

CENTER *for* POSTSECONDARY *and*
ECONOMIC SUCCESS



Building a Comprehensive Student Aid System

Amy Ellen Duke-Benfield
Senior Policy Analyst
aduke@clasp.org

Building comprehensive supports through benefits access

- Build a comprehensive student aid system
 - Can reduce unmet need
 - Prevent unnecessary student borrowing
 - Can decrease student hunger and housing insecurity
 - Can increase financial stability of adults and youth
 - Can help students care for their families
- Can compliment existing funding streams
- Challenge: Do our public benefits and tax credit policies support our national completion goals?

Low-Income Parent Eligibility

Likely to receive (> 80%)

- EITC
- Health insurance for kids

Probably receive (50-80%)

- Health insurance for parents
- SNAP (Food Stamps) and WIC

Might receive (<50%)

- TANF, child care subsidies, housing subsidies



Low-Income Childless Adults Eligibility (no disability)

Probably receive (50-80%)

- EITC
 - Only eligible if aged 25-64
 - max of \$496 per year
- SNAP (Food Stamps)



Might receive (<50%)

- Housing subsidies
- Public health insurance (especially since Medicaid expansion)

Why Don't More Students Access Benefits?

- Lack of information, misinformation about eligibility
- Applying is often time consuming, frustrating
- Stigma and other social/cultural barriers
- Most importantly, higher education and public benefits policies aren't well aligned



Governance Challenges

- Administration of public benefits programs spread across departments and levels of government
- Split decision making among levels is common across a range of programs
- This makes it difficult to align anti-poverty and college completion policies

	Federal Level	State Level	Local or Institutional Level
Student Aid			
Pell Grants	Full		
SEOG	Majority		Partial
Federal Work Study	Majority		Partial
Stafford Loans	Full		
State Grant Aid		Majority	Partial
State Work Study		Majority	Partial
Institutional Aid/Work Study			Full
Public Benefits			
SNAP	Majority	Partial	
TANF	Partial	Majority	
Child Care	Partial	Majority	
Medicaid	Partial	Partial	
CHIP	Partial	Majority	
Advance Premium Tax Credit	Full		
Housing Subsidies	Majority		Partial
UI		Full	
Tax Credits			
AOTC	Full		
EITC	Full		
CTC	Full		

Institutional financial aid offices have authority to allocate limited funding among eligible students

Examples of state discretion: states approve programs that increase employability; state can average work hours across a month

States have flexibility in whether postsecondary is an eligible expense

For the most part, TANF is a block grant to states; however, there are federal limitations such as the type and length of education that will count toward federal work requirements

Public Housing Authorities have some discretion regarding who is eligible for housing

College as a Supported Activity

- SNAP
 - If enrolled more than half time must meet exceptions, one of which includes work
- Housing
 - Section 8: A student may receive only while living separately if both the student and student's parents are eligible
 - Does not apply to students who are vets, married, have a child, or are 24 years old or older
 - Adult students who live with their parents are considered dependents only when they enroll full time
 - Public housing: Local PHAs definition of eligible “families” sometimes excludes or deprioritizes full-time students

Treatment of Public Benefits by Federal Financial Aid

- Most benefits are not counted as income for purposes of financial aid
 - Unemployment Insurance benefits counted, but can be disregarded by financial aid administrator
- Receipt of TANF, SNAP, WIC, free or reduced price school lunches, and SSI (Medicaid soon) triggers the simplified EFC formula
 - Assets are not considered
 - Receiving these benefits plus family income below \$25k threshold triggers automatic zero EFC & max Pell Grant

Treatment of Student Aid by Public Benefits Programs

- Federal financial aid largely not treated as income in determining eligibility for benefits
- Several programs count as income any assistance that goes toward living expenses (indirect educational expenses)
 - SNAP, housing subsidies, and Medicaid
 - Making Pell Grants non-taxable would solve much of this problem

How are Colleges Helping Students Access Public Benefits?

- **Inform** students about the existence of programs
- **Help** students understand how to apply
- **Screen** students to determine if they are eligible and assist them to apply
- **Assist** students to provide needed documentation and understand any barriers to eligibility
- **Follow-up** with benefits programs/local offices to troubleshoot on behalf of individual students

Best Practices from Benefits Access for College Completion

- Benefits access services should be provided through a highly visible and well-known centralized hub with knowledgeable staff
- Colleges should implement models that require students to “opt out” of benefits services by connecting initial pre-screening steps to existing student support services such as advising and financial aid
- Leadership at multiple levels and across departments needs to recognize benefits access services as an institution-wide priority and enact policies and practices necessary to support the institutionalization of benefits access services on their campuses
- Bundling multiple benefits can have a positive impact on students’ academic progress

More Resources

- Bolstering Non-Traditional Student Success: A Comprehensive Student Aid System Using Financial Aid, Public Benefits, and Refundable Tax Credits <http://www.clasp.org/resources-and-publications/bolstering-non-traditional-student-success>
- Benefits Access for College Completion: Lessons Learned from a Community College Initiative to Help Low-Income Students (coming in mid-July 2016; look on the CLASP website at www.clasp.org)
- [Sign up for updates from CLASP and/or CLASP's Center for Postsecondary and Economic Success](#)