



“This is How I’m Going to Make a Life for Myself:”

**An Analysis of FAFSA Data and Barriers to Financial Aid for
Unaccompanied Homeless Youth**

February 21, 2017

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Over 95 percent of the jobs created since 2010 have gone to college-educated workers, and by 2020, 65 percent of all jobs will require education beyond high school.¹ Thus, for youth experiencing homelessness, post-secondary education is critical for improving life outcomes, including reducing the risk of continued homelessness as adults. As indicated by the title of this report – a quote from a young adult who experienced homelessness in high school and in college – many young people are keenly aware of the role of higher education in improving their lives. Yet without financial aid, these young people cannot access post-secondary education.

This report analyzes [newly available data from the U.S. Department of Education](#) that provide important insights into the challenges that unaccompanied homeless youth face in accessing federal financial aid. The data also provide baseline information to assess states’ progress in implementing important new provisions in the Every Student Succeeds Act (ESSA) that were enacted to help students experiencing homelessness transition from high school to post-secondary education. We conclude our analysis with recommendations for policy and practice, including the upcoming reauthorization of the Higher Education Act.

BACKGROUND

Under the Higher Education Act, youth who are under age 24 generally are considered “dependent students,” meaning they must supply parental income information and a parental signature in order to be considered for federal financial aid. This policy created a barrier for youth who are homeless and on their own (unaccompanied homeless youth), who live in extreme poverty and are not being supported by their parents. To address this barrier, the Higher Education Act specifies that unaccompanied homeless youth are considered “independent students” if they are verified as such by certain federal program staff, including school district homeless liaisons; directors or designees of Runaway and Homeless Youth Act

¹ Carnevale, Anthony, Smith, Nicole, and Strohl, Jeff (2014). [Recovery: Job Growth and Education Requirements Through 2020](#). Georgetown University’s Center on Education and the Workforce. Available at: https://cew.georgetown.edu/wp-content/uploads/2014/11/Recovery2020.ES_Web_.pdf.

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(RHYA) programs; directors or designees of Housing and Urban Development (HUD) Homeless Assistance programs; or financial aid directors.

While this policy has led to important improvements in access to financial aid for homeless youth, many barriers remain. A report released by the Government Accountability Office (GAO) in May 2016 found that:

- Burdensome program rules can hinder the ability of homeless youth to access federal supports.
- Extensive documentation requests can impede access to aid for homeless youth.
- Annual re-verification of homelessness poses barriers for unaccompanied homeless youth.

The GAO report is not the only study to document such barriers.²

U.S. Department of Education data from the 2015-2016 Application Cycle of the Free Application for Federal Student Aid (FAFSA) provide information that can help us assess the implementation of protections for students experiencing homelessness, and that raise concerns about the scale and nature of the barriers. The data also permit a state-by-state analysis of implementation of post-secondary transition requirements in ESSA.

LIMITATIONS OF THE DATA

It is important to note that the data collected on unaccompanied homeless youth on the FAFSA are *not* representative of the entire population of FAFSA applicants experiencing homelessness. The FAFSA does not collect information on the number of homeless students attending post-secondary institutions. It also collects no information on applicants experiencing homelessness who remain with their parents, or on students who become

² Crutchfield, R.M., Chambers, R.M., & Duffield, B. (2016). “Jumping through the hoops to get financial aid for college students who are homeless: policy analysis of the college cost reduction and access act of 2007.” Families in Society: The Journal of Contemporary Social Services, 97(3), 191-99

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homeless after completing the FAFSA. The FAFSA data reflect only youth who self-identify as *unaccompanied* homeless youth at the time they complete the application. In addition, based on the priority of questions on the Web-based FAFSA, the data collected on unaccompanied homeless youth exclude applicants who, when they completed the application, were 24 years or older, were married, were in a graduate program, provided more than half of a dependent's support, were in active duty, were veterans, were orphans, were in foster care, were wards of the court, were emancipated minors, or were in legal guardianship. Youth in these categories are considered “independent students” and do not need to be verified as homeless unaccompanied youth pursuant to the Higher Education Act’s verification provisions.

Therefore, the information about homeless students provided in the U.S. Department of Education data addresses only a small fraction of the FAFSA applicants, as well as college students more generally, who might be homeless. Because there is no national source of data on the number of homeless students attending post-secondary institutions, the total number of college students experiencing homelessness is unknown, and, because of the data limitations described above, such an estimate cannot be derived from the FAFSA data.

INDICATIONS OF CONTINUING BARRIERS TO FINANCIAL AID FOR HOMELESS YOUTH

Despite the limitations of the data, the data reports released by the U.S. Department of Education provide objective cause for concern. Our analysis indicates the following areas of focus for continued efforts to improve financial aid access for young people experiencing homelessness.

1. The Definition of “Youth” Continues to Pose Problems for 22- and 23-Year Olds.

For the past seven years, the U.S. Department of Education has defined “youth” for purposes of determining who is an “unaccompanied homeless youth” to include only individuals 21

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years old or younger. This definition leaves 22- and 23-year old unaccompanied youth without the protections the law provides, because for financial aid purposes, applicants generally are considered “dependent” until they turn 24.

Due to the Department’s definition, in the 2015-2016 application cycle, applicants who were 22 or 23 years old were not even presented with the unaccompanied homeless youth questions on the FAFSA. If these applicants provided a positive response to the initial homeless filtering question, the on-line application automatically forwarded them to a “special circumstance” category through which they could request a homelessness determination from their post-secondary institution. However, [a May 2016 GAO report](#) found the process for homeless youth to obtain this determination through “special circumstances” to be burdensome, subjective, and often unsuccessful.

Indeed, the U.S. Department of Education data appear to confirm that 22- and 23- year olds face significant challenges in obtaining determinations of independent student status:

- Of the 150,612 applicants who answered “yes” to the initial homelessness filtering question, more than half (83,037, or 55%) were not presented subsequent questions related to status as unaccompanied homeless youth due to their age (22- and 23-year olds).
- Of those 83,037 applicants who were not presented the unaccompanied homeless youth questions due to their age, 43% (35,854) declined to provide parental financial information on the grounds that they had the special circumstance of being an unaccompanied homeless youth, and requested a homelessness determination. Among these applicants:
 - Only 2.1% (762) were granted the homelessness override; and
 - Only 12.2% (4,365) were granted some other dependency override.

Certainly, for 22- and 23-year olds, the barriers presented by being relegated to the “special circumstance” process are substantial.

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Some relief from this barrier is expected, because last year, the U.S. Department of Education announced that it will remove the definition of “youth” from the FAFSA application beginning with the 2018-19 application. This change will allow unaccompanied homeless applicants who are 22 or 23 years old to indicate that they are homeless or at risk of being homeless, without having to go through the “special circumstance” process. As a result, students in this age range should encounter an easier and more streamlined process for being considered independent due to homelessness.

2. Many Youth Indicated They Did Not Have Homeless Determinations from School District Liaisons or Homeless Service Providers; These Youth Faced Significant Barriers.

Three questions on the FAFSA ask an applicant if he or she has been determined by an agency (school district liaison, HUD homeless provider, or RHYA provider) to be unaccompanied and homeless. If an applicant cannot provide a positive response to any of the questions, he or she can request a determination of homeless status by a school financial aid administrator. (It is important to remember that 22- and 23-year olds were not presented with these questions at all.)

- Less than half (31,811, or 47%) of the applicants who were presented with the three unaccompanied homeless youth determination questions answered “yes” to one of the questions. Of the applicants who initially answered “yes”:
 - 23.6% (7,518) subsequently had a “correction” filed that changed any/all of their responses to “no;” and
 - Of the students whose answers were changed to “no,” only 1.8% (132) ultimately received a homelessness determination.

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- More than half (19,623, or 55%) of the applicants who were presented with the three homeless determination questions but answered “no” to all three of them declined to present a parent’s financial information on the grounds that they had the “special circumstance” of being an unaccompanied homeless youth. Of these applicants:
 - Only 2.7% (529) were granted a homelessness override; and
 - Only 12.5% (2,456) were granted some other dependency override.

Our experience with unaccompanied homeless youth strongly suggests that the overwhelming majority of students who did not receive dependency overrides were not able to enroll in post-secondary education. It is very troubling that less than half of all applicants who were presented with the three homelessness questions indicated that they had determinations, and that so few applicants who sought an override ultimately received one. The upcoming reauthorization of the Higher Education Act provides a critical opportunity to make changes to streamline the FAFSA process for homeless youth. A summary of SchoolHouse Connection’s recommendations for improving the Higher Education Act may be found at: <http://www.schoolhouseconnection.org/higher-education/>.

3. *Many Applicants Who Requested Homeless Determinations from Their Post-Secondary Institution Did Not Receive One.*

In the 2015-2016 application cycle, there were 27,243 applicants whose homeless status remained unknown at the end of the cycle because their post-secondary institutions did not make a determination even after students requested consideration of their special circumstance of homelessness. The U.S. Department of Education suggests that reasons for the lack of determinations could include the student not attending or following up with the school, or not being determined to be an unaccompanied homeless youth. Evidence from the May 2016 GAO report, a [report of the National Association of Student Financial Aid Administrators](#), and [interviews with students and staff from post-secondary institutions](#)

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suggest that extensive and burdensome requests for paperwork by financial aid administrators contribute to delays or denials of homeless determinations.

4. *School Districts/High Schools Made the Greatest Number of Homeless Determinations; Financial Aid Administrators Made the Fewest; and Determinations by RHYA and HUD Providers Have Decreased Over Time.*

In the 2015-2016 application cycle, the following is a breakdown of the determinations of unaccompanied homeless youth status:

- 22,435 were made by school district liaisons/high schools;
- 3,822 were made by HUD Homeless providers;
- 3,506 were made by RHYA homeless youth providers; and
- 2,185 were made by Financial Aid Administrators.

The relatively low number of determinations made by financial aid administrators is troubling, particularly in light of the fact that most homeless youth do not stay in shelters due to lack of shelter availability/capacity³ (and thus would not obtain verifications from HUD or RHYA providers), and that only younger students who are transitioning from high school to post-secondary education are likely to have determinations from high schools or school districts. In fact, it would be expected that of all the parties who are authorized to make homelessness determinations, financial aid administrators would make the greatest number of determinations, not the fewest. These data indicate the need for more training and

³ [U.S. Department of Education data](#) indicate only 14% of all students experiencing homelessness stay in homeless shelters.

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awareness of the needs and circumstances of homeless youth on college campuses, and in financial aid offices, in particular.

Still, data indicate financial aid offices slowly are improving their determination processes, while shelter providers’ efforts appear to be stagnating. Over the past three years, the number of unaccompanied homeless youth determinations made by financial aid administrators increased by 58%, while the number of homeless youth determinations made by HUD programs decreased by 14%, and those made by RHYA programs decreased by 38%. These data indicate a need for greater training of RHYA and HUD homeless service providers on the importance of and methods for making FAFSA determinations for unaccompanied homeless youth.

Application Cycle	Applicants Determined to be Unaccompanied Homeless Youth				
	Agency Determined (as Self-reported on FAFSA)			School Financial Aid Administrator Determinant	Sum
	High School or School District	HUD Program	Youth or Transitional Program		
2013-2014	18,214	4,430	5,686	1,382	29,712
2014-2015	22,438	4,156	3,872	1,739	32,205
2015-2016	22,435	3,822	3,506	2,185	31,948

5. State-by-State FAFSA Data Provide a Baseline for Assessing Progress in Implementing New ESSA Requirements.

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The Every Student Succeeds Act of 2015 made many important amendments to the McKinney-Vento Act’s Education for Homeless Children and Youths program. These amendments went into effect on October 1, 2016. While the overall goal of the program is to increase academic success for students experiencing homelessness, two amendments were designed specifically to assist youth experiencing homelessness to transition successfully to post-secondary education:

- School district homeless liaisons are required to ensure that unaccompanied homeless youth are informed of their status as independent students for college financial aid, and may obtain assistance to receive verification for the FAFSA. 42 U.S.C. §11432(g)(6)(A)(x)(III); and
- State McKinney-Vento plans must describe how homeless youth will receive assistance from school counselors to advise, prepare, and improve their readiness for college. 42 U.S.C. §11432(g)(1)(K).

The state data made available by the U.S. Department of Education provide a baseline for assessing progress in implementing these provisions, most directly by revealing the number of determinations of unaccompanied homeless youth status. Although this state data include all the young people who received a homelessness determination from any source (school district liaison, HUD program, RHYA program, and school financial aid administrator), when read together with the national data on determinations by school district liaisons and high schools in particular, it provides valuable insight into ESSA implementation. As the ESSA amendments are implemented, these numbers should increase significantly, starting with the 2017-2018 FAFSA application cycle, which began on October 1, 2016.

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Applicants determined to be (or at risk of becoming) unaccompanied homeless youth, either by an agency or by a school financial aid administrator. Counts represent unique applicants.				
State	Application Cycle			Change 2013-2014 to 2015-2016
	2013-2014	2014-2015	2015-2016	
AK	137	161	138	+ 0.7%
AL	378	403	391	+ 3.4%
AR	262	276	270	+ 3.1%
AZ	588	670	671	+ 14.1%
CA	3,432	3,697	3,660	+ 6.6%
CO	543	576	631	+ 16.2%
CT	190	171	203	+ 6.8%
DC	103	127	119	+ 15.5%
DE	97	94	104	+ 7.2%
FL	1,537	1,794	1,853	+ 20.6%
GA	813	966	960	+ 18.1%
HI	52	62	41	- 21.2%
IA	226	255	280	+ 23.9%
ID	186	173	172	- 7.5%

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State	Application Cycle			Change 2013-2014 to 2015-2016
	2013-2014	2014-2015	2015-2016	
IL	2,084	2,336	2,222	+ 6.6%
IN	440	483	463	+ 5.2%
KS	247	271	311	+ 25.9%
KY	281	344	302	+ 7.5%
LA	419	421	492	+ 17.4%
MA	547	559	556	+ 1.6%
MD	444	538	558	+ 25.7%
ME	201	247	201	0%
MI	1,582	1,617	1,707	+7.9%
MN	526	526	515	- 2.1%
MO	1,020	1,108	1,153	+ 13%
MS	192	193	212	+ 10.4%
MT	60	90	88	+ 46.7%
NC	824	877	824	0%

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State	Application Cycle			Change 2013-2014 to 2015-2016
	2013-2014	2014-2015	2015-2016	
ND	46	43	38	- 17.4%
NE	164	165	158	- 3.7%
NH	123	133	139	+ 13%
NJ	405	461	426	+ 5.2%
NM	189	184	223	+ 18%
NV	291	323	335	+ 15.1%
NY	1,235	1,317	1,245	+ 0.8%
OH	845	814	784	- 7.2%
OK	385	400	412	+ 7%
OR	1,194	1,112	1,001	- 16.2%
PA	650	683	745	+ 14.6%
RI	59	48	53	- 10.2%
SC	283	345	301	+ 6.4%
SD	40	41	50	+ 25%

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State	Application Cycle			Change 2013-2014 to 2015-2016
	2013-2014	2014-2015	2015-2016	
TN	448	487	533	+ 19%
TX	2,918	3,400	3,397	+ 16.4%
UT	114	137	158	+ 38.6%
VA	447	563	506	+ 13.2%
VT	51	68	40	- 21.6%
WA	1,477	1,475	1,427	- 3.4%
WI	544	523	465	- 14.5%
WV	148	189	155	+ 4.7%
WY	37	46	52	+ 40.5%
Other	208	213	208	0 %
Sum:	29,712	32,205	31,948	+ 7.5%

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RECOMMENDATIONS FOR POLICY AND PRACTICE

1. **Congressional Action**. Congress should take action to remove financial aid barriers for homeless youth in the upcoming reauthorization of the Higher Education Act (HEA). In particular, HEA reauthorization should address barriers related to age and determinations of homeless status. SchoolHouse Connection’s recommendations may be found at <http://www.schoolhouseconnection.org/higher-education/>.
2. **Professional Development for School Districts**. State McKinney-Vento Coordinators should include specific information on financial aid eligibility for unaccompanied homeless youth in the professional development that is now required under ESSA for school district liaisons. In addition, school district liaisons should include similar information in the trainings that ESSA requires for school personnel, including high school counselors.
3. **Professional Development for Homeless Service Providers**. Case managers and other staff of homeless service providers, in particular those funded by the U.S. Department of Housing and Urban Development (HUD) and the Runaway and Homeless Youth Act (RHYA) programs, should receive training on financial aid eligibility for unaccompanied homeless youth and on providers’ roles in making homelessness determinations. Providers should inform all unaccompanied homeless youth under the age of 24 of their eligibility for independent student status on the FAFSA, and assist these youth by providing the necessary documentation for their determinations.
4. **Professional Development in Post-Secondary Institutions**. Financial aid officers, student support staff, and others at post-secondary institutions should receive training on financial aid eligibility for unaccompanied homeless youth and how financial aid officers can make homelessness determinations without raising unnecessary barriers

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for students. [Training videos](#) and [other professional development materials](#) are available.

About SchoolHouse Connection

SchoolHouse Connection is a national organization promoting success for children and youth experiencing homelessness, from birth through higher education. We engage in strategic advocacy and provide technical assistance in partnership with early care and education professionals (including school district homeless liaisons and state homeless education coordinators), young people, service providers, advocates, and local communities. To learn more, visit www.schoolhouseconnection.org or www.facebook.com/SchoolHouseConnection.