GAO Highlights

Highlights of GAO-24-107407, a testimony before the Subcommittee on Higher Education and Workforce Development, Committee on Education and the Workforce, House of Representatives

Why GAO Did This Study

The FAFSA is the entry ramp to federal grants and loans that many students depend on to afford college. Congress passed the FAFSA Simplification Act in 2020 in part to make it easier to apply for federal aid. However, Education's rollout of the new FAFSA has suffered from numerous challenges and delays.

GAO was asked to review the simplified FAFSA rollout. This statement assesses (1) how Education's rollout of the new FAFSA affected students, (2) the extent to which Education provided students with information and support, and (3) the extent to which Education provided colleges with timely communications. This statement is a companion to GAO's related statement on FAFSA system issues (GAO-24-107783).

To conduct this work, GAO analyzed Education data on FAFSA submissions and processing for the current application cycle (2024-25) and comparable data for the prior year. GAO also examined data and performance metrics from Education's call center for the same periods, interviewed Education officials and other key stakeholders from higher education associations and reviewed relevant federal laws and guidance.

What GAO Recommends

GAO is making seven recommendations to Education to ensure it is prepared for the start of the next FAFSA cycle by December 2024. These recommendations include that Education overhaul the submission process for parents and spouses without Social Security numbers, ensure sufficient call center staffing, and communicate timely information to students and timeframes to colleges.

View GAO-24-107407. For more information, contact Melissa Emrey-Arras at (617) 788-0534 or emreyarrasm@gao.gov.

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FAFSA

Education Needs to Improve Communications and Support around the Free Application for Federal Student Aid

What GAO Found

The Department of Education's rollout of the new simplified Free Application for Federal Student Aid (FAFSA) was delayed by 3 months from the traditional October launch and hampered by a series of technical problems that blocked some students from completing the application. This contributed to about 9 percent fewer high school seniors and other first-time applicants submitting a FAFSA, with the largest declines among lower-income students, according to Education data as of August 25, 2024. The new process also created additional barriers, including an inefficient process for students' parents or spouses who lacked a Social Security number to verify their identities. This process prevented some families from even accessing the application. Rather than simplifying access to student financial aid—one of the department's strategic goals—the FAFSA rollout created roadblocks for some students and their families.

Decline in FAFSA Submissions, Current Compared to Prior Application Cycle High school seniors and Returning applicants **Total applicants** other first-time applicants 3,177,000 11,161,000 14,338,000 Current application cycle 325,000 106,000 432,000 Change from prior year -9% -3% Source: GAO analysis of Department of Education data. | GAO-24-107407

Note: Data are through August 25th of each cycle.

Education did not consistently provide students with timely and sufficient information or support necessary to complete the new FAFSA. Nearly three-quarters of calls to Education's call center went unanswered during the first 5 months of the rollout due to understaffing. Education also did not provide timely information to students about processing delays or how they could navigate technical problems. For example, Education's guidance instructed call center representatives to advise some students facing technical problems to just "try again later" rather than proactively notifying them when the problem was resolved, which sometimes took months. Education's lack of timely support and clear communications stoked confusion among FAFSA applicants.

Total Calls to Education's Call Center, First 5 Months of FAFSA Application Cycle, January-May 2024



Source: GAO analysis of Department of Education data. | GAO-24-107407

Education did not provide colleges with reliable timeframes or communicate changes to colleges in a timely manner. For example, Education did not give colleges any advanced warning that it would not meet promised deadlines for delivering the student records colleges needed to develop aid offers. As a result, colleges were uncertain when they could send aid offers to students as well as when they could disburse student funds. With the next FAFSA application cycle beginning by December 2024, Education still has an opportunity to learn from its recent struggles and make the financial aid process easier for everyone.

. United States Government Accountability Office