



FAFSA Filing in Iowa: 2021

To qualify for most college financial aid, students must file the Free Application for Federal Student Aid, or FAFSA.

This report examines trends and equity gaps in Iowa's FAFSA filing rates over four cycles.

EXECUTIVE SUMMARY

Completing the Free Application for Federal Student Aid (FAFSA) is a critical step in the college-going process. At Iowa College Aid, we are focused on increasing the FAFSA filing rate, especially for minority and low-income students. To that end, each year we detail filing rates and trends for public high school seniors, overall and broken down by school and student characteristics. This report examines FAFSAs filed prior to June 1 in the 2018-19 through 2021-22 FAFSA cycles.

We find that a downward trend in filing rates continued in the current cycle, the first cycle for which the application period occurred entirely during the COVID-19 pandemic. Iowa's rates mirror falling rates at the national level. However, Iowa outpaces the nation early in each cycle, potentially increasing Iowans' chances of receiving need-based financial aid.

We also find a relationship between some school and student characteristics and FAFSA filing rates. As the percentage of

White students in a high school increases, the percentage of seniors filing a FAFSA increases. As the percentage of low-socioeconomic students increases, FAFSA filing rates decline.

Filing rates rose among Asian students in the current cycle but fell among all other races/ethnicities. The most dramatic declines were among Hispanic and multiracial students. The gap between males and females has remained steady, approximately 15 percentage points higher for females. Hispanic and Black males have the lowest filing rates—less than half of the rate for the highest-filing demographic, Asian females.

Like filing rates, Iowa's overall number of FAFSAs continues to fall, dropping by 9 percent over the past four cycles. Undergraduate FAFSA filers are less likely to qualify for the Pell grant, suggesting that the composition of FAFSA filers is changing. All these data points together demonstrate the importance of addressing overall FAFSA completion and equity gaps.

INTRODUCTION

The FAFSA opens the door to postsecondary education because it is required for all federal student aid—including Pell grants and student loans—and most state and institutional aid. In Iowa, the FAFSA serves as the application for the Iowa Tuition Grant and the Future Ready Iowa Last-Dollar Scholarship, two programs that make up more than three-quarters of Iowa student financial aid (State of Iowa Budget Appropriations, 2021). Iowa college-intending high school students who file a FAFSA are 37 percentage points less likely to “melt,” or fail to follow through on immediate college plans, than their counterparts who do not file (Oster, 2021).

Because filing the FAFSA is critical to the college-going process, this report examines Iowa FAFSA filing rates

using the most recently available data. Specifically, we analyze FAFSAs filed from October 1 through May 31 for the past four cycles. We pay particular attention to equity gaps between specific subgroups to illustrate that student populations file the FAFSA at different rates and trend in different directions. See the appendix for more information about how we constructed the data for these analyses.

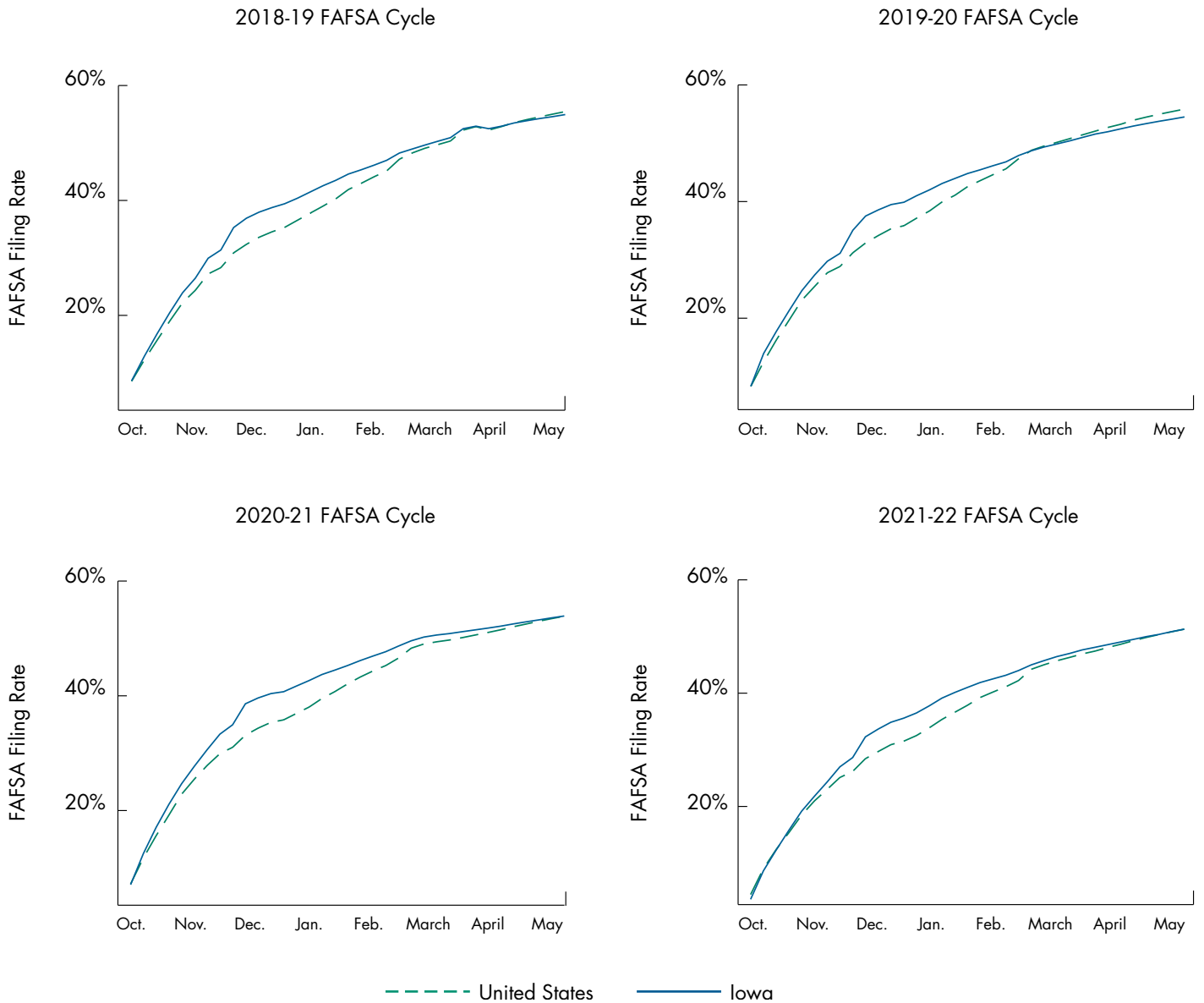
A note about FAFSA cycles: FAFSA cycles are named for the academic year in which aid will be distributed. For example, 2020-21 high school seniors filed FAFSAs for the 2021-22 academic year, so their applications are captured in the 2021-22 FAFSA cycle. Throughout this report, we refer to the “FAFSA cycle” for a given year that describes when the financial aid is expected to be distributed to students.

FAFSA FILING RATES OVER TIME: IOWA VERSUS NATION

We begin our analysis by comparing the Iowa FAFSA filing rate for high school seniors (public and private schools) to the national FAFSA filing rate for high school seniors. Figure 1 illustrates the rates for Iowa and the nation from the 2018-19 FAFSA cycle to the 2021-22 cycle, ending the last week in May (Federal Student Aid, 2021). Each year, Iowa’s rate

exceeds the national rate until March. After March, the national and Iowa rates are about the same. Because some financial aid programs are first come, first served, and others set “priority deadlines” for disbursing aid, Iowa’s higher filing rates during the first five months could represent better access to federal financial aid.

Figure 1. Iowa and National High School FAFSA Filing Rates by Cycle

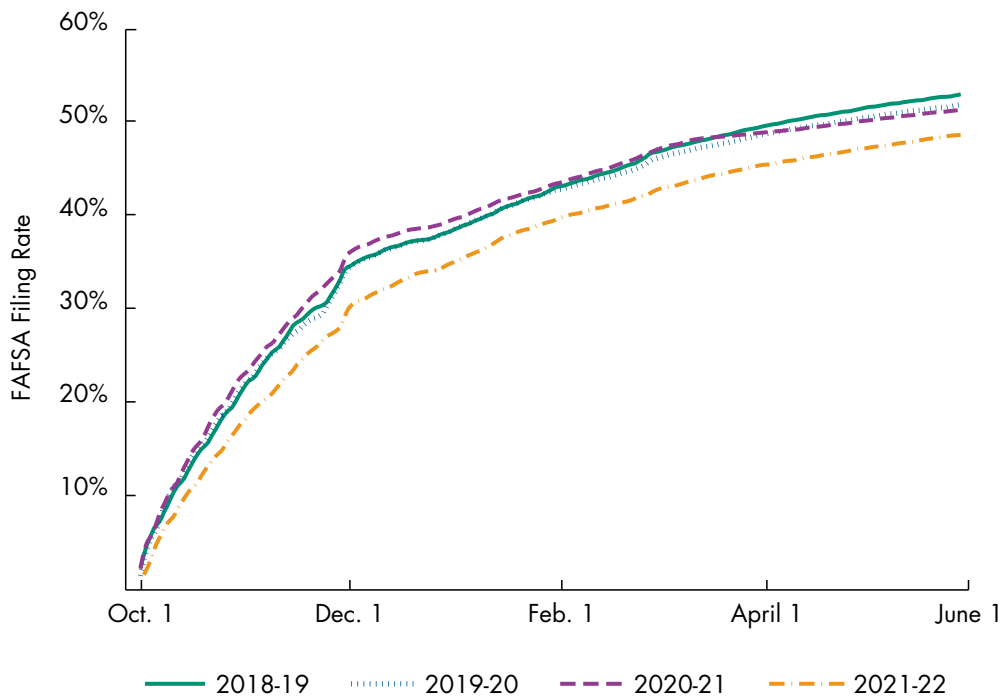


FAFSA FILING RATES BY PUBLIC HIGH SCHOOL CHARACTERISTICS

In this section, we pay special attention to FAFSA filing rates for public high school seniors in Iowa. Over the past few years, Iowa has developed many programs and services to increase these rates. Figure 2 depicts the Iowa rate from October 1 through May 31 in each year. Since the 2018-19 FAFSA cycle, the FAFSA filing rate for public high school seniors has declined, most dramatically in the past year.

As of May 31, the FAFSA filing rate was 49 percent for the current cycle, compared to 51 percent a year earlier. For the current cycle specifically, the rate was always below previous cycles, suggesting difficulties in motivating students to file the FAFSA, likely due to remote schooling and uncertainty around how postsecondary institutions would continue to address the COVID-19 pandemic.

Figure 2. Iowa Public High School Filing Rate by Cycle



Just as the filing rate has dropped, the number of public high school seniors filing a FAFSA has also decreased over the past four cycles (see Figure 3). In the current cycle, 800 fewer

public high school seniors filed a FAFSA by May 31 than in the prior cycle, a decline of 4 percent.

Figure 3. Number of FAFSAs Completed by Public High School Seniors by Cycle

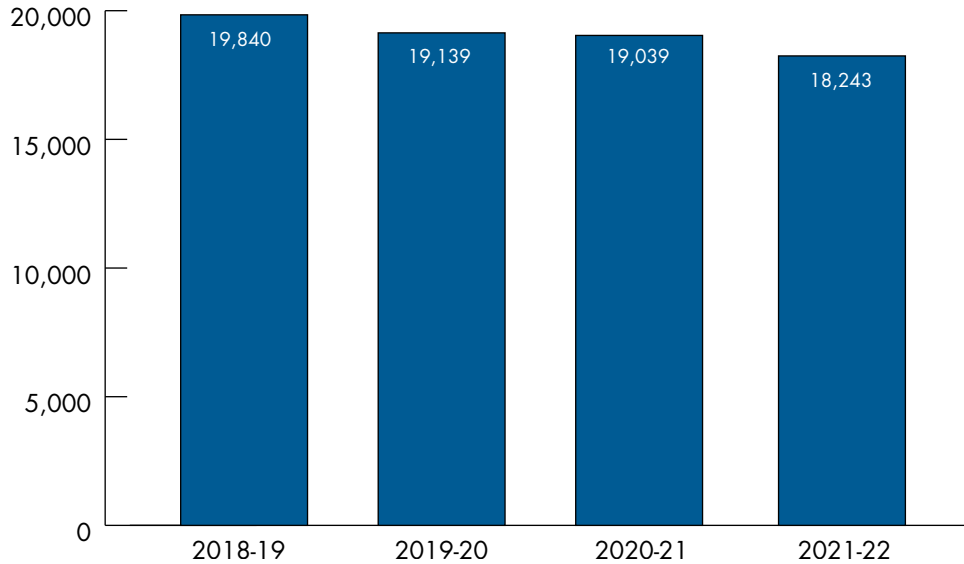


Figure 4 on the next page illustrates the relationship between Iowa schools’ FAFSA completion rates and the share of students within each school who qualify for free and reduced priced lunch (FRPL). FRPL eligibility is used as a proxy for low-income status.

Circle size represents the enrollment size in a school building. The larger the circle, the larger the student population. This figure demonstrates the negative relationship between the two measures: As the share of students who qualify for FRPL increases, the school’s FAFSA completion rate declines.

Figure 5 on the next page displays the FAFSA filing rate

by the percentage of White students in the school building. Again, circle size indicates total enrollment in the school building. Circles bunched on the right side of the graph indicate that many Iowa schools have a high percentage of White students. Overall, the figure demonstrates that schools with a higher share of non-White students have lower FAFSA filing rates than schools with a larger percentage of White students.

Figure 6 on page 6 displays the change in FAFSA filing rates for public high school seniors between the 2020-21 and 2021-22 FAFSA cycles across Iowa counties. Overall, 64 counties experienced a decline in their FAFSA filing rate, 10 had no change, and 25 experienced an increase.

Figure 4. 2021-22 FAFSA Filing Rates by Free and Reduced Priced Lunch Status

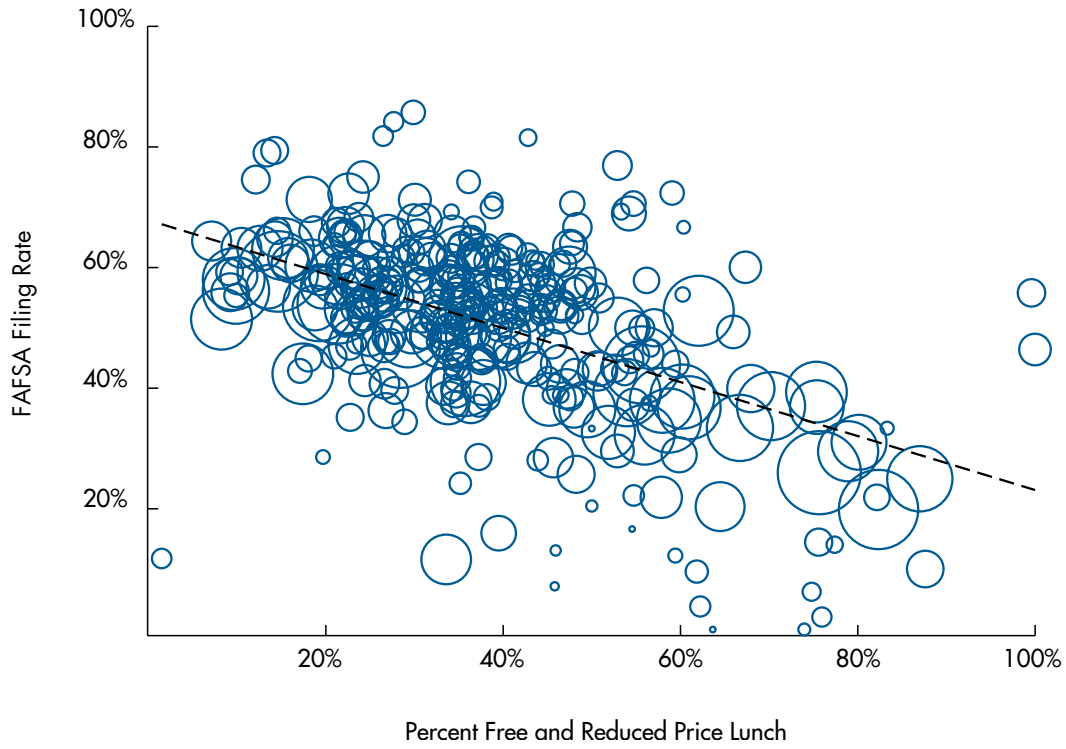


Figure 5. 2021-22 FAFSA Filing Rates by High School Racial Composition

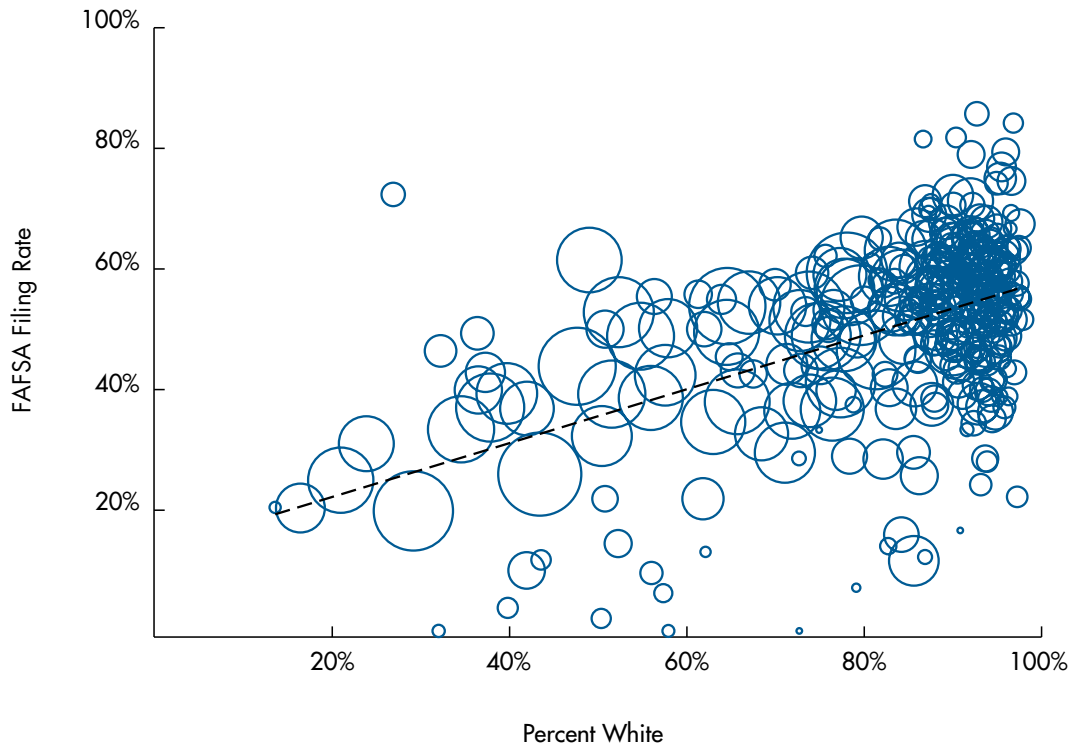
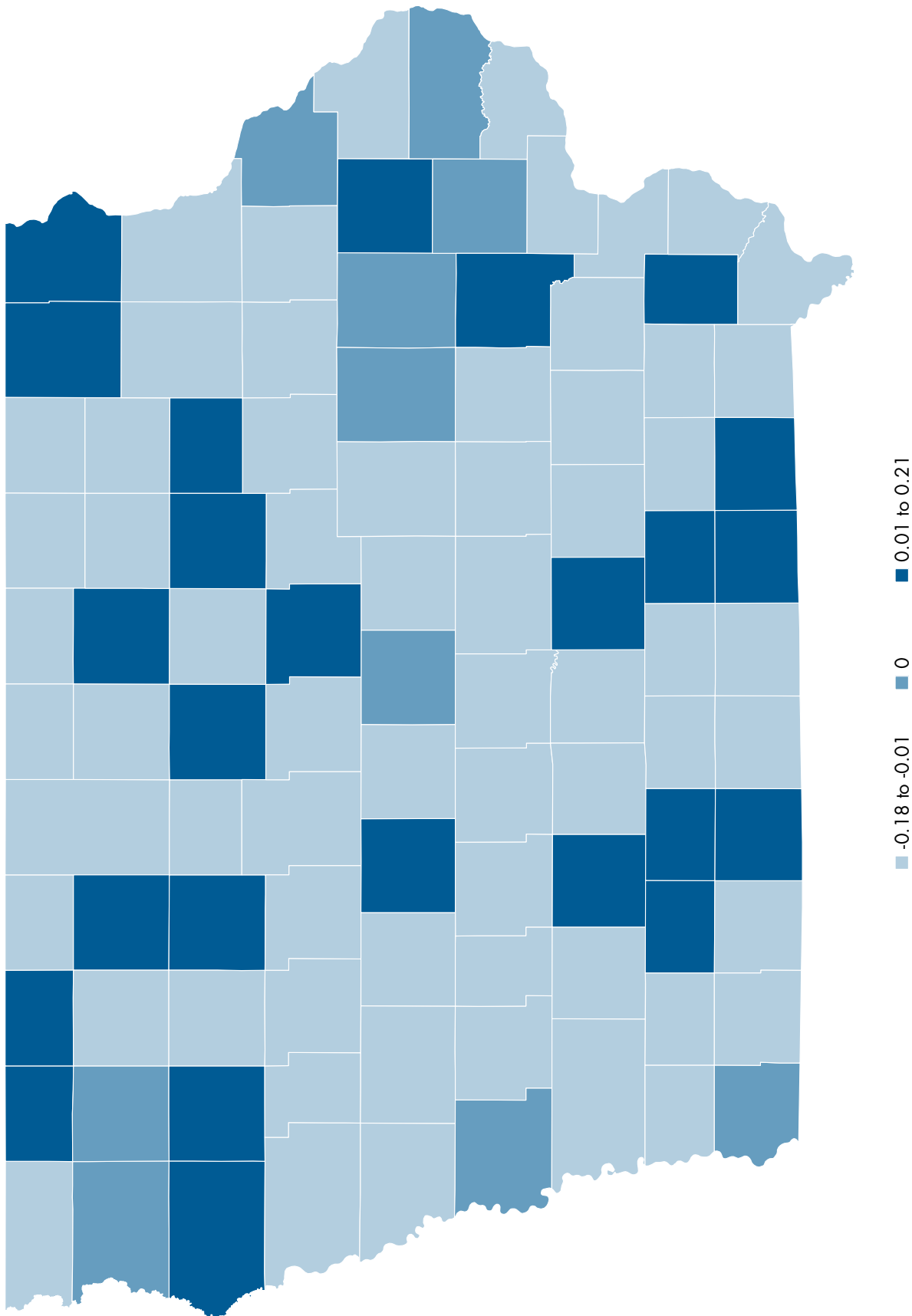


Figure 6. Change in FAFSA Rate from 2020-21 to 2021-22 by County



FAFSA FILING RATES BY HIGH SCHOOL STUDENT CHARACTERISTICS

Figures 7 through 9 on this page and the next illustrate Iowa’s FAFSA filing rates by subgroups of public high school seniors. Figure 7 depicts the percentage of males and females who filed a FAFSA by May 31 in each cycle. A substantially higher proportion of females filed FAFSAs compared to males, about 15 percentage points each year. In the current cycle, 57 percent of females filed FAFSAs, compared to 41 percent of males.

Figure 8 on the next page presents FAFSA filing rates over time by FRPL status. Non-FRPL students file the FAFSA at much higher rates than FRPL students. In the current cycle, 31 percent of FRPL students filed a FAFSA, compared to 59 percent of non-FRPL students, a gap of 28 percentage

points. From last cycle to this cycle, the filing rate for FRPL students decreased 4 percentage points, compared to a drop of 2 percentage points for non-FRPL students, suggesting that COVID-related disruptions in education had a greater effect on FAFSA filing among FRPL students.

Iowa’s FAFSA filing rates for public high school seniors differ considerably by race/ethnicity (see Figure 9 on the next page). White and Asian students consistently have the highest FAFSA filing rates, while Black and Hispanic students have the lowest. Asian students increased their FAFSA filing rate by 3 percentage points this cycle, while all other race/ethnicity subgroups experienced a decline.

Figure 7. 2018-19 Through 2021-22 FAFSA Filing Rates by Gender

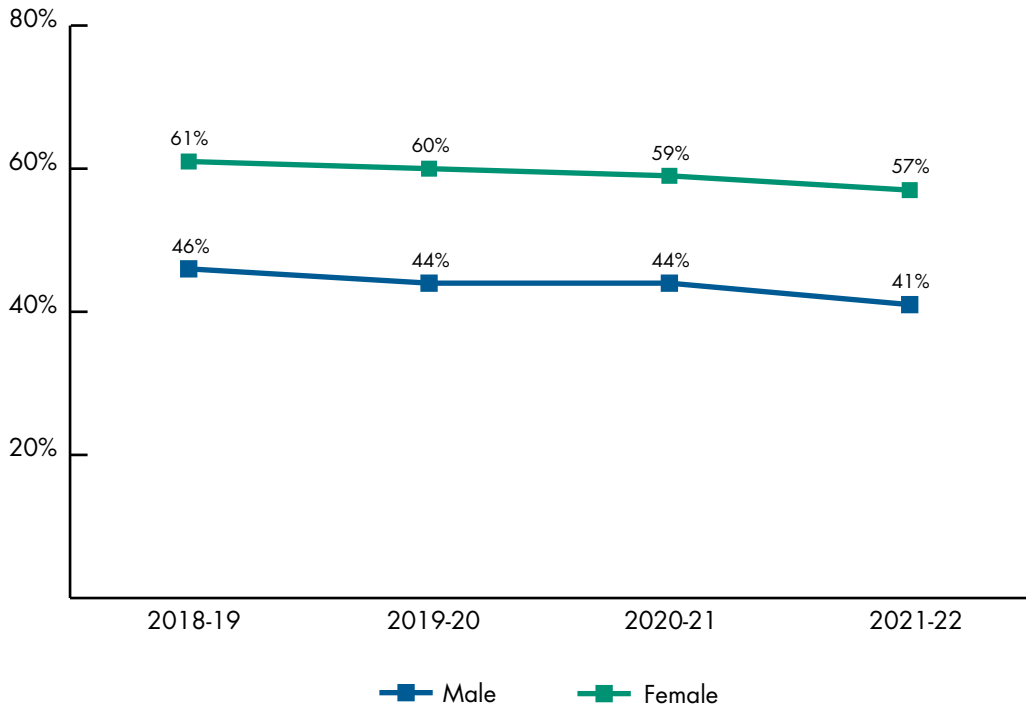


Figure 8. 2018-19 Through 2021-22 FAFSA Filing Rates by Free and Reduced Priced Lunch Status

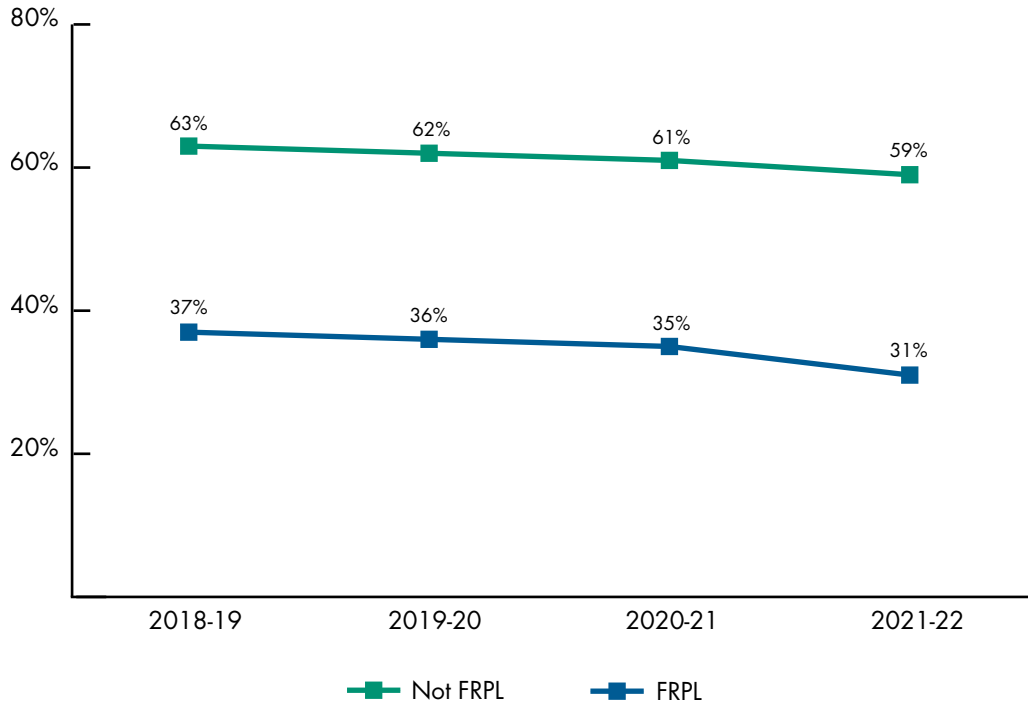


Figure 9. 2018-19 Through 2021-22 FAFSA Filing Rates by Race/Ethnicity

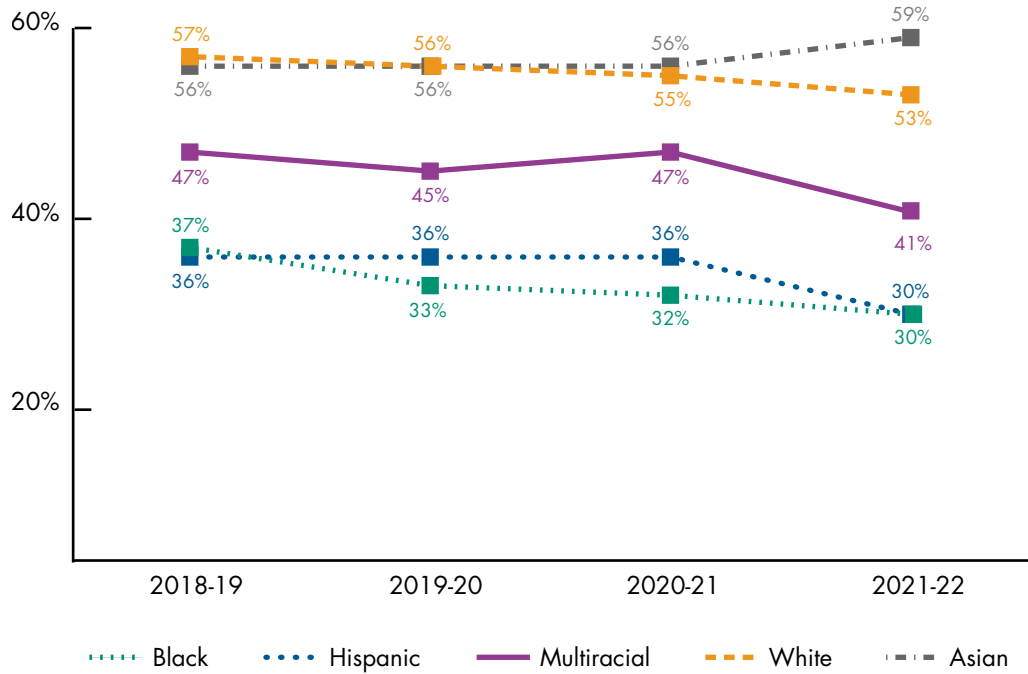


Figure 10 on the next page examines FAFSA filing rates by race/ethnicity and gender over the past four cycles. Within race/ethnicity groups, females always had higher filing rates

than their male counterparts. Among males, Black and Hispanic students had the lowest rates, with about 1 in 4 filing a FAFSA.

Figure 10. 2018-19 through 2021-22 FAFSA Filing Rates by Race/Ethnicity and Gender

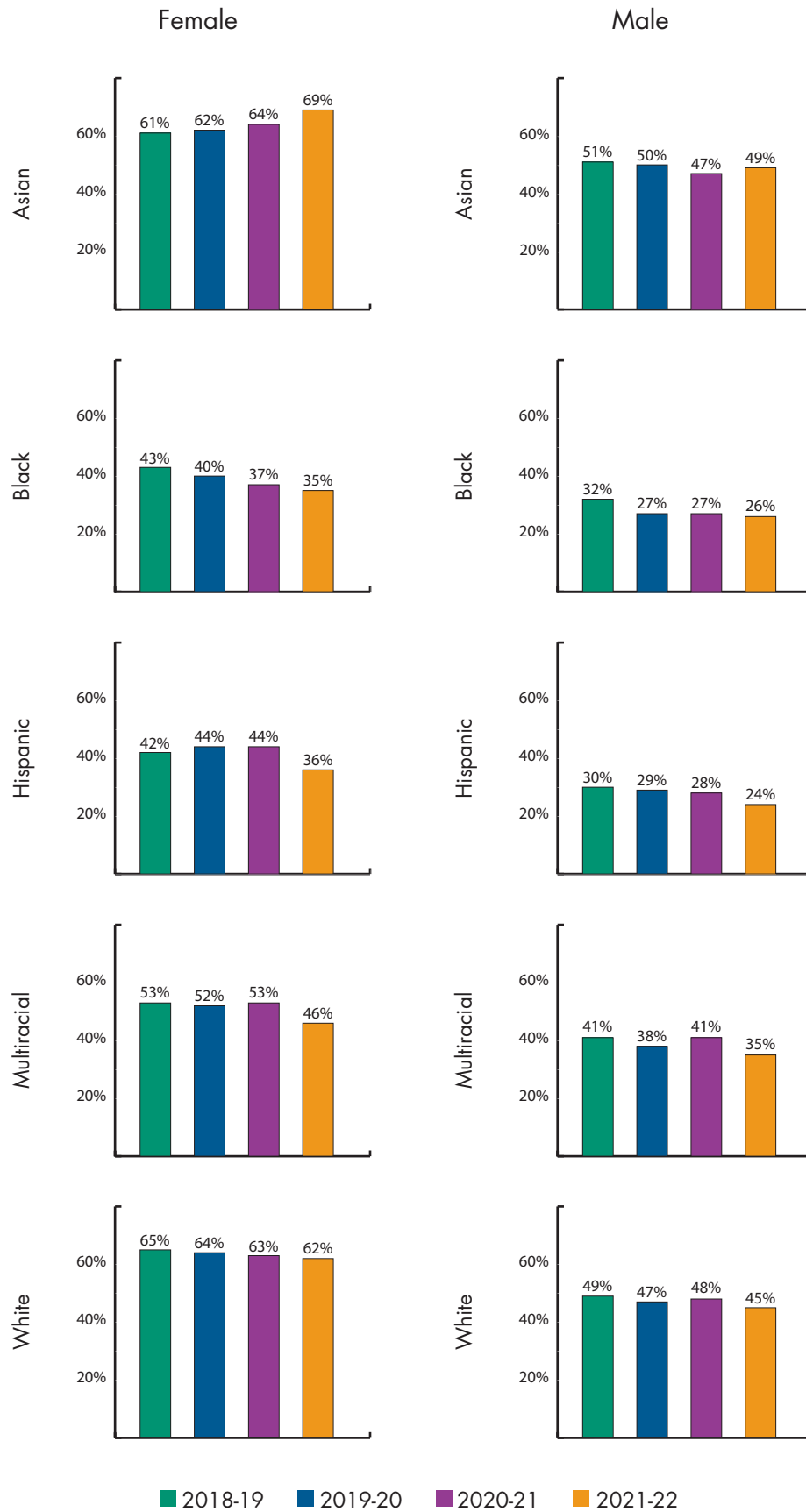


Table 1 lists descriptive statistics for Iowa public high school senior FAFSA filers over time. The percentage of students eligible for the federal Pell grant has decreased over the past four years. This finding could have two explanations: 1) In general, Iowa households are becoming wealthier, or 2) The composition of students who file a FAFSA is changing. About two-thirds of Iowa public high school senior FAFSA filers send their FAFSAs only to in-state institutions. The percentage of students sending their FAFSA to at least one

in-state public two-year institution has declined from 54 percent to 51 percent this cycle, while the proportion of students sending their FAFSA to at least one out-of-state public four-year institution has increased from 22 percent in the previous cycle to 24 percent this cycle. The share of students sending their FAFSA to at least one out-of-state not-for-profit private institution has also increased, from 15 percent to 17 percent. These findings indicate an overall shift in where high school seniors send their FAFSAs.

Table 1. Descriptive Statistics for Public High School FAFSA Filers by Cycle

Characteristics		2018-19 Cycle	2019-20 Cycle	2020-21 Cycle	2021-22 Cycle
Pell-eligible		41%	39%	37%	35%
Percent selecting in-state colleges only		68%	69%	69%	67%
In-state	Public 2-year	54%	53%	52%	51%
	Public 4-year	56%	56%	56%	55%
	Private	33%	33%	32%	32%
Out-of-state	Public 2-year	3%	3%	3%	3%
	Public 4-year	22%	22%	22%	24%
	Private	15%	15%	15%	17%

Note: Percentages will not add up to 100 because students can send their FAFSAs to multiple institutions.

OVERALL FAFSA FILING IN IOWA

Figure 11 indicates that the overall number of FAFSAs filed in Iowa each year has declined. From the 2018-19 cycle to the 2021-22 cycle, approximately 10,000 fewer FAFSAs were filed in Iowa by May 31, a decline of 9 percent.

Figure 11. Number of All FAFSAs Completed by May 31 by Cycle

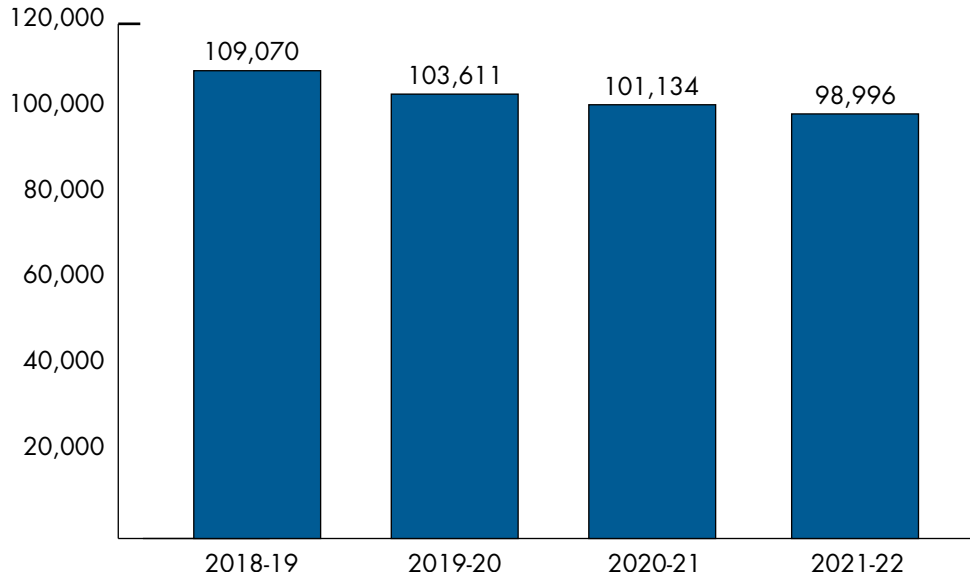


Table 2 provides descriptive information for all undergraduate FAFSA filers in Iowa over the past four FAFSA cycles. The percentage of Pell-eligible students

decreased 5 percentage points, from 50 percent to 45 percent. Approximately three-quarters of undergraduate students send their FAFSAs to in-state institutions only.

Table 2. Descriptive Statistics for Undergraduate FAFSA Filers by Cycle

Characteristics		2018-19 Cycle	2019-20 Cycle	2020-21 Cycle	2021-22 Cycle
Pell-eligible		50%	48%	45%	45%
Percent selecting in-state colleges only		76%	76%	76%	76%
In-state	Public 2-year	42%	41%	38%	38%
	Public 4-year	42%	41%	41%	40%
	Private	23%	23%	23%	22%
Out-of-state	Public 2-year	3%	3%	2%	2%
	Public 4-year	12%	12%	12%	12%
	Private	10%	10%	10%	11%

Note: Percentages will not add up to 100 because students can send their FAFSAs to multiple institutions.

CONCLUSION

FAFSA filing rates are falling for public high school seniors in Iowa, and fewer Iowans are filing than in the past three cycles. When we examine rates by gender, income, and race/ethnicity, we find persistent and substantial equity gaps. Males, FRPL students, and Black, Hispanic, and multiracial students are less likely to file than their counterparts. Regardless of race/ethnicity, males are less likely to file a FAFSA than females. Policymakers, practitioners, and administrators should develop policies and strategies that

directly address these equity gaps. Meeting Iowa’s Future Ready Iowa goal requires that more high school students attend postsecondary education, and there is a strong relationship for college-intending students between filing the FAFSA and enrolling in postsecondary education (Oster, 2021). Closing these equity gaps to ensure that more under-resourced students file the FAFSA and enroll in postsecondary education is necessary to meet Iowa’s workforce needs.

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- Western Interstate Commission for Higher Education. (2016). Knocking at the College Door: Projections of High School Graduates Through 2032. Retrieved from <https://knocking.wiche.edu/>

APPENDIX

Data for Iowa Versus Nation Analysis

For the first section of this report, we compare Iowa FAFSA filing rates with national FAFSA filing rates. To complete this analysis, we use publicly available data from the U.S. Department of Education (Federal Student Aid, 2021). These weekly files contain the number of completed FAFSAs at each public and private high school in the country up to the previous Friday. Starting in February 2020, Iowa College Aid staff downloaded and processed the weekly files. Prior to that, we received data from Nicholas Hillman and Ellie Bruecker from University of Wisconsin as they have been downloading the files prior to February 2020.

To calculate a national rate, we added the numbers of FAFSA filers in all 50 states and divided by the projected 12th-grade enrollment in public and private schools in the country provided by Western Interstate Commission for Higher Education (2016). To calculate the Iowa rate, we added the numbers of FAFSA filers in Iowa and divided by the 12th-grade enrollment in public and private high schools provided by Iowa Department of Education (Iowa Department of Education, 2021). We completed this process for each year displayed.

Data for School and Student Characteristics

High school senior enrollment data: Our analysis of FAFSA filing rates within Iowa begins with high school senior enrollment data from the Iowa Department of Education. These files contain all seniors in Iowa who enrolled at a public high school from academic years 2017-18 through 2020-21. The high school senior enrollment files provide demographic characteristics of the students, including the school where they enrolled during senior year. For this analysis, we use the school where the student was enrolled during the fall semester of senior year. Within this dataset, it is possible for a student to be included in multiple academic years if they did not graduate on time. In total, the data contain 148,583 senior records. This file is unique at the student-year level.

FAFSA data: We match the senior enrollment files to our FAFSA records for a given year. For this analysis, we create a single, combined FAFSA file for each year up to May 31 of that year (FAFSA cycles 2018-19 through 2021-22). We use data elements from the demographic, entry, Institutional Student Information Record (ISIR), student, parent, and vendor tables. We obtain student characteristics (e.g., gender, dependency status) from the demographic table. The entry table lists the student's last transaction, which we use to identify their most recent FAFSA. The ISIR table contains information about Pell eligibility, expected family contribution (EFC), and rejection codes. The student table contains tax information for the student, such as adjusted gross income. The parent table provides parent tax information. The vendor table provides information on which institutions received the student's FAFSA. All tables contain the student's Social Security Number, transition number, and name ID. Therefore, these tables are matched using Social Security Number, transaction number, and name ID. For this analysis, we use the last transition in our files as of May 31. A student is considered to have a completed FAFSA if they have a calculated EFC.

Matched FAFSA and high school enrollment file: To create a file that indicates whether a high school senior filed a FAFSA in a given academic year, the public high school senior enrollment file is matched to the FAFSA data described above. To complete this match, we begin with the high school senior enrollment file and then match it to the FAFSA files on first name, last name, and date of birth. Before completing the match on first and last name, we standardize the names by capitalizing all letters and removing hyphens and punctuation. We use the soundex phonetic filing system and the Proc SQL sounds-like function while operating a Statistical Analysis System (SAS) module. The sounds-like function is based on an algorithm for identifying words and names that sound alike. The technique has been used for years to track genealogical data and is useful when fuzzy matching of character values is needed to account for variations in spelling. Because students can be enrolled multiple times as a senior within our high school

enrollment file, we individually match each senior class to the corresponding FAFSA cycle (e.g., class of 2017-18 is matched to the 2018-19 FAFSA cycle). Once matched, we exclude any FAFSA records that do not match a high school senior record. High school seniors who match to the FAFSA file and have an accepted FAFSA record are considered to have filed a FAFSA in that given year. High school seniors who do not match to the FAFSA file or whose last FAFSA record is a rejected record are considered to have not filed the FAFSA.

Data for Overall FAFSA Filing in Iowa

For the analysis that examines all FAFSAs and undergraduate FAFSAs, we start with the single, combined FAFSA file for each year up to May 31 of that year (FAFSA cycles 2018-19 through 2021-22) that is described above. We then limit that file to undergraduate students by excluding students who indicate their year in college is beyond their fourth year.

Table 3. Number of Observations by File Type and FAFSA Cycle

Dataset		FAFSA Cycle			
		2018-19	2019-20	2020-21	2021-22
1	All FAFSAs filed through May 31	109,070	103,611	101,134	98,996
2	High school senior enrollment file	37,375	36,814	37,018	37,376
3	Number of matches between all FAFSAs (row 1) and high school senior enrollment files (row 2)	19,840	19,139	19,039	18,243
4	FAFSA filing rate (row 3 as a percentage of row 2)	53%	52%	51%	49%



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