



March 19, 2026

House Appropriations Committee

House Bill 915 — Workgroup on Aging Out of Foster Care

Position: Support

Chair Barnes, Vice Chair Kaiser, and Members of the Committee:

On behalf of the Maryland Association of Resources for Families and Youth (MARFY), we respectfully submit this testimony in support of House Bill 915.

MARFY represents licensed private child-placing agencies and community-based providers delivering foster care, treatment foster care, group homes, and independent living services through more than 200 programs across Maryland. Our members serve children and youth who have experienced abuse, neglect, complex trauma, and significant behavioral health needs. We work every day with young people preparing to transition from out-of-home placement into adulthood often without the safety net of family support.

[Research shows that things like tuition assistance](#) and housing support grant programs are extremely beneficial to youth-in-foster care as they age out of care; but we also know that there is much left unknown in what these youth need. This is exactly what this bill aims to do – connect the right stakeholders, Departments, and individuals with lived experience to come together to create, collaborate and to report on the State can expand its’ support for these youth.

Too often, young people must navigate complex and disconnected supports at a time when stability is most critical. House Bill 915 presents a thoughtful and necessary step forward. By convening a workgroup that brings together state agencies, providers, advocates, and individuals with lived experience, this legislation creates the structure needed to evaluate current supports, identify gaps, and develop actionable recommendations. Importantly, it centers the voices of those who have experienced foster care firsthand—ensuring that policy solutions are grounded in real-world experience.

This workgroup is not about starting from scratch; it is about aligning and strengthening what already exists while building a more cohesive, responsive system that meets youth where they are. With the right coordination and strategy, Maryland has the opportunity to become a national leader in supporting young people as they transition out of foster care and into stable, successful adulthood.

For these reasons, MARFY respectfully urges a favorable report on House Bill 915.
Thank you for your consideration.

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Foster Care, Postsecondary Education, and the Need for Financial Aid

How Affordable Is Postsecondary Education for Young People with a Foster Care History?

Laura Packard Tucker, Devlin Hanson, Michael Pergamit, Jonah Norwitt, and Shannon Gedo

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Young people with foster care history need financial support to attain their educational goals. Are these young people getting the financial support they need for college? How do their financial aid packages compare with those of their peers?

To answer these questions, we used data from the National Center for Education Statistics, National Postsecondary Student Aid Study, Administrative Collection: 2018, Undergraduates (NPSAS:18-AC) (Siegel, Ramirez, and Johnson 2021). See the data and methods appendix for more details. We compared postsecondary costs for students with foster care history with those of students without foster care history. We found that students with foster care history do not receive the level of support needed to cover their postsecondary education costs, despite attending lower-cost institutions.¹

Foster Care and Postsecondary Education

Each year about 20,000 young people transition into adulthood from foster care without the financial support or resources that many other young adults receive from their parents or other relatives. These independent young adults are faced with additional barriers and challenges when pursuing postsecondary education opportunities, and most are navigating how to pay for high and rising educational expenses on their own. As a result, the experiences, needs, and outcomes of these young people differ from those of other young adults who have not experienced foster care.

Lower Rates of Postsecondary Participation

Young people with experience in the child welfare system face a unique set of challenges in attending and graduating from higher education. Research has found that the majority of young people with foster care history want to attend and graduate from college (Courtney et al. 2018; Courtney, Terao, and Bost 2004; McMillen et al. 2003; Unrau, Font, and Rawls 2012). However, with enrollment rates around 30 percent, these young people are half as likely to enroll in postsecondary education by age 21 compared with all young people (62 percent) and all low-income young people (58 percent) (ACS 2012; Courtney et al. 2007; Hanson et al. 2022). Of those who do enroll, it is estimated that more than three-quarters do so in a two-year college—a higher proportion than the national average (Courtney et al. 2007; Hanson et al. 2022; NPSAS(AC:16) table ksjobs; Okpych et al. 2020). Once enrolled, students with foster care history drop out at high rates. Of students with foster care history, 20 percent attending a four-year college and almost 50 percent attending any postsecondary institution drop out within their first year (Day et al. 2011; Hanson et al. 2022; Okpych et al. 2020). This dropout rate results in very low completion rates: fewer than 10 percent of young people with a foster care history have a postsecondary degree (Courtney et al. 2011; Hanson et al. 2022), and fewer than 3 percent have a bachelor's degree (Hanson et al. 2022; Pecora et al. 2005).

High Postsecondary Education Costs

The cost of postsecondary education is one of the main barriers to college success for young people with foster care experience. For students with foster care experience who drop out, nearly half do so because they cannot afford their education (Courtney et al. 2007; 2011). Among those who either never enrolled or dropped out, about one-third reported facing a barrier to going back to school, with needing to work and not being able to afford college among the most common barriers (Courtney 2018). Postsecondary education is expensive, and costs for students are rising. Even when adjusting for inflation, the average tuition at public four-year colleges in academic year 2017–18 was more than three times as high as it was 30 years ago (Ma et al. 2017). Students with foster care history have much lower family incomes to help pay for the rising cost of college, and they face many competing fiscal demands. In a recent study of young people in California with foster care history, only 7.5 percent reported using money from family or friends to pay for college (Courtney 2018). They are usually exiting the foster care system at the same time they are entering or still enrolled in their postsecondary education, so they suddenly must house themselves, pay for all of their expenses, and find aid or pay for schooling themselves (Freundlich and Avery 2006; Hernandez and Naccarato 2010; Okpych 2012).

Available Financial Supports

A variety of postsecondary financial supports are provided at the federal, state, and local levels to support those with foster care histories. At the federal level, the largest federally funded financial support grant program available to all students is the Pell Grant Program (Dortch 2021). The program provided about \$27 billion in aid to about 6.3 million undergraduate students in fiscal year 2020 (Dortch 2021). For the 2022–23 award year, Pell Grants are providing up to \$6,895 of financial support that does not have to be repaid to students from families with low-to-moderate incomes (FSA 2009).

The funding that each student receives is determined by the student's estimated family contribution (based on relevant family financial information reported on the Free Application for Federal Student Aid—FAFSA), their school's determination of the cost of attendance, their status as a full- or part-time student, and whether they plan to attend for a full academic year or less (FSA 2009).

Although the Pell Grant's maximum award amount has slowly increased over time, the purchasing power of the grant has decreased as the costs associated with attending many higher education institutions have continued to rise. For example, in 1975–76 the grant covered half of the base average costs at private four-year schools; whereas in 2020–21, the grant only covered 14 percent. In the 2020–21 school year, the total maximum Pell grant amount covered about 55 percent of the tuition, fees, room and board at public, two-year institutions and 30 percent at public, four-year institutions (Dortch 2021).

An important federal financial support for students with foster care history is the Education and Training Vouchers (ETV) Program for Youth Aging out of Foster Care. The ETV program can provide vouchers of up to \$5,000 for postsecondary education and training opportunities to young adults currently or formerly in foster care.² Young people can use the voucher to pay for the annual cost of attendance at postsecondary institutions, which may include tuition and fees, room and board, books, supplies, and transportation.³

At the state level, tuition waivers are available in some states for young people with foster care history. This financial support allows eligible young people to waive their tuition and fees. Since states fund their tuition waiver programs, most of these waivers can only be used at state-funded colleges and vocational schools in the state that provides the waiver.⁴ The take-up of tuition waivers by eligible young people is low in many states. One study examined the varied tuition waiver usage rates of 22 states and found that, of the 17 states with data on tuition waiver usage, 10 awarded fewer than 100 tuition waivers in the 2014–15 school year (Hernandez, Day, and Henson 2017; Watt and Faulkner 2020). Eligibility criteria may play a role in the limited take-up. Most states (91 percent) restrict the age at which students are eligible for a tuition waiver, which can be limiting for students with foster care history who attend postsecondary institutions at older ages than their peers. Onerous application processes may also have a negative impact (Hernandez, Day, and Henson 2017). Further, for most states, the tuition waiver only covers tuition and fees (Bustillos, Watt, and Norton 2022); however, one state—Minnesota—has a tuition waiver program that covers the full cost of attendance.⁵

Other scholarships and funds are available to students with foster care histories through nonprofit organizations like Foster Care to Success. They provide sponsored scholarships ranging from \$1,500 to \$5,000 from individual donors and other organizations to help cover the costs associated with higher education.⁶

Under the federally funded Title IV-E Foster Care program, child welfare agencies may opt to offer extended foster care to young people up to age 21 who meet certain eligibility criteria. Most (but not all) states currently have extended foster care. Enrollment in college is one of the five ways for young adults to be eligible for federally funded extended foster care. While the program varies from state to state, it generally helps to fund room and board for young people enrolled in school. However, this funding may

not be enough to cover room and board near a college. For example, Los Angeles City College estimates the cost of living off campus as \$1,842 per month, but extended foster care in California only provides young people with \$1,129 stipend.⁸ Further, this funding often ends in the middle of a youth's enrollment; young people formerly in foster care may take longer to complete school because they are more likely to enroll at later ages and to enroll part time.

The Need to Work Conflicts with Postsecondary Education

Although most students with foster care history receive diverse forms of financial aid, it is usually not enough to support them throughout schooling, forcing them to find employment that often conflicts with their education. Although many students work while enrolled in college, the rates are much higher for students with foster care experience. In a survey of full-time community college students who were formerly in foster care, 74 percent worked at least 20 hours per week, and 21 percent worked a full 40 hours per week (Cooper, Mery, and Rassen 2008). In comparison, for two-year public students nationwide (both part time and full time), it is estimated that 35 percent worked fewer than 35 hours per week, and 32 percent worked 35 hours or more per week.⁹ The most common difficulty that students with a foster care history report is having to balance school and work (Courtney 2018; 2020). Further, there is evidence of a direct relationship between number of hours worked and the likelihood of dropping out of school for students with foster care experience (Okpych 2012).

Institution Selection, Cost, and Unmet Need

The federal government defines a student's financial need as the cost of attendance minus the estimated family contribution.¹⁰ Costs of attendance are set by the postsecondary institution and include tuition and fees as well as other expenses such as books, supplies, and living expenses such as housing. We define unmet need as any financial need not covered by financial aid that does not need to be paid back (i.e., grants). Below, we examine which institutions young people formerly in foster care typically attend, how much of their cost of attendance is covered by grants and the student's expected family contribution, and how their unmet needs vary compared with those of their peers.

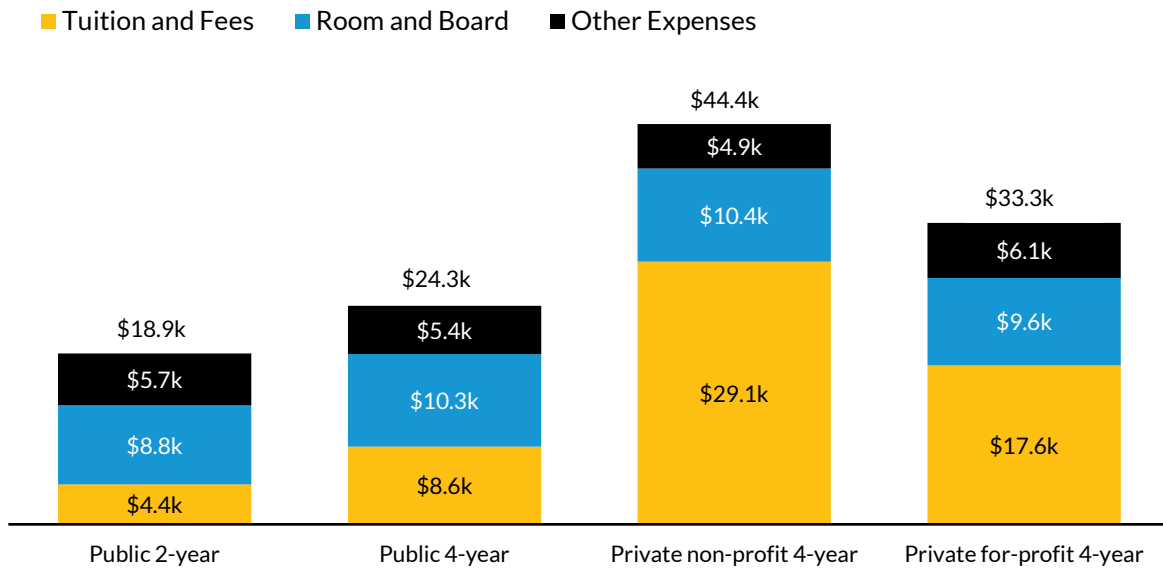
Institution Selection and Cost Implications

One decision that impacts both cost and financial aid is a student's selection of postsecondary institution. The type of school chosen (e.g., a four-year public college versus a four-year private college) can significantly impact the cost of tuition and fees as well as other costs of attendance (figure 1).

FIGURE 1

National Average Cost by Institution Type

Tuition and fees, room and board, and other expenses for students in the 2017–2018 school year living off campus



Source: Integrated Postsecondary Education Data Systems, National Center for Education Statistics, accessed February 24, 2023, <https://nces.ed.gov/ipeds/search/ViewTable?tableId=27425>.

Notes: We assume in-state tuition for public schools. We also assume that students live off campus. For four-year public and private schools, the on-campus and off-campus average room and board are both around \$10k. For two-year public schools, fewer than 5 percent of young people live on campus, according to the NPSAS data.

The full cost of attendance varies widely by institution type, with most of the differences driven by prices for tuition and fees. Figure 1 displays average cost by institution type assuming the student lives off campus and is attending an in-state school if public. The least expensive institutions are the public two-year institutions, with average cost of attendance of \$18,900.¹¹ On average, public four-year institutions are more than \$5,000 more expensive than public two-year institutions at \$24,300. Showing the highest costs, private four-year institutions have average annual cost of attendance of almost \$44,400, more than twice that of a public two-year institution. Across the three institution types, the costs of room and board and other expenses are all between \$14,500 and \$15,900, so the difference in average cost of attendance is largely driven by differences in the average cost of tuition and fees.

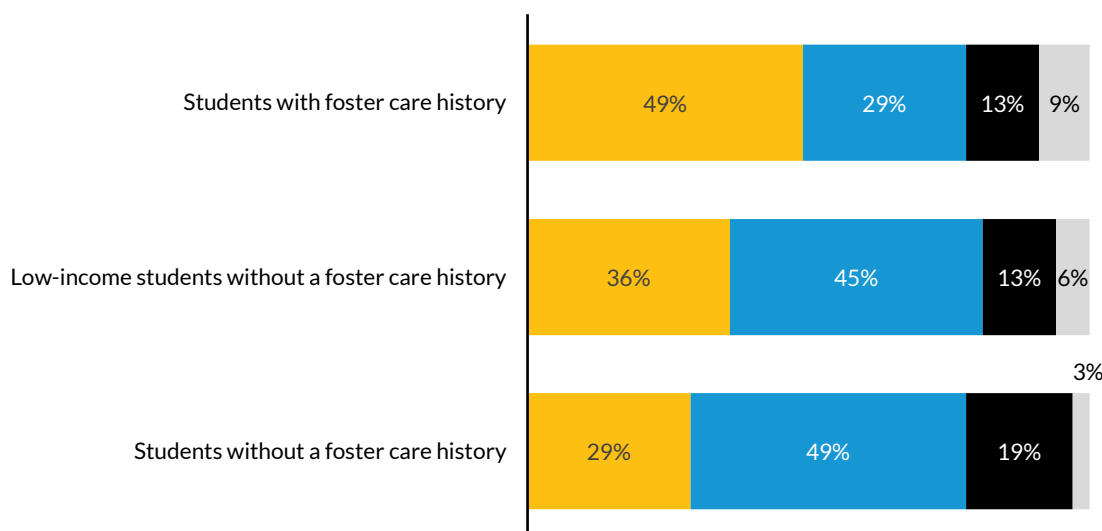
Students with a foster care history are more likely to attend lower-cost institutions than their peers, even when comparing them with other students with a low income (figure 2). Almost half (49 percent) of students with a foster care history attend two-year public schools, while only 29 percent of all other students and 36 percent of low-income students attend those schools. Students with foster care history are less likely to attend private nonprofit institutions compared with all students without foster care history (13 percent compared with 19 percent), but the likelihood of their attending private nonprofit institutions is the same as low-income students without foster care history.

FIGURE 2

Postsecondary Institution Enrollment by Student Group

Share of students ages 23 and younger who attend each institution type

Public 2-year Public 4-year Private nonprofit 4-year Private for profit



Sources: US Department of Education, National Center for Education Statistics, National Postsecondary Student Aid Study-Administrative Collection: 2018, Undergraduates (NPSAS:18-AC). The table numbers to retrieve results are ksjobs and tubljk.

Notes: Postsecondary undergraduate students 23 and younger. Low incomes are defined as incomes less than 200 percent of the federal poverty level. Students with foster care history are defined as students who answered yes to the FAFSA question “At any time since you turned age 13, were both your parents deceased, were you in foster care, or were you a dependent or ward of the court?” Enrollment status is determined by the number of months a student was enrolled either part time or full time. Weighted sample sizes for the three samples are 186,017 for students with foster care history, 3,872,252 for low-income students without a foster care history, and 9,928,519 for all students without a foster care history.

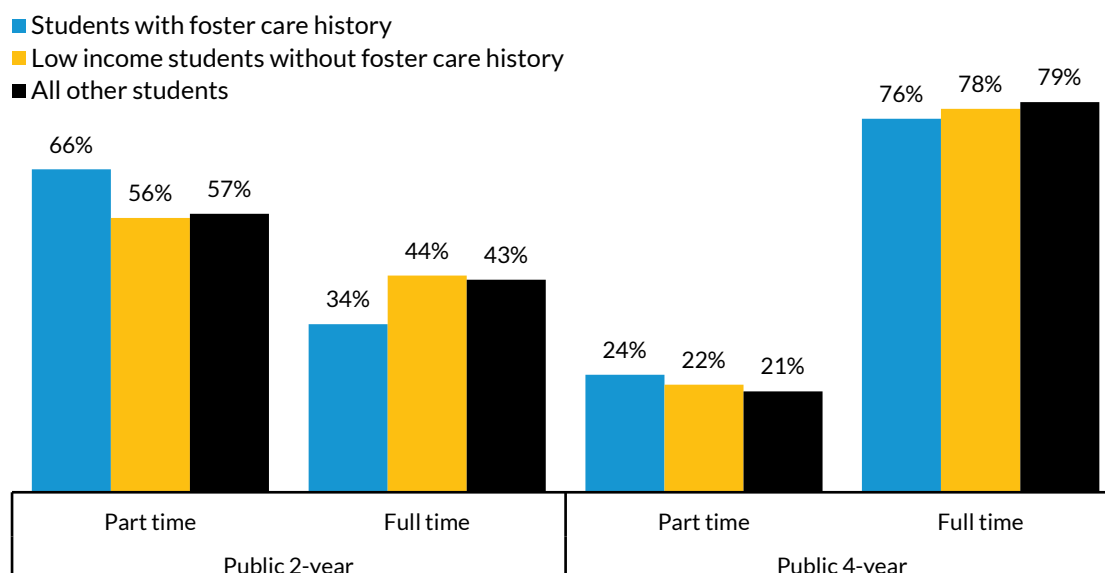
Students with a foster care history are also more likely to attend school part time than students without foster care history. Of students with foster care history who attend two-year public institutions, 66 percent attend part time.¹² That is more than the 57 percent of all students without foster care history or the 56 percent of low-income students without foster care history. When looking at students enrolling in four-year schools, the difference is smaller, with 24 percent of young people with a foster care history attending part time compared with 21 percent of all students without foster care history and 22 percent of low-income students without foster care history.

Enrolling part time affects a youth’s cost of attendance. For part-time students enrolled half time or more, institutions may prorate the cost of attendance. However, for those enrolled less than half time, not all common costs will be included in cost of attendance. For instance, for those enrolling less than half time, certain allowances are not permitted, such as miscellaneous personal expenses.¹³

FIGURE 3

Enrollment Status by Student Type and Institution Type

Share of students ages 23 and younger who attend school full time or part time by institution type



Source: NPSAS:18-AC. The table numbers to retrieve results are lyelda and mgcebf.

Notes: Postsecondary undergraduate students ages 23 and younger. Low incomes are defined as incomes less than 200 percent of the federal poverty level. Students with foster care history are defined as students who answered yes to the FAFSA question “At any time since you turned age 13, were both your parents deceased, were you in foster care, or were you a dependent or ward of the court?” Part-time enrollment includes students who were enrolled part time for at least half of the year and students who were enrolled full time and part time equally. Weighted sample sizes for the three samples are 193,883 for students with foster care history, 4,421,260 for low-income students without a foster care history, and 10,080,493 for all students without a foster care history.

Students with foster care history are less likely to live with parents or relatives compared with other young people (figure 4). More than half (53 percent) of students with foster care history live off campus compared with only 32 percent of all students and 33 percent of low-income students. While only 16 percent of young people with foster care history live with their parents, 28 percent of all students and 32 percent of low-income students live with their parents.

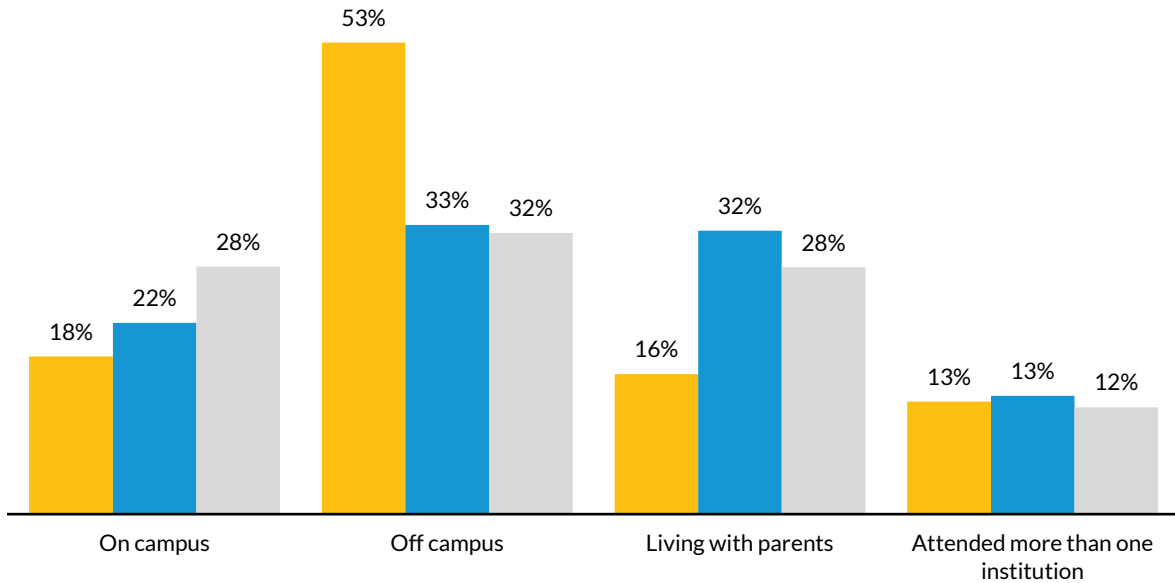
Students who live off campus face a higher cost of attendance than students who live with parents or relatives. However, estimating how much higher is difficult.¹⁴ Looking at a few example schools, we see a substantial difference in the cost of attendance reported by schools for living off campus versus living at home. For example, at Los Angeles City College, a two-year public school, the average cost of attendance in 2021–2022 for those living off campus is listed as \$24,377 versus \$15,719 for those living with their parents.¹⁵ At Columbia College Chicago, a private nonprofit school, the average cost of attendance in 2020–2021 for those living off campus is listed as \$24,874, compared with \$18,133 for those living with their parents.¹⁶ It is important to note that the living costs (room and board and other expenses) included in cost of attendance may not reflect the actual costs that students face. There is no standard methodology that institutions use for estimating living costs, and estimates can vary substantially across schools in the same location (Kelchen, Goldrick-Rab, and Hosch 2017).

FIGURE 4

Living Situation by Student Group

Living situation for students ages 23 years and younger by student group

- Students with foster care history
- Low-income students without a foster care history
- All students without a foster care history



Source: NPSAS:18-AC. The table numbers to retrieve results are zddpls and feubbx.

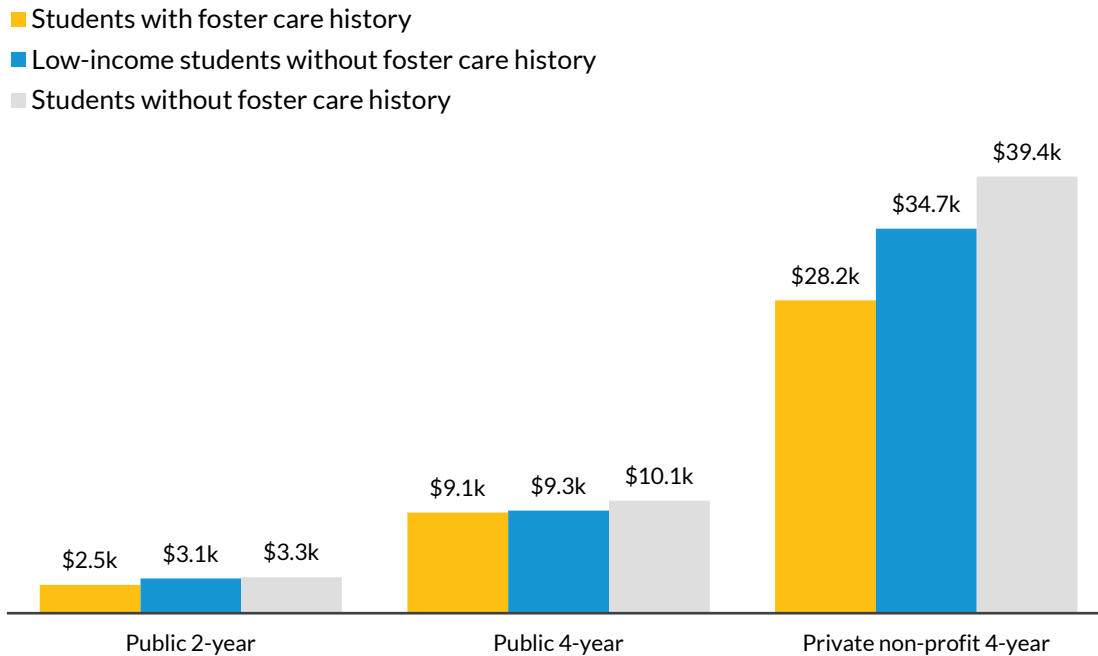
Notes: Postsecondary undergraduate students ages 23 and younger. Low incomes are defined as incomes less than 200 percent of the federal poverty level. Tuition and fees are included in the cost of attendance. Weighted sample sizes for the three samples are 193,882 for students with foster care history, 3,816,634 for low-income students without a foster care history, and 10,080,493 for all students without a foster care history.

As seen in figure 5, even conditioning on school type and enrollment status, the typical youth with a history of foster care attends institutions with lower tuition and fees compared with students without foster care history and low-income students without foster care history.

FIGURE 5

Cost of Tuition and Fees by Student Group and Institution Type

Median tuition and fees of students ages 23 and younger who attend school full time by student group and institution type



Source: NPSAS:18-AC. The table numbers to retrieve results are kmjthk and vrdefi.

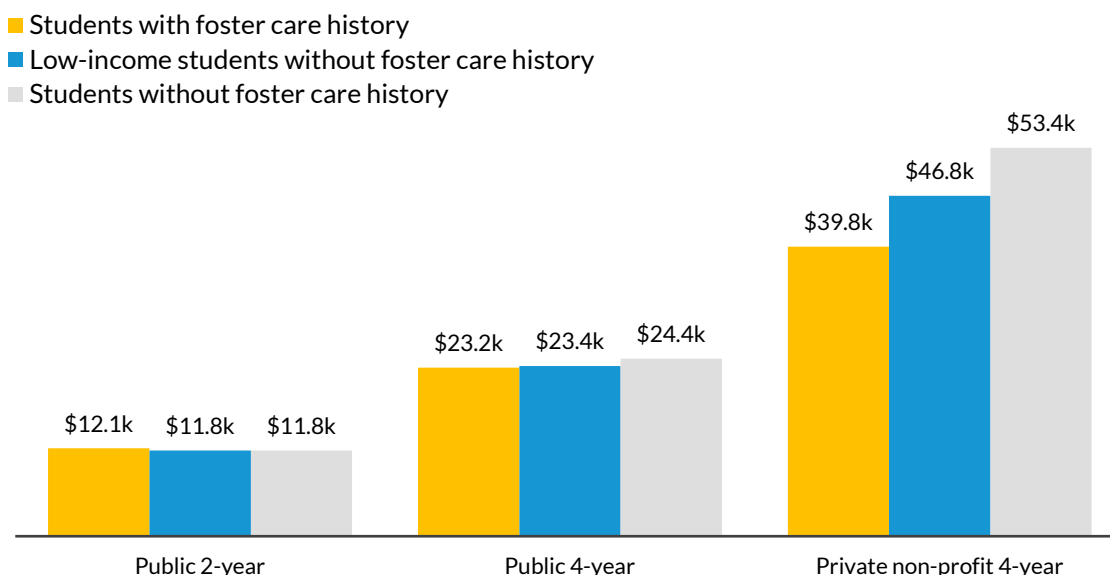
Notes: Postsecondary undergraduate students ages 23 and younger. Low incomes are defined as incomes less than 200 percent of the federal poverty level. Students with foster care history are defined as students who answered yes to the FAFSA question “At any time since you turned age 13, were both your parents deceased, were you in foster care, or were you a dependent or ward of the court?” Enrollment status is determined by the number of months a student was enrolled either part time or full time. Weighted sample sizes for the three samples are 73,772 for students with foster care history, 2,012,363 for low-income students without a foster care history, and 4,787,232 for all students without a foster care history.

Despite students with foster care history attending schools that have lower tuition and fees, they still face similar or higher costs of attendance at public two-year and public four-year schools. Figure 6 shows that, in general, students with foster care history face about the same cost of attendance as other young people at public schools. Given that they face lower tuition and fees, this implies that they face higher nontuition costs, probably because they do not have the option of living with their parents. Students with foster care history do face lower costs at four-year private institutions, likely due to choosing lower-cost institutions than other students. Private schools also have the lowest rate of students living at home, so this is not narrowing the difference in price between students with foster care history and students without foster care history.

FIGURE 6

Median Cost by Institution Type and Student Group

Median cost of attendance for students ages 23 and younger who are attending full time by student group



Source: NPSAS:18-AC. The table number to retrieve results is czugtm and qoqsrl.

Notes: Postsecondary undergraduate students ages 23 and younger. Low incomes are defined as incomes less than 200 percent of the federal poverty level. Tuition and fees are included in the cost of attendance amount. Weighted sample sizes for the three samples are 73,772 for students with foster care history, 2,012,363 for low-income students without a foster care history, and 4,787,232 for all students without a foster care history.

What Does the Typical Financial Aid Package Look Like for Students with Foster Care History?

To meet the costs of postsecondary education, students' financial aid packages can include a mixture of grants, estimated family contribution, work-study, and federal and/or private loans.¹⁷ Students can use these to pay for tuition and fees or to cover other out-of-pocket costs associated with attending school (e.g., housing, food, transportation, child care).

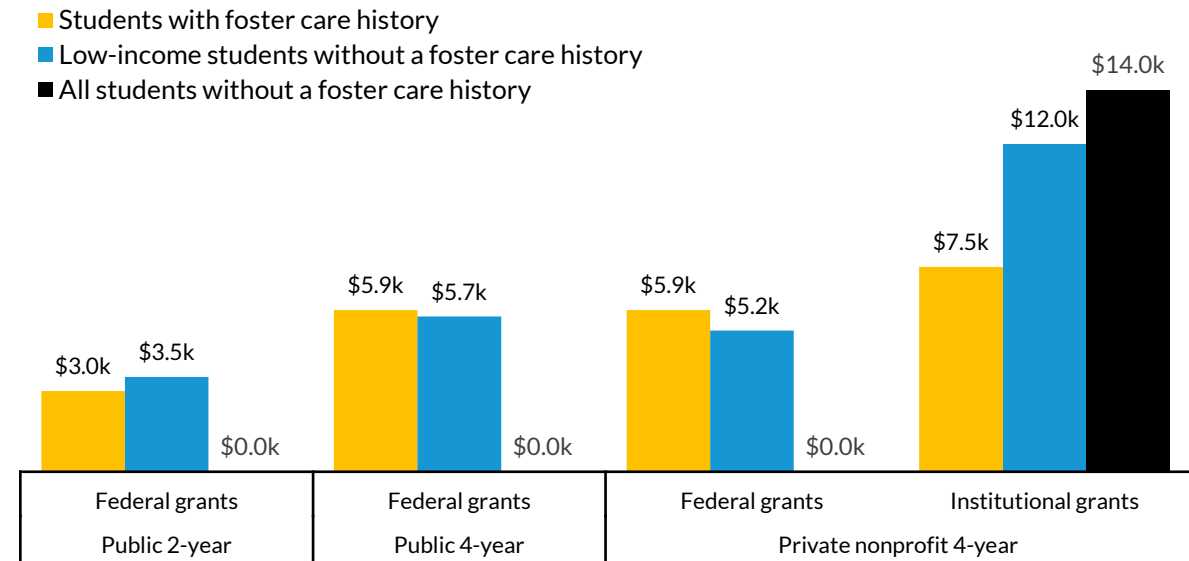
GRANTS

Grants represent financial aid that students do not need to pay back. Looking at the financial aid of undergraduate students with foster care history ages 23 and younger, 68 percent of those students receive some type of federal grant, compared with 42 percent of their peers. Nationally, the median total of all grants received by undergraduate students with foster care history ages 23 and younger is \$3,697, and the average is \$6,535.¹⁸

Across all institution types, 68 percent of students with foster care history and 76 percent of low-income students without foster care history receive a federal grant, although the amount varies (figure 7).¹⁹ At four-year institutions, the median federal grant amount for full-time students is \$5,960 for students with foster care history and \$5,690 for low-income students with no foster care history. Almost all of that comes from Pell Grants. At two-year public institutions, the typical low-income

student without foster care history receives slightly more than a student with foster care history. For students with low incomes who attended two-year public institutions part time, their median federal grant amount was equivalent to that of students with foster care histories (\$1,564).²⁰ It is important to note that Education and Training Vouchers are included in federal grants, and state tuition waivers are included in state grants.

FIGURE 7
Median Grant Total by Grant Type, Institution Type, and Student Group
Median grant amounts for students ages 23 and younger attending full time



Source: NPSAS:18-AC. The table numbers to retrieve results are `ujichx` and `nxifw`.

Notes: Postsecondary undergraduate students ages 23 and younger who are attending exclusively full time. Low incomes are defined as incomes less than 200 percent of the federal poverty level. Students with foster care history are defined as students who answered yes to the FAFSA question “At any time since you turned age 13, were both your parents deceased, were you in foster care, or were you a dependent or ward of the court?” Weighted sample sizes for the three samples are 84,132 for students with foster care history, 2,192,460 for low-income students without a foster care history, and 5,134,688 for all students without a foster care history.

At private, nonprofit four-year institutions, the typical student receives an institutional grant. However, full-time students with foster care history receive notably less than the median amount received in institutional grants by students without a foster care history, even when restricting that group to those defined as low income. As seen above, students with foster care history are attending less expensive private, nonprofit four-year institutions, which likely explains the difference in aid.

Unmet Need

TUITION AND FEES AFTER GRANTS

Grants received by students with foster care history typically cover much, if not all, of the student’s tuition and fees. Nationally, students with foster care history face a median cost for tuition and fees of

\$4,108.²¹ After all grants are applied, the median amount of tuition and fees left to pay is \$843, or 21 percent of the total.

However, the sufficiency of students' grant packages differs by institution type. As shown above, students with foster care history are most likely to attend two-year public institutions. For students enrolled in these schools, grants typically cover almost all tuition and fees).²² But for students enrolled in other institution types, the gap between their grants and tuition and fees is much larger. The median amount of tuition and fees left after grants is about \$2,500 for students with foster care history at a public four-year institution attending full time; this is higher than the median amount remaining for low-income students without foster care history (\$0).²³ At a private nonprofit four-year institution, the median amount of tuition and fees left after grants for students with foster care history attending full time is about \$5,600 and about \$7,000 for students with low incomes but no foster care history attending full time.²⁴

UNMET NEED AND EXPECTED FAMILY CONTRIBUTION

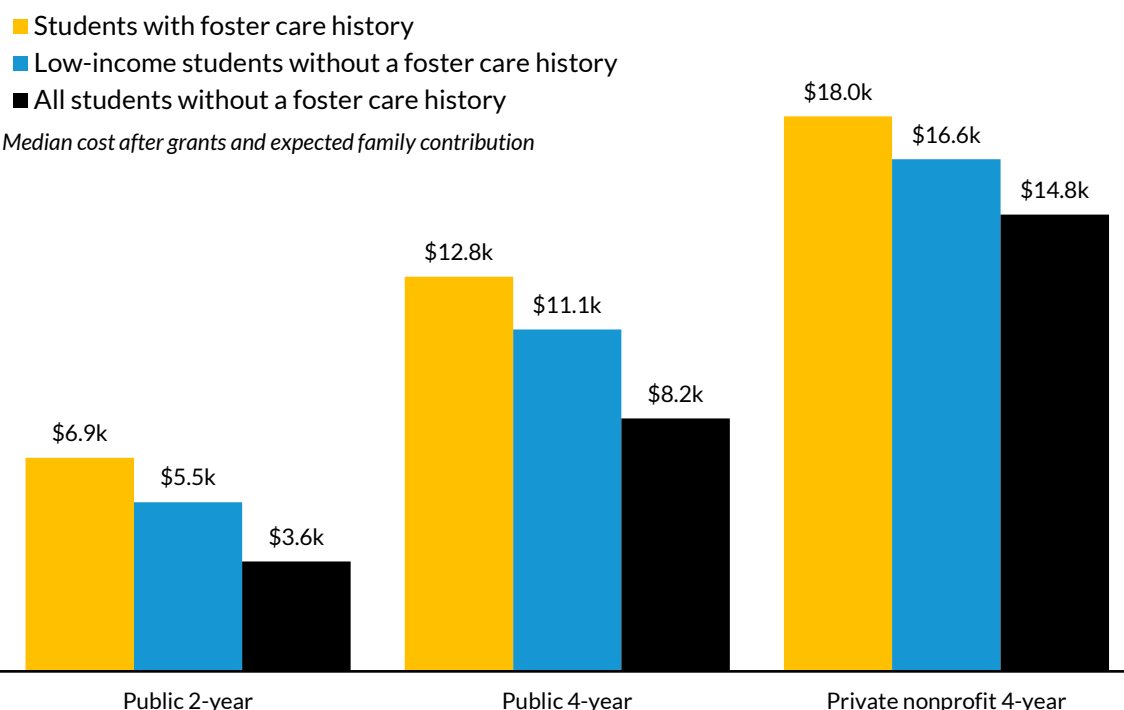
An estimate of the level of personal or family financial resources available takes the form of the expected family contribution. Using information reported on the FAFSA, the federal government calculates the student's expected family contribution as an estimate of a student's or family's ability to pay for college. A student's expected family contribution will vary depending on income, assets, family size, and whether the student is considered independent. The federal government defines a student's financial need as equal to their cost of attendance minus their expected family contribution. More than half of students with foster care history have an expected family contribution of \$0. Their average expected family contribution is \$1,582.25

How much cost of attendance is left after all grants are applied? And to what extent does a student's expected family contribution cover that gap? We compare typical grants received with the median cost of attendance and presenting median net price (i.e., cost of attendance minus grants) for full-time students. As with the other metrics, net price differs greatly by institution type, but for each institution type, full-time students with a foster care history have the highest unmet need (figure 8).

FIGURE 8

Median Unmet Need by Institution Type and Student Group

Median unmet need for full-time students 23 and younger



Source: NPSAS:18-AC. The table numbers to retrieve results are hjchle and qsbwpx .

Notes: Postsecondary undergraduate students ages 23 and younger who are attending exclusively full time. Low incomes are defined as incomes less than 200 percent of the federal poverty level. The median cost of attendance left after all grants is not derived but is drawn from NPSAS variable NETCST3. This variable calculates the cost of attendance less all grants (TOTGRT). Students with foster care history are defined as students who answered yes to the FAFSA question “At any time since you turned age 13, were both your parents deceased, were you in foster care, or were you a dependent or ward of the court?” Weighted sample sizes for the three samples are 84,132 for students with foster care history, 2,192,460 for low-income students without a foster care history, and 5,134,688 for all students without a foster care history.

- **Students without a foster care history face the highest costs after subtracting grants.** At two-year public schools, full-time students without foster care history face \$8,419 in costs after subtracting all grants, compared with \$6,393 for low-income students without foster care history and \$7,843 for all students with a foster care history.²⁶
- **However, after accounting for expected family contribution, students with foster care history often face the highest net prices.** Students without foster care history have expected family contribution to help cover their unmet need, making their net price lower even after receiving less in grants in almost all cases. This is not true for students with foster care history or for those students without foster care history but with low incomes. For example, in public four-year institutions, the typical full-time student with foster care history has \$12,833 to cover each year; for low-income students without a foster care history that total is slightly lower at \$11,115. But the annual net price for all students without foster care history is even less, at about \$8,216 (figure 8). This is despite their attending schools with cost of attendance 5

to 6 percent higher than students with a foster care history or than students with low income and no foster care history. The dynamics of unmet need are due to the typical full-time student without foster care history at a four-year public institution having an expected family contribution of \$7,051 while typical students from the other groups have expected family contributions of \$0.²⁷ While some students with a foster care history have access to extended foster care, many do not either because their state does not have extended foster care, the students are 21 or older, or they are not eligible for extended foster care (e.g., they reunified with their families).

- **Students attending public four-year institutions have about double the net price of students attending public two-year institutions.** This is despite those students also receiving about double the amount of grants. Students attending public two-year institutions have the lowest net price.

For no group does the amount of grants and expected family contribution received cover the full cost of attendance for the median student. This gap leaves students with out-of-pocket costs they need to cover. To assist with these costs, students can rely on personal or family financial resources, take out loans, or use earnings from paid employment. For nonresidential schools, students could also economize to lower their living costs (e.g., by sharing rooms). However, unlike other students, students with foster care history typically cannot reduce their costs by living with their parents. Further, as to personal or family financial resources, students with a foster care history have an income that is typically 16 percent of the federal poverty level (compared with their peers who have family incomes at about 267 percent of the federal poverty level); this means that the net price of school after all grants amounts to more than 100 percent of their income.²⁸

Students could augment their income through employment, but, as discussed above, working too much—and especially working full time—can be difficult to juggle with a school schedule. One study found that only one-quarter of young people who had ever enrolled in college had student debt at age 21; however, this share grew by age 23 to one-third (Courtney 2018; 2020). One reason may be that students with foster care history have high dropout rates. By age 21, only 64 percent of these young people had completed a full year, and by age 23, only 55 percent of those enrolled had completed a full year (Courtney 2018; 2020).

Federal loans can play a role in covering postsecondary costs. While accumulating debt is not ideal, first-year dependent students may borrow up to \$5,500 and independent students up to \$9,500 in federal student loans.²⁹ These loans can help students cover expenses they might not otherwise be able to cover.

Conclusion

The majority of young people in foster care want to go to college (Courtney, Terao, and Bost 2004; McMillen et al. 2003; Unrau, Font, and Rawls 2012). But they are half as likely to do so compared with young people without foster care history (Courtney et al. 2007; Davis 2006; Hanson et al. 2022). **Young people with foster care history commonly voice balancing school and work as a reason for not**

enrolling in or not completing their postsecondary education. The most-cited difficulty that students with a foster care history face is balancing school and work, with 65 percent of students age 21 and 78 percent of student age 23 reporting balancing work and school as a difficulty in transitioning to college. Similarly, the most common reason given for not enrolling in college (24 percent) was needing to work (Courtney 2018). Because having to work while in school is a barrier to young people with foster care history, it is imperative that policymakers understand the amount and magnitude of unmet need experienced by these students.

Postsecondary education is expensive. For all student groups, even after grants and expected family contributions are applied, there is still a significant amount of the cost of attendance to cover. **Students with foster care history are choosing the least expensive options by mostly attending public two-year institutions and attending part time.** This stands even when they are compared with their peers with low incomes: nearly half of students with foster care history attend two-year public schools, compared with fewer than one-third of all other students and 36 percent of low-income students. While these schools are less expensive, two-year public schools also have a much lower completion rate than four-year schools. Further, enrolling part time means it will take these students longer than others to complete a program.

Most students with foster care history receive grants to help them pay for college, but the sufficiency of grants received varies by institution type. Although these grants usually cover the student's tuition and fees at two-year public institutions, they are not sufficient to cover tuition and fees at either public or private nonprofit four-year institutions. A student's unmet need is even greater when the full costs of attendance are included. Even in two-year public institutions, the typical net price after grants and expected family contribution is over \$6,900 for full-time students with foster care history. That gap between cost of attendance and grants received is even higher for higher-cost institutions. **Students with foster care history receive more in grants at these higher-cost institutions, but they do not keep pace with the cost of attendance.** At four-year public institutions, students with foster care history and students with low incomes but without foster care history have about \$12,000 of their cost of attendance to cover after grants are applied. This net price is higher at four-year nonprofit institutions.

Despite choosing less expensive schools, the cost of attendance for young people with foster care history may still be higher than that of their peers, as they often do not have the option of living with their parents while they attend school. Without the option of living with their parents, the cost of attendance for young people with foster care history is higher than that of their peers as they must pay for off-campus or on-campus housing. Two-year schools have much higher rates of students living at home. In 2015–16, about 51 percent of all students attending a public two-year school lived with their parents, compared with only 17 percent at a public four-year school. Living at home makes the cost of attendance at public two-year school much lower. However, most young people formerly in foster care do not have this option, making two-year schools less affordable to them (Baum, Johnson, and Lee 2022).

Students with foster care history have more unmet need even when compared with students with low incomes and no foster care history. Despite having similarly low expected family contributions

compared with students with foster care history, **students with low incomes but without foster care history have familial support to rely on.** Having family to live with, eat with, or go to with small financial issues can relieve the fiscal stress of attending college. While some students with a foster care history have access to extended foster care, many do not either because their state does not have extended foster care, the students are 21 or older, or they are not eligible for extended foster care (e.g., they reunified with their families).

Even at the lowest-cost institutions, the net price for young people with foster care history is more than 100 percent of their income. Students can work, but working—especially working full time—has been found to result in negative postsecondary outcomes for young people with foster care history (Courtney et al. 2007; 2011; Okpych 2012).

Appendix A. Data and Methods

Young people with foster care history need financial support to attain their educational goals. Are these young people getting the financial support they need for college? And how do their financial aid packages compare with those of their peers? To answer these questions, we used data from the National Center for Education Statistics, National Postsecondary Student Aid Study-Administrative Collection: 2018, Undergraduates (NPSAS:18-AC) (Siegel, Ramirez, and Johnson, 2021).

NPSAS is a study looking at students in postsecondary education, focusing on how they finance their education. The NPSAS:18-AC data include administrative records from a national cross-section of students enrolled in postsecondary institutions in academic year 2017–18; they contain information on student financial aid, enrollment, demographic characteristics, institution characteristics, and income (Siegel, Ramirez, and Johnson 2021).

For our analysis, we looked at postsecondary students ages 23 and younger. To examine the financial aid experiences of young people with foster care history, we stratified the population by a variable which captures the FAFSA question “At any time since you turned age 13, were both your parents deceased, were you in foster care, or were you a dependent or ward of the court?” This question is part of a set of questions on the FAFSA that seek to determine a young person’s status as an independent student.³⁰ A limitation to using this question to identify students with foster care history is that it will include some students who do not have foster care history but whose parents were deceased, and students who were a “ward of the court” (e.g., a young person in the custody of a public child welfare agency). For brevity, we refer to this population as “students with foster care history” throughout.

In our analysis, we chose to present the median amounts of key postsecondary education costs and financial aid totals instead of the average. While both are measures of central tendency, medians and averages each provide a slightly different view of what is typical. A median is calculated by taking the middle value from a set of observations. When thinking about student financial aid totals, the median value tells us that half of students received less than this amount and half of students received more. An average is calculated by dividing the total amount of all individual values by the number of observations. When there is the possibility of extreme high values, averages can become skewed. We see this happen

when many students have values of zero or close to zero, while a minority have much higher values, which can be the case when comparing costs and unmet need across different postsecondary institutions. We have chosen to use the median because we believe it best represents what is typical for each type of student.

Notes

- ¹ To examine the financial aid experiences of young people with foster care history, we stratify the population by a variable that captures the FAFSA question “At any time since you turned age 13, were both your parents deceased, were you in foster care or were you a dependent or ward of the court?” This question exists on the FAFSA as part of a set of questions to determine a student’s status as an independent student. A limitation to using this question to identify students with foster care history is that it will include some students who do not have foster care history but whose parents were deceased or who were a “ward of the court” (e.g., a young person in the custody of a public child welfare agency). For brevity, we refer to this population as “students with foster care history” throughout.
- ² Promoting Safe and Stable Families Amendments of 2001, Pub. L. No. 107-133, 115 Stat. 2413 (2002).
- ³ Children’s Bureau, “3.5C Eligible Expenses and Institutions,” in *Child Welfare Policy Manual*, 2005, https://www.acf.hhs.gov/cwpm/public_html/programs/cb/laws_policies/laws/cwpm/policy_dsp.jsp?citID=311.
- ⁴ “Foster Care and Education Q&A,” Legal Center for Foster Care and Education, 2008, https://www.fostercareandeducation.org/Database.aspx?EntryId=1606&Command=Core_Download.
- ⁵ Minnesota’s tuition waiver covers the full cost of attendance starting in the fall of 2022. See Rilyn Eischens, “Teens in Foster Care Will Go to College for Free, under New State Program,” *Minnesota Reformer*, July 13, 2021, <https://minnesotareformer.com/2021/07/13/teens-in-foster-care-will-go-to-college-for-free-under-new-state-program/>.
- ⁶ “Our Programs: Scholarships and Grants,” Foster Care to Success, accessed August 4, 2022, <https://www.fc2success.org/programs/scholarships-and-grants/>.

The complete list of possible activities to make young people eligible are (1) completing high school or an equivalency program; (2) enrolling in postsecondary or vocational school; (3) participating in a program or activity designed to promote, or remove barriers to, employment; (4) being employed for at least 80 hours per month; or (5) being incapable of doing any of these activities because of a medical condition.
- ⁸ Source for the price of Los Angeles City College: “Los Angeles City College Tuition & Cost,” CollegeSimply, 2023, <https://www.collegesimply.com/colleges/california/los-angeles-city-college/price/>. Source for the stipend amount for extended foster care: CDSS (California Department of Social Services), *All County Letter No. 22-59*, Sacramento, CA: CDSS, 2022, <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Letters-and-Notices/ACLs/2022/22-59.pdf?ver=2022-07-14-130951-700>.
- ⁹ US Census Bureau, *Current Population Survey (CPS)*, 2020, retrieved from <https://nces.ed.gov/programs/coe/indicator/ssa/college-student-employment>.
- ¹⁰ Using information reported on the FAFSA, the federal government calculates an expected family contribution as an estimate of a family’s ability to pay for college. A family’s expected family contribution will vary depending on income, assets, and family size.
- ¹¹ Student budgets, also known as the cost of attendance, are set by the postsecondary institution and include tuition and fees as well as other expenses such as books, supplies, and living expenses such as housing. They vary by school and by student, since the institution can adjust a student’s budget based on student-specific variables such as their living situation (e.g., living on campus, living off campus, or living at home).
- ¹² This includes young people who attend part time for half the year or more and full time for the rest of the year.

- ¹³ “(GEN-22-15) FAFSA Simplification Act Changes for Implementation in 2023–24,” US Department of Education, Office of Federal Student Aid, November 4, 2022, <https://fsapartners.ed.gov/knowledge-center/library/dear-colleague-letters/2022-11-03/fafsar-simplification-act-changes-implementation-2023-24>.
- ¹⁴ Integrated Postsecondary Education Data Systems is the best source of data on college costs but automatically sets the cost of room and board to zero for students living at home. This does not appear to accurately measure the cost of attendance estimated by some schools. Some institutions list a non-zero cost of room and board for those living at home on their websites. See “Federal Cost Data for Students Living at Home Are Significantly Understated,” Institute for College Access & Success (blog), May 24, 2016, <https://ticas.org/accountability/federal-cost-data-students-living-home-are-significantly-understated/>.
- ¹⁵ “Financial Aid: Cost of Attendance,” Los Angeles City College, 2023, <https://www.lacitycollege.edu/cost-tuition/costs-college>.
- ¹⁶ “2021–2022 Undergraduate Cost of Attendance,” Columbia College Chicago, accessed February 24, 2023, <https://www.colum.edu/columbia-central/where-to-start/cost-of-attendance/2021-22-undergrad>.
- ¹⁷ The median value for work-study in our data samples was always zero, so it is not presented in our charts.
- ¹⁸ NPSAS:18-AC (National Center for Education Statistics, National Postsecondary Student Aid Study-Administrative Collection: 2018, Undergraduates). The table number to retrieve results is qoqjch. See <https://nces.ed.gov/surveys/npsas/> (accessed February 24, 2023).
- ¹⁹ NPSAS:18-AC. The table numbers to retrieve results are mjjmkr and ryuwmz.
- ²⁰ NPSAS:18-AC. The table number to retrieve results is wgpprh.
- ²¹ NPSAS:18-AC. The table number to retrieve results is akkjha.
- ²² NPSAS:18-AC. The table numbers to retrieve results are hjchle and qsbwpx.
- ²³ NPSAS:18-AC. The table numbers to retrieve results are hjchle and qsbwpx.
- ²⁴ NPSAS:18-AC. The table numbers to retrieve results are hjchle and qsbwpx.
- ²⁵ NPSAS:18-AC. The table number to retrieve results is fbtxop.
- ²⁶ NPSAS:18-AC. The table numbers to retrieve results are hjchle and qsbwpx.
- ²⁷ NPSAS:18-AC. The table numbers to retrieve results are hjchle and qsbwpx.
- ²⁸ NPSAS:18-AC. The table number to retrieve results is akkjha.
- ²⁹ “The US Department of Education Offers Low-Interest Student Loans to Eligible Students to Help Cover of College or Career School,” US Department of Education, Office of Federal Student Aid, accessed February 24, 2023, <https://studentaid.gov/understand-aid/types/loans/subsidized-unsubsidized>.
- ³⁰ The other questions to determine independence are: (1) Are you married? (2) At the beginning of the 2019–2020 school year, will you be working on a master’s or doctorate program (such as an MA, MBA, MD, JD, PhD, EdD, or graduate certificate, etc.)? (3) Are you currently serving on active duty in the US Armed Forces for purposes other than training? (4) Are you a veteran of the US Armed Forces? (5) Do you now have or will you have children who will receive more than half of their support from you during the academic year? (6) Do you have dependents (other than your children or spouse) who live with you and who receive more than half of their support from you, now and through the academic year?

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