Increasing FAFSA Completion: NYCHA

A series of communications do not change FAFSA completion rates

Target a Priority Outcome Part of the U.S. Department of Housing and Urban Development's (HUD) mission is to utilize housing as a platform for improving residents' quality of life, including by increasing educational opportunity. Completing the Free Application for Federal Student Aid (FAFSA) is the first step to accessing Federal and other forms of aid for post-secondary education. HUD partnered with the Office of Evaluation Sciences (OES) in 2017 to design and evaluate a set of communications which encouraged youth residing in New York City Housing Authority (NYCHA) public housing to complete the FAFSA.

Translate Evidence-Based Insights There are several reasons why people do not fill out the FAFSA, including lacking general knowledge about the financial aid process, having difficulty with the complexity of the FAFSA, not having access to parental financial information, not having easy access to the FAFSA, and procrastination. There is evidence to suggest providing information and reminders can improve completion of tasks related to the financial aid process.[1]

HUD and OES designed a bundle of communications to address the basic informational gap that may exist. The bundle of communications included a series of four mailings, a robocall, and a series of three emails (for households with an email address on file). Each message was behaviorally informed to address a specific barrier: individual communications targeted misconceptions about out of pocket costs, combated other common myths with statements of fact, provided social comparisons, and described the process in two simple steps.

Embed Tests The evidence-based insight was tested with an individual level randomized control trial. Randomization was conducted at the household level.[2] Randomization was blocked by housing development, whether or not the household had an email address on file, and whether or not the household was in the top five percent of household income. Half of the 39,484 unique public housing households – with 50,934 unique individuals between 17 and 24 years of age – were assigned to treatment and the rest were assigned to control.

All 17-24 year old residents in households assigned to treatment were sent the full bundle of communications between February and April 2017.[3] Residents in households selected for the control group were not sent any materials from NYCHA related to post-secondary education.

Analyze Using Existing Data The main outcome of interest is FAFSA completion in the 2017 academic year. Secondary outcomes include FAFSA completion in the 2018 academic year and post-secondary enrollment in both years.[4] Outcome data are collected by

[1] Castleman, Ben, and Lindsay Page. 2015. "Beyond FAFSA completion." *Change: The Magazine of Higher Learning* 47, no. 1: 28-35; Castleman, Benjamin L., and Lindsay C. Page. 2016. "Freshman year financial aid nudges: An experiment to increase FAFSA renewal and college persistence." *Journal of Human Resources* 51, no. 2: 389-415; Bird, Kelli A., Benjamin L. Castleman, Joshua Goodman, and Cait Lamberton. 2017. "Nudging at a national scale: Experimental evidence from a FAFSA completion campaign." EdPolicy Works Working Paper Series No. 54.

[2] Because phone numbers and email addresses are provided for households, it would be difficult to ensure the messages went to only one individual in the household if individuals were the unit of assignment.

[3] Only households with an email address were sent the three emails.

[4] The 2017 academic year refers to the period that covers the fall 2017 and spring 2018 semesters. Note that the 2018

Table 1: Estimated Effects

	FAFSA		*Enrollment*	
	2017	2018	2017	2018
Estimate (std err)	0.008 (0.009)	0.005 (0.008)	0.008 (0.008)	0.008 (0.007)
95% CI	[-0.009, 0.024]	[-0.009, 0.020]	[-0.008, 0.025]	[-0.006, 0.0023]

the U.S. Department of Education (ED) in the Enterprise Data Warehouse & Analytics system. HUD provided ED with a file that included individual level data with identifying information to be matched to outcome data. ED performed the match, analyzed the individual-level data, and reported results.[5] In addition to estimates of the average treatment effect, ED estimated subgroup effects by age, gender, and whether or not the household had an email address on file.

Results The results suggest the communications did not change FAFSA completion or post-secondary enrollment rates. Table 1 shows the estimated average effect of the communications. The treatment group completed the 2017 FAFSA at 42.2 percent, which was 0.8 percentage point higher than the control group (p=0.36, 95% CI [-0.9, 2.4]). The rate of FAFSA completion for the treatment group in 2018 was 33.1 percent, a decrease of 0.2 percentage point from the control group (p=0.82, 95% CI [-1.6, 1.3]). Neither difference is statistically different from zero.

The post-secondary enrollment rate among the treatment group in 2017 was 39.4 percent, an increase of 0.8 percentage point over the control group (p=0.33, 95% CI[-0.8, 2.5]). The enrollment rate for the treatment group in 2018 was 28.8 percent, also an increase of 0.8 percentage point over the control group (p=0.26, 95% CI [-0.6, 2.3]). Neither difference is statistically different from zero.

An exploratory analysis of subgroup effects revealed no differences in the effectiveness of the treatment by age or gender. There was suggestive evidence that the treatment was relatively more effective among households without an email address on file. The treatment effect on FAFSA completion in 2017 was 3.7 percentage points higher in the no-email group versus the email group (p=0.03, 95% CI [-6.9, -0.4]). Similar sized differences were also found for FAFSA completion in 2018 and enrollment in both years. On one hand, it is surprising that the intervention was less successful in households with email addresses because households with an email were sent three additional communications, and the emails had embedded links that could make it easier for people to access relevant online FAFSA sites. On the other hand, households without email addresses likely are different in important ways from houses with email addresses – especially if having an email address is closely related to having Internet access. One possible explanation for the treatment being more effective among households without email addresses is that residents in those

academic year is in progress, so the results are dynamic and can change as student complete the FAFSA for spring enrollment, for example.

[5] To comply with the Family Educational Rights and Privacy Act (FERPA), ED is unable to provide HUD or OES with individual-level data. ED provided HUD and OES with tables of aggregate counts to serve as a consistency check. The consistency check confirmed the results reported in this abstract.

households face larger informational barriers. They may not have easy online access to information about financial aid, and they may not be targeted by other email-based educational information. The information in the communications could be novel and helpful in a way that it is not for households that have email addresses.

Build Evidence This pilot suggests limited effectiveness for communications broadly targeted at young public housing residents. This pilot and the two other FAFSA completion projects completed by HUD and OES have failed to produce significant gains (or decreases) in FAFSA completion. The suggestive evidence of a relatively higher effect among households without email addresses may indicate the need for testing more targeted approaches among subgroups that potentially face barriers that are better addressed by the provision of information.