						
	2003-04	2007-08	2011-12	Change from 2003-04 to 2007-08	Change from 2007-08 to 2011-12	Change from 2003-04 to 2011-12
All	58.3%	58.5%	70.1%	0.2%	11.6%	11.8%
Community Colleges	44.5%	43.0%	62.0%	-1.5%	19.0%	17.5%
Difference between all and cc	13.8%	15.5%	8.1%			
Public primarily non-baccalaureate	60.7%	51.3%	72.2%	-9.4%	20.9%	11.5%
Public associate and certificate	44.1%	42.4%	61.0%	-1.7%	18.6%	16.9%

* National Postsecondary Student Assistance Survey (NPSAS). This table shows that there was a significant increase in the percent of students completing the FAFSA in 2011-12 from previous years, especially in the case of students attending community colleges. Without another NPSAS dataset, it is difficult to determine if the 2011-12 figures were “peak” or a beginning of an upward or a downward trend.

Table 2: Reasons for not applying for federal student aid by select institution categories

Reasons for not applying for federal student aid by select institution categories, 2011-2012*				
	All Institutions	Community Colleges	Public primarily non-baccalaureate	Public associate and certificate
Forms were too much work	9%	9%	9%	9%
No need	43%	39%	32%	40%
Thought ineligible	44%	44%	47%	44%
Did not want to take on the debt	33%	33%	37%	33%
No information about how to apply	13%	15%	12%	15%
* NPSAS - Undergraduates				