



September 16, 2022

Utah State Board of Education  
250 East 500 South  
Salt Lake City, UT 84111

Members of the Utah State Board of Education,

Supporting Utah's growing economy and preparing the workforce of the future will require more Utahns to earn a postsecondary educational credential. In his [One Utah Roadmap](#), Governor Spencer Cox sets the goal of making postsecondary education an expectation for all Utahns.

[Yet only 55% of Utah high school graduates attend any type of postsecondary institution within three years of graduating](#)—a length of time that accounts for high school graduates who serve a religious mission and then enroll. This means nearly half of Utah high school graduates fail to enroll in postsecondary education, among the lowest in the nation. The number one barrier to accessing a postsecondary education is financial—the ability to pay tuition, fees, and living expenses.

Financial aid makes education after high school more affordable—but the first step to access financial aid is completing the Free Application for Federal Student Aid (FAFSA). The FAFSA is the gateway to multiple types of financial aid, including Pell grants (money that doesn't need to be paid back), work-study opportunities (working on campus while earning money toward tuition and fees), and state scholarships (as of 2020, all Utah state sponsored scholarships require a FAFSA completion). FAFSA completion is strongly correlated with postsecondary enrollment: [nationally, 84% of high school seniors who completed the FAFSA subsequently enrolled in college](#).

Each year, Utah high school students leave around [\\$28 million in unclaimed Pell grants on the table](#)—again, this is grant aid that would not need to be paid back—which could have helped these students afford and pursue a postsecondary education. Pell grants are funded by tax dollars that Utahns have already paid to the federal government. As 49 other states in the nation complete the FAFSA at higher rates than Utah, these tax dollars are supporting students in other states to go to college—not Utah students.

In addition, the [Utah State Board of Education's Portrait of a Graduate](#) supports students in developing such characteristics as critical thinking and problem solving, and civic, financial, and economic literacy. Filling out the FAFSA empowers students to use their critical thinking

and financial literacy skills developed during their K-12 experience to make their own fully-informed choice about their future. Completing the FAFSA does not mandate that students accept financial aid; instead, it shows students the educational opportunities in front of them and open doors for them to choose their own path.

The Utah Board of Higher Education values ongoing partnerships with the Utah State Board of Education, such as concurrent enrollment and high school credit for technical college courses, both of which are available at minimal costs to students and their high schools. Another key partnership is the Utah College Advising Corps, which has expanded to over 60 high schools and counting. These college access advisors support high school counselors in advising students on postsecondary education opportunities, scholarships, financial aid—including FAFSA—and college applications.

We respectfully request that the Utah State Board of Education reconsider the business case which came before them on September 9, 2022, to create a pilot program incentivizing LEAs to increase FAFSA completion and reduce the biggest barrier to postsecondary education. The Board of Higher Education looks forward to continued, deliberate, creative, and meaningful collaboration with the Utah State Board of Education to support all of Utah’s students in their transition from high school to postsecondary education—whatever that journey looks like for them.

Signed,

The Utah Board of Higher Education

Lisa Michele Church, Chair

Jessellie Anderson, Vice Chair

Grace Acosta

Stan Albrecht

Julie Beck

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Scott Theurer

Richard Wheeler

Xitlalli Villanueva

## Agency: UTAH STATE BOARD OF EDUCATION

### Program or Request Title: FAFSA Completion Incentive System for LEAs

**Summary of Request:** (briefly articulate the need for the policy change or funding request and the anticipated outcomes)

### What is the nature of your request?

Select one:

- POLICY REQUEST – You are seeking changes to Utah State Code to improve your program/services.
- BUSINESS CASE – You are seeking new or additional financial resources to support a program/service for education.
- BOTH POLICY and BUSINESS – You are proposing a new program or expansion of an existing program that will require new/amended state code and financial resources.

Questions? Please contact:

Dale Frost ([dale.frost@schools.utah.gov](mailto:dale.frost@schools.utah.gov)) for questions related to a business case/funding request and

Angie Stallings ([angie.stallings@schools.utah.gov](mailto:angie.stallings@schools.utah.gov)) for questions related to a policy request.

### USBE Lead Point of Contact:

**Name:** Nathan Auck

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**USBE Section:** Teaching and Learning

### Additional USBE points of contact (as needed):

**Name:** Bethany Marker

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**USBE Section:** Student Supports

If you are already working with a policymaker or member of USBE leadership on this request, identify them below:

## POLICY REQUEST

*This section only needs to be completed if you are making a policy request (creating or changing existing Utah Code language).*

**1. Section(s) of State Code to be addressed (if none, insert “N/A”):**

N/A

**2. Describe the issues or concerns the legislation will address:**

The pandemic has exacerbated college affordability challenges for Utahns, as young adults and students were more likely than other workers to become unemployed and face obstacles such as housing or childcare insecurity. Given these financial barriers, all available forms of financial aid are crucial tools to support credential attainment for students and their families.

Financial aid and scholarships make education after high school more affordable – but first, students must apply by filing the Free Application for Federal Student Aid (FAFSA) to be eligible for almost all these options. Each year, Utah high school students leave around \$40 million in unclaimed financial aid on the table—this is grant aid that would not need to be paid back. This money could significantly assist them in pursuing a postsecondary education and/or certification.

FAFSA completion is strongly associated with postsecondary enrollment: nationally, 84% of seniors who completed the FAFSA, enrolled in college the following fall. Additionally, postsecondary education is associated with all manner of positive outcomes, including financial, health, and civic, among others, which is why Utah Governor Cox’s One Utah Roadmap sets the goal of making postsecondary education an expectation for all Utahns.

**3. Describe the history of the issues or concerns including relevant context and timelines:**

Despite the importance of FAFSA completion, [Utah ranks last or second-to-last in the nation for FAFSA completion](#), depriving many of our students of the financial aid necessary to access postsecondary education. Additionally, completing the FAFSA application in no way mandates that a student accept the scholarships, grants and/or loans that they become eligible for. It just helps each student understand the financial picture their family will need to engage with associated with their college and career aspirations.

As FAFSA completion efforts encompass the high school to college transition, the higher education system and the K-12 system are responsible for this effort. Both systems should be working together to increase FAFSA completion. The proposed program would effectively combine the structure and funding that USBE can provide with the know-how and training that USHE can provide, to ensure both agencies are collaborating on this crucial issue, and to positively impacting the ability of Utahns to afford postsecondary education.

**4. What are the suggested legislative solutions? Include code references and suggested language where possible:**

This legislation proposes to establish a pilot program that will reward LEAs for increases in FAFSA completion numbers overall and for specific student group increases. The request is for \$1.5 million in one-time funding, which would be spent over two years. This would allow for the establishment of a baseline and engage all LEAs that serve high school seniors in related efforts. This performance-based model is similar to programs other states have implemented—including Texas—which have proven to be remarkably successful in increasing FAFSA completion numbers in their state.

The program would also require a close partnership with the Utah System of Higher Education, who would provide training, data, and support for LEAs as they embark on this effort.

**5. What data needs to be collected to support this potential legislation? Include whether this data is currently collected and available:**

USHE and USBE would continue to partner on data-gathering and sharing. Currently, both agencies are working on a shared dashboard, accessible to LEAs, that shows the rate of FAFSA completions in real time. This would be used to determine the amount of funding each LEA would earn based on increases to FAFSA completion. USHE is willing and able to support the data component of this request.

# BUSINESS CASE

*This section only needs to be completed if you are seeking new or additional funding.*

**1. Amount Requested:**

Funding Source	Amount (\$)
FY 2023 one-time funding	\$0
FY 2024 one-time funding	\$1,500,000
FY 2024 ongoing funding	\$0
<b>TOTAL funding requested</b>	<b>\$1,500,000</b>

**2. Describe how the business case supports the goals and metrics of the [USB E Strategic Plan](#).**

The USB E Vision for statewide education includes the statement that “all Utah students are prepared to succeed and lead”. In order for most students to be able to access various post-secondary education options, completing the FAFSA is a necessary step. The proposed program would incentivize LEAs in creating coherent systemic structures, leveraging the many resources that they already have at their disposal, to support all students in understanding FAFSA’s importance to their future.

The USB E Equity definition also refers to providing “equitable resources including funding, programs, policies, initiatives and supports that recognize each student’s unique background and school context to guarantee that all students have access to high-quality education. With Utah ranking so low in the nation related to FAFSA completion rates, this program offers LEAs an incentive to find the local solutions their community requires in accessing post-secondary education.

**3. Identify how the business case aligns with specific action steps within Strategic Priority #2 (Education innovation and investment) of the [One Utah Roadmap](#).**

This business case aligns directly with two of the action steps within the Strategic Priority 2: Education Innovation and Investment. The first action is under “Equity – Provide every child with equitable opportunities and resources.” This funding will assist in the increased efforts around FAFSA completion that will provide the equitable access to federal, state, and institutional aid for Utah students they access postsecondary education. The second action this business case applies to is the goal around

“Attainment – Make post-secondary education the norm for every Utahn.” The FAFSA is the gateway to accessing all types of aid and scholarships for Utahns. If postsecondary education is the norm here in Utah, then filing the FAFSA should be normalized as well.

**4. Explain how the business case advances the Board’s mission of “creating equitable conditions for student success: advocating for necessary resources, developing policy, and providing effective oversight and support.”**

The FAFSA is the primary gateway for all Utah students to access all types of aid for post-secondary education, including federal aid (grants, work-study, student loans), state aid (scholarships, grants, etc.), institutional aid (scholarships, grants, etc.), and some private scholarships that require the FAFSA to be completed.

In addition, the proposed pilot program model rewards LEAs for increasing FAFSA completion for all seniors, with an additional weight on underrepresented students. This will help incent LEAs to support FAFSA completion for students who benefit the most from filling out the FAFSA, including those who would be first-generation college students and students experiencing socioeconomic disadvantage.

**5. Which populations or geographic areas will benefit most from this request? What safeguards will be implemented to prevent inequities or other unintended distributional consequences as it relates to this request?**

The communities that will benefit most from this business case are those that support their students most effectively in completing the FAFSA. The FAFSA is not just necessary for students experiencing socioeconomic disadvantage. It’s also part of the application process for many scholarships (including both the Utah Promise and the Utah Opportunity Scholarship).

The incentive is predicated upon the notion that those LEAs who do the most FAFSA outreach and completion per number of students enrolled in the school will be most highly rewarded. The students who will benefit the most will be underrepresented students, including those who would be first in their families to attend postsecondary education as well as students experiencing economic disadvantage.

**6. Which stakeholders have you engaged and coordinated with during the development of this request?**

The Utah System of Higher Education has been a key collaborator in this business case. They have assisted in providing information, ideas, statistics, and resources into this

case as it pertains to accomplishing the goals in their strategic plan and in accordance to the goals of their board members.

**7. Summarize the current budget for the project or program that is being funded. If this is a new project or program, summarize resources that are available for like-objectives within USBE.**

The vision for this incentive would be to create a pilot with a limited number of LEAs during the first year (23/24 if passed into law). These LEAs would be identified by the establishment of performance metrics relating to overall FAFSA completion, FAFSA completion growth year-over-year and representative student group completion of FAFSA (for senior-year students in an LEA only). LEAs that attain funding in the first year would automatically be eligible for funding in the second year of the pilot and there would be another opportunity for other LEAs to qualify (based on similar performance metrics) for the second year's funding.

Outcome data related to this pilot would be brought before the USBE in order to determine subsequent steps, with the possibility of an ongoing appropriation to support this work.

**8. What problems would be solved with the additional funding? (Provide details and sources on any research or analysis that supports the evidence-basis for this request or the associated program such as a cost benefit analysis, program evaluation, results from a pilot program, etc.)**

There are many barriers that are encountered when it comes to high school completion of the FAFSA. Nationwide, Utah tends to be [second to last in FAFSA completion](#) for high school students year after year. Because of the COVID pandemic, there has been a significant decrease in FAFSA completion both nationwide and statewide. Utah had a roughly [4% decrease in filing between the class of 2020 and the class of 2021](#). Despite a modest increase in FAFSA completions for the class of 2022, Utah still is not back to pre-pandemic levels. This adds up to tens of millions of dollars of free aid for college—aid that does not need to be paid back—that students are leaving on the table, unclaimed. Rewarding LEAs for focusing on increased FAFSA completions would help focus resources and attention between both the USHE and USBE systems to address this significant barrier to postsecondary access and affordability. Each agency can only do so much alone; but together, we can make significant progress on this stubborn problem.



9. Provide an itemized budget, including revenue and expenditure sources, for how the funding will be utilized.

**Funding Source(s):**

Program Name		
Cost Category	FY 2023	FY 2024
Personnel Services	\$	\$
Travel/In State	\$	\$
Travel/Out State	\$	\$
Current Expenses	\$	\$
Data Processing Current Expenses	\$	\$
Data Processing Capital Outlay	\$	\$
Capital Outlay	\$	\$
Other Charges/Pass Through	\$	\$1,500,000
Transfers	\$	\$
Other	\$	\$
<b>Total</b>	\$	\$1,500,000 (one-time)

USBE FTEs	FY 2023	FY 2024
USBE FTEs	0	0

10. To what extent is this request scalable? Articulate the impacts if lower funding amounts were provided for this request.

The current model is already scaled down below levels that Texas has found success with. It would be challenging to administer this program and justify the FTE costs USBE and USHE would incur were the funding to be lower.

The timeframe of the pilot could be scaled to a single year, though the ability to demonstrate substantial statewide progress in a single year would be extremely challenging.

11. What has been done or considered to address this problem with existing resources, instead of requesting additional state funding?

The Utah legislature has added a FAFSA completion requirement for all state-funded scholarships (with opt-out options). This has been instrumental in increasing awareness of the importance of FAFSA completion but, as seen by Utah's dismal FAFSA completion numbers, that has not been enough.

USHE supports the training and coordination of FAFSA Completion Open Houses/FAFSA Nights statewide. These open house events allow an opportunity for high schools to host a space for students and parents to complete the FAFSA with support from volunteers and school staff. Last year, USHE provided training to over 300 high school counselors and advisors on FAFSA support and updates.

The Utah College Advising Corps (UCAC) plays a significant role in supporting high school seniors on the path to college, including helping with FAFSA completion and financial aid options. While not all Utah high schools have a UCAC adviser currently, USHE is focused on bringing this much-needed resource to high schools to support high school seniors on the path to college and help alleviate the burden of high school counselors. Over 80 high schools in the state will have a UCAC advisor in the 2022-23 school year, with further expansion expected the subsequent year.

Another program USHE runs is the FAFSA Cup, which gives high schools an opportunity to win a \$1,000 grant, lunch with their team, and a trophy. The FAFSA Cup is a holistic review of the applications that takes into account more than just FAFSA completion percentage, such as essay answers, resources used and other items. This contest is available to all schools but USHE receives 10-15 applicants each year.

**12. Are there any future funding obligations (operations and maintenance, multi-year scale up, etc.) created by this request? What are the long-term funding or policy needs for this project or program outside the current budget window of two years? How should the state prepare to address these longer-term needs?**

This request would be a two-year pilot that would be administered in the 23/24 and 24/25 school years, were it to be passed in its current form. See above for details.

**13. What value will these additional resources create for Utah and how will this value be measured? List the performance measure(s) that will be used to track outcomes for this business case.**

Performance measures include:

- FAFSA completion increases overall by LEA
- FAFSA completion increases overall across the state
- FAFSA completion increases for underrepresented student populations by LEA

- Postsecondary enrollment increases by LEA, three years post high school graduation

The value of these additional resources will assist our high schools in their efforts towards FAFSA completion. Since Utah is the second to last state in FAFSA completion every year, these efforts will help the students of Utah open the door to the aid and scholarship opportunities that are available in our state, in our institutions, and from the federal government through Title IV aid. This will better equip our students to afford their higher education especially those who come from underrepresented communities and families. This will also label FAFSA as an important resource in our high schools to prepare their students for post-graduation.

We would track performance by reviewing FAFSA numbers that are provided from Federal Student Aid and the Department of Education. We can review the FAFSA data from years past to see if the completion rates are increasing. What's nice about this program is that we are providing those funds to the schools who are having increased completion based on the past and so we will see that increase in real time.

**14. Is this request related to an effort to streamline, modernize, or innovate state government? If so, describe how this request furthers those efforts.**

No.