



# **Improving Access to Federal Financial Assistance for Homeless and Foster Youth**

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## **Student Financial Aid Research Network 2017 Annual Conference**

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## Our Objectives for Study

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- The report addressed three issues:
  - 1) What is known about college enrollment and completion for youth who have been in foster care or who are homeless
  - 2) The extent to which challenges identified by researchers and stakeholders affect the ability of foster and homeless youth to pursue college
  - 3) The extent to which program barriers exist that could hinder these youth from obtaining federal financial assistance for college
- Study requested by Ranking Member, Senate Committee on Health, Education, Labor, and Pensions

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## Our Methodology

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For this study, we:

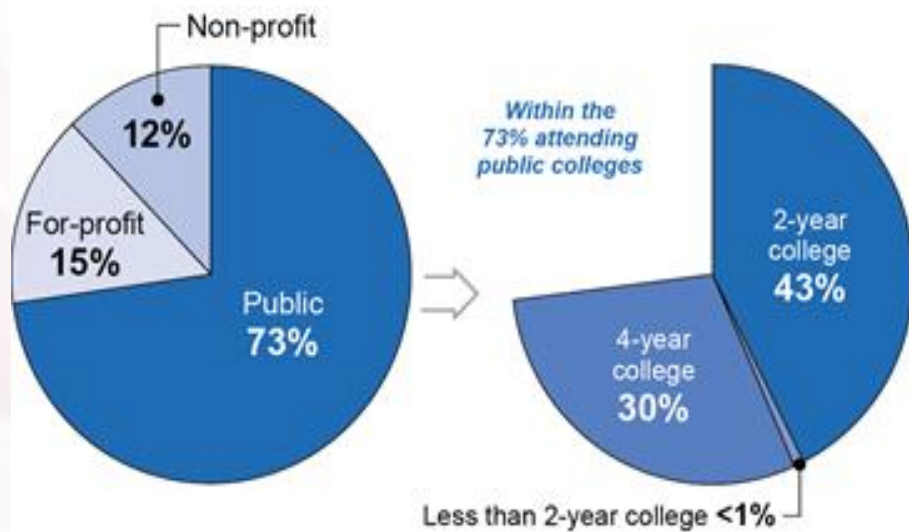
- Analyzed available data from three Education databases
  - Administrative database (COD)
  - Nationally-representative surveys (NPSAS, BPS)
- Reviewed literature on college outcomes for homeless and foster youth
- Interviewed Education and HHS officials, higher education officials in four states, and experts from national organizations
- Held discussion groups with homeless and foster youth
- Reviewed relevant federal laws and policies

# Enrollment Patterns - Foster Youth

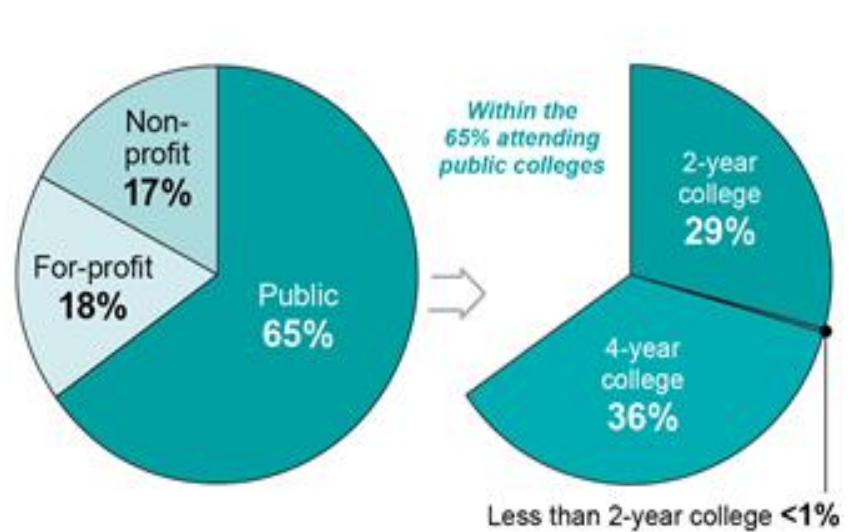
- Foster youth who do attend college enrolled at public 2-year colleges to a greater extent than other students

## Types of Colleges Attended by Foster Youth & All Other Undergraduates, 2013-2014

Foster youth receiving federal student aid



All other students receiving federal student aid

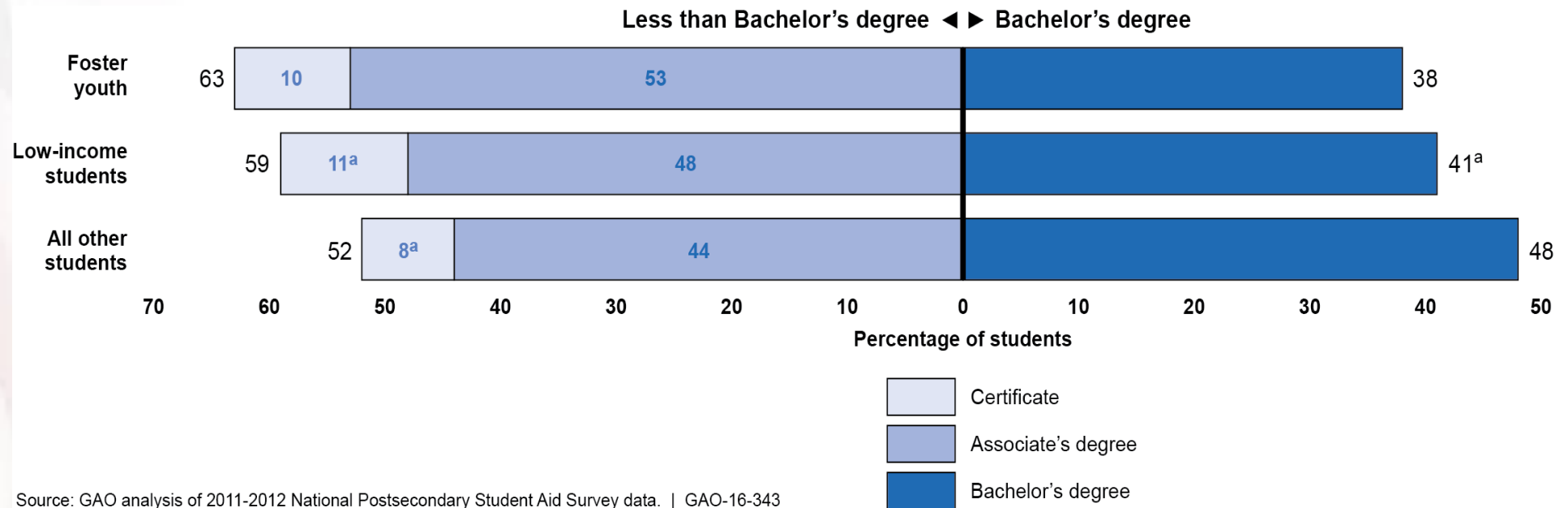


Source: GAO analysis of Common Origination and Disbursement System data. | GAO-16-343

# Enrollment Patterns - Foster Youth

- Foster youth who do attend college primarily enroll in associate's degree programs

## Comparison of Enrollment of Foster Youth and Other Students in College Degree Programs, by Estimated Percent of Students Enrolled, School Year 2011-2012



Source: GAO analysis of 2011-2012 National Postsecondary Student Aid Survey data. | GAO-16-343

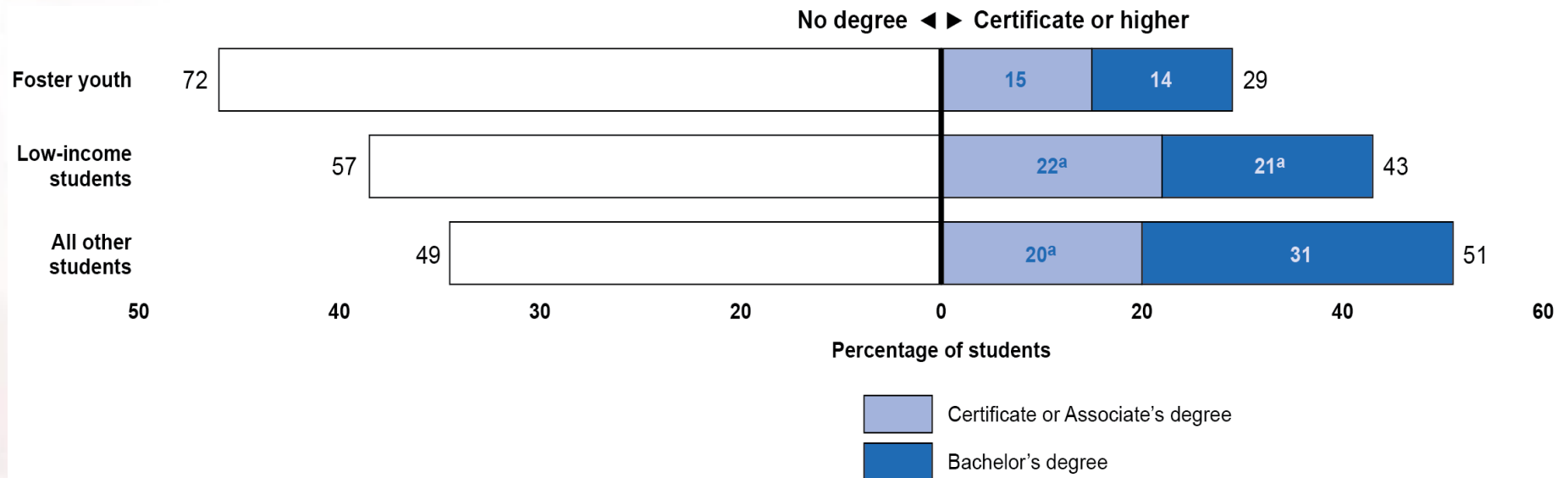
<sup>a</sup>Percentage estimate is not statistically different from the foster youth estimate at the 95 percent confidence level.

Note: All foster youth comparisons are statistically significant at the 95 percent confidence level, unless otherwise noted. Percentage estimates for all populations have margins of error of within +/- 10 percentage points.

# College Completion - Foster Youth

- A lower percentage of foster youth graduated from college compared to all other students

## Comparison of Estimated College Degree Completion Rates within 6 Years of First Enrollment, for Foster Youth and Other Students, as of 2009



Source: GAO analysis of 2008-2009 Beginning Postsecondary Students Longitudinal Study data. | GAO-16-343

<sup>a</sup>Percentage estimate is not statistically different from the foster youth estimate at the 95 percent confidence level.

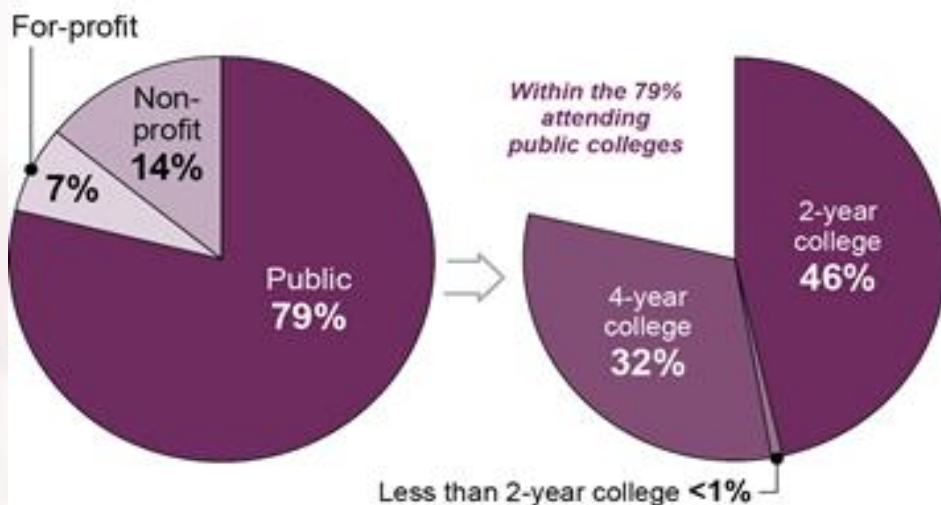
Note: All foster youth comparisons are statistically significant at the 95 percent confidence level, unless otherwise noted. Estimates have margins of error of within +/- 10 percentage points, except the foster youth estimates. Confidence intervals for these estimates are 58-82% for no degree; 7-26% for certificate/associate's degree; and 6-25% for bachelor's degree.

# Enrollment Patterns - Homeless Youth

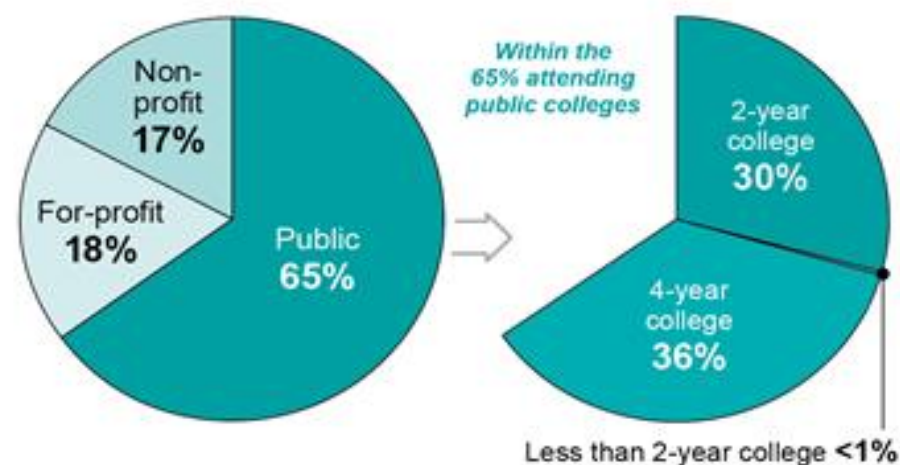
- Unaccompanied homeless youth who do attend college enrolled at public 2-year colleges to a greater extent than other students

## Types of College Attended by Unaccompanied Homeless Youth & All Other Undergraduates, 2013-2014

Unaccompanied homeless youth receiving federal student aid



All other students receiving federal student aid

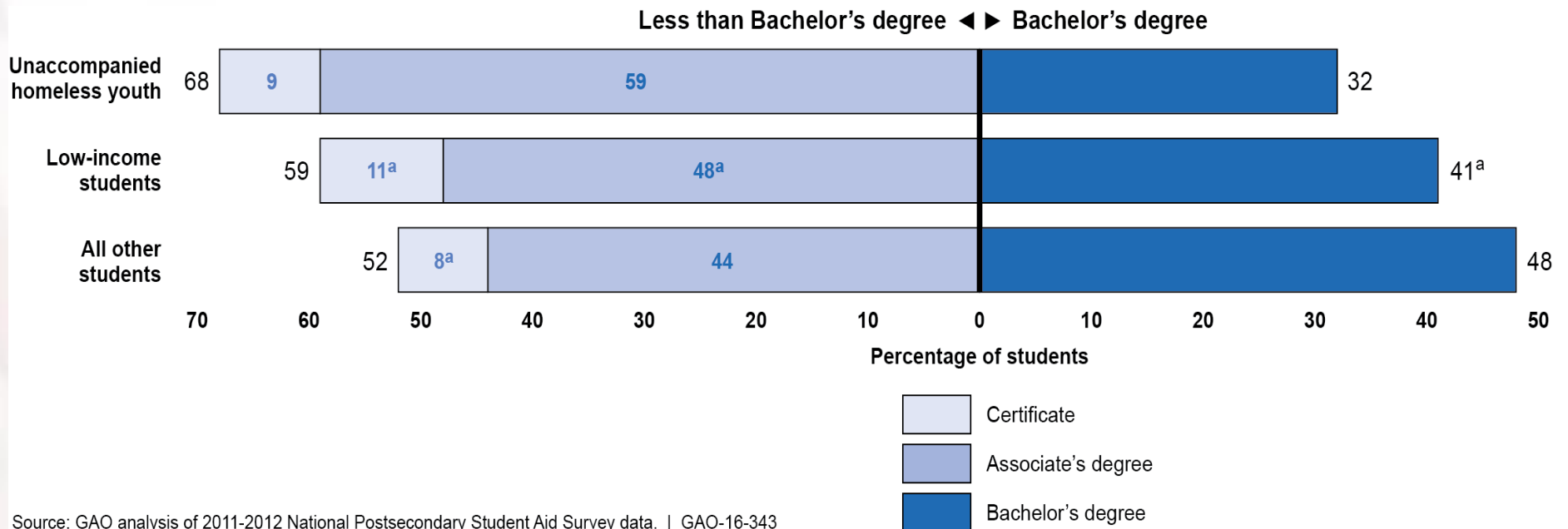


Source: GAO analysis of Common Origination and Disbursement System data. | GAO-16-343

# Enrollment Patterns - Homeless Youth

- Unaccompanied homeless youth who do attend college enrolled in bachelor's degree programs to a lesser extent than other students

## Comparison of Degree Program Enrollment for Unaccompanied Homeless Youth & All Other Students, By Estimated Percent Enrolled, School Year 2011-2012



Source: GAO analysis of 2011-2012 National Postsecondary Student Aid Survey data. | GAO-16-343



## College Completion - Homeless Youth

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- Our literature review found no rigorous studies on the college graduation rates of homeless youth
- Information on homeless youth can be limited because of data collection challenges, such as:
  - Stigma associated with homelessness, and
  - The existence of multiple federal definitions of homelessness
- Beginning this year, Education will have 6 years of data on unaccompanied homeless youth from its BPS survey

## Challenges for Homeless and Foster Youth

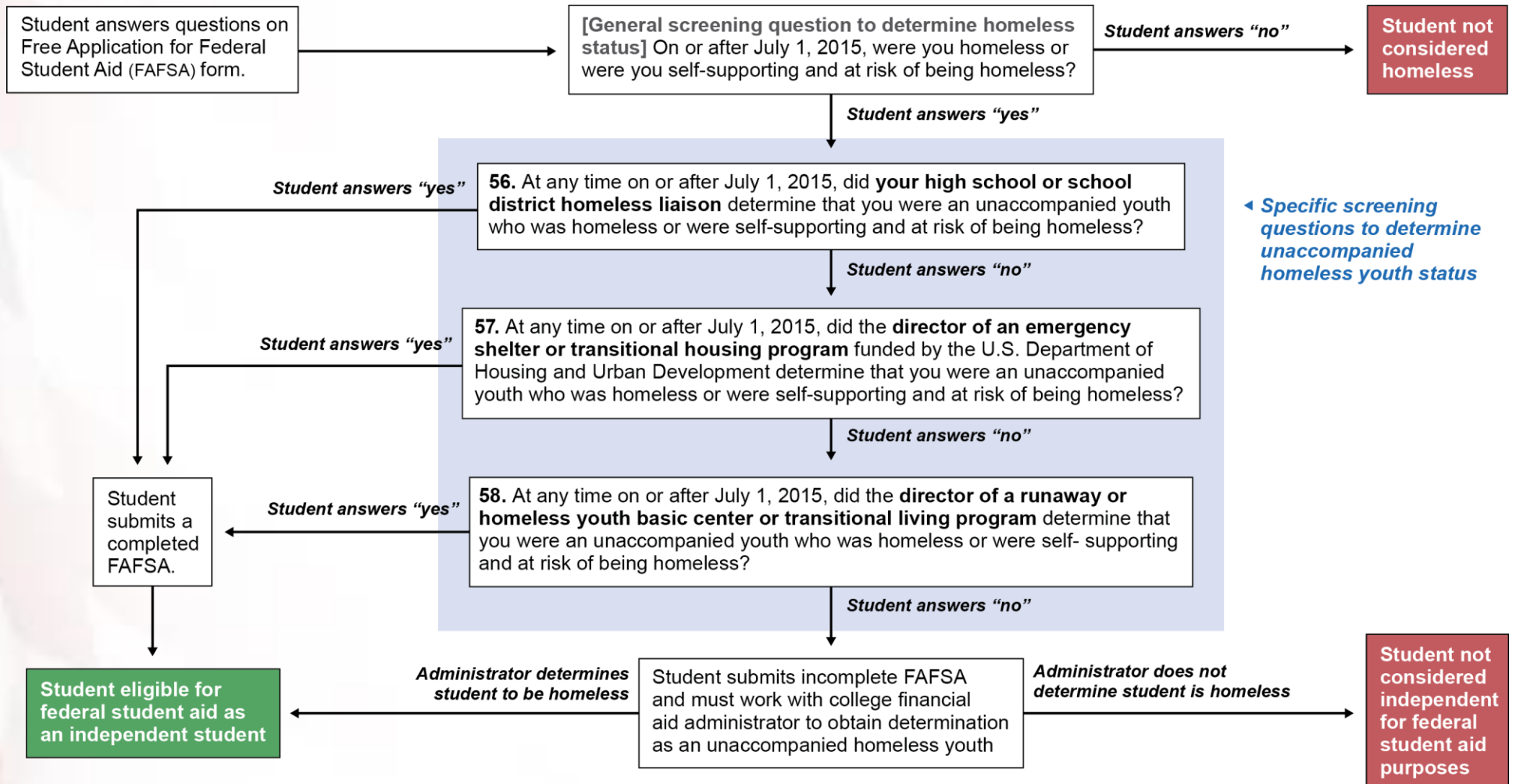
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- Weak academic foundations can hinder ability to attend and succeed in college
  - Student mobility, low grades, remedial college classes
- Limited family and other supports make it difficult for youth to enroll and succeed in college
  - Time, knowledge of school counselors, other professionals
- Financial challenges are exacerbated by youths' limited awareness of federal and other resources
  - Little targeted information on federal websites

## Program Barriers for Unaccompanied Homeless Youth - Federal Student Aid

- Unless foster youth and unaccompanied homeless youth (UHY) are considered financially independent, they must provide financial information from their parents
  - Otherwise, FAFSA application is incomplete and youth will not be eligible for financial aid
- An UHY needs a UHY determination from a federal program official from specific Education, HUD, or HHS programs for independence
- If student does not have a UHY determination from program official, school Financial Aid Administrator (FAA) must determine if youth is UHY and therefore independent

# Program Barriers for Unaccompanied Homeless Youth – Complex Federal Student Aid Process



## Program Barriers for Unaccompanied Homeless Youth - Federal Student Aid

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- According to homelessness organizations and student discussion groups, FAAs
  - Have been reluctant to make UHY determinations
    - Asked personal questions to justify why homeless
    - Have made burdensome documentation requests
- Impact: Missed deadlines, pay upfront, walk away

## Program Barriers for Unaccompanied Homeless Youth - Federal Student Aid

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- Annual re-verification of homelessness can be a barrier to aid:
  - UHY are required by law to verify homelessness each year
  - Conflicting Education information on UHY determinations:
    - Guidance stated program officials can make UHY determinations if youth getting services/in school
    - But agency said officials can make determinations even if youth not getting services or in school
  - More difficult to obtain documentation in subsequent years
- Federal student aid process presents more barriers for homeless youth than for foster youth

## Program Barriers for Foster Youth – Chafee Education and Training Vouchers

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- Chafee Education and Training Vouchers for foster youth have age eligibility rule that may limit participation
  - Vouchers may provide up to \$5K annually for eligible current or former foster youth to help pay for college
  - Two-part rule:
    - Under current law, if receiving a voucher before youth turns 21, can continue through age 22.
    - But if new applicant is age 21 or 22, not eligible.
  - Foster youth often start college when older, may be unable to pay for school

## Recommendations to Agencies

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Made six recommendations to Education and/or HHS to improve homeless and foster youth's access to financial assistance for college, including:

- Studying options for enabling adults to more actively assist these youth with college planning
- Centralizing easily identifiable information on college resources targeted to these youth on Education's website
- Clarifying Education's guidance on whether FAAs should accept UHY determination even if youth not in school/ receiving services
- Making available an optional form for FAAs to use to document UHY status or encourage the use of existing forms



## Recommendations to Agencies, continued

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- Recommended that agencies consider making legislative proposals:
  - Simplify FAFSA application so that student with an initial determination as UHY will not be required to have status re-verified in subsequent years (Education)
  - Allow foster youth to be eligible for the Chafee ETV Voucher until they turn 23 without also requiring that they start using the voucher before they turn 21 (HHS)
- Some actions taken or planned since report issued

## GAO Report and Contacts

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- For more information, see *HIGHER EDUCATION: Actions Needed to Improve Access to Federal Financial Assistance for Homeless and Foster Youth*, GAO-16-343 (Washington, D.C.: May 19, 2016) at <http://www.gao.gov>
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