When it comes to attending a college or university, the first question a prospective student will likely have is how to pay for it. But while the affordability issue dominates the narrative, what is not often talked about is how much “free” money is being left on the table every year. For example, infographic produced by the National College Attainment Network in 2017 indicated that only 31 percent of low-income high school seniors enrolled in college with a Pell Grant. These statistics are pre-COVID-19, and early indications suggest that even more students will not participate in the Pell pool next year.

Community colleges and their students tend to suffer the most when it comes to financial aid, despite two-year colleges often being the most affordable option. Community colleges typically lack the resources needed to help guide students in financial wellness, thanks in large part to limited budget and resources. Budget cuts from COVID-19 will only worsen this situation.

As of May 6, 2020, renewals of the Free Application for Federal Student Aid (FAFSA®) were down 5% (more than 350,000 students) compared with the same date in 2019. Fewer applications are a harbinger for many things, but one certainty is that fewer students will be able to afford higher education. This trend will be further compounded by massive job losses and the general unpredictability surrounding the future of work in the post-pandemic economy.

The need for financial aid is paramount as students once again question the affordability aspect of higher education amid COVID-19. How can we make financial aid and the FAFSA® more accessible to the students who need it most, especially those attending community colleges?

**FAFSA® Completion and Student Success**

Put simply, when students do not complete the FAFSA®, they often do not attend college. That is what makes engaging students with a simple financial aid process essential to student success. But this is much easier said than done.

The current FAFSA® process is time-consuming and complicated. Students are faced with confusing language and a lack of resources to provide them direction. When FAFSA® completion rates are an indicator of college/university enrollment and postsecondary access and success, not completing the application presents a significant loss for the students themselves.

In 2019, over 1.2 million students missed out on billions of unclaimed aid and access to affordable education. Approximately 645,000 of those students were eligible for Pell Grants, meaning they could have received money for their education but did not, often due to limited access to counselors or mentors who could help them understand FAFSA®. And although students who attend community colleges are less likely to accrue large student loan debt, they are more likely to default on those student loans, making aid such as grants and scholarships essential.

Without financial aid, many community college students are faced with an enormous financial burden, especially considering that most of them work and go to school or have family commitments at the same time. A recent study by EducationData.org showed that nearly 54 percent of students who drop out say they had difficulties balancing work and school, while 38 percent of students cite financial pressure as the reason they dropped out. These statistics make it clear that money and financial aid are the root of the problem for many students who leave behind their higher education dream.

Since community colleges primarily cater to the demographic of students facing these obstacles every day, dropout rates and lack of completed applications can be detrimental to these institutions.

**A Student-Centric Approach**

Between 2010 and 2014, enrollment at community colleges declined from 29 percent to 25 percent for full-time undergraduate students. With this trend, along with the need to improve degree-completion rates, it is no surprise that two-year colleges are suffering. Without a structure in place to help students get the financial support they need to complete their education, enrollment rates are likely to continue to decline.

This is just one of the reasons I started Frank in 2017, with the overall goal of making higher education more accessible and affordable for students. Since then, the Frank team has launched three products aimed at guiding students through the financial aid process: a simplified version of the FAFSA®, an aid appeal service, and the Frank Membership, which offers...
a financial aid advance for students waiting for a refund from their institutions.

At Frank, the team engages in a student-centric approach to solve these problems. To date, Frank has helped over 350,000 students access $7 billion in financial aid. This was done by building a quick, easy-to-understand application that guides students through each step of the application. More importantly, the Frank team can see what trips up students and where they drop off, and it can reach out to them to get to the bottom of the issue before they abandon the process.

Important to improving application completion rates is knowing where a student is in the FAFSA® process, but most institutions do not have that insight. Today, on average, independent students complete Frank’s easy FAFSA® in less than 5 minutes. Of students who complete their FAFSA® with Frank, over 94 percent do so within 24 hours of creating an account. An additional 4 percent of completions occur within a week of creating an account.

Frank’s goal is to remove the doubt and uncertainty that play a role in a student’s decision-making process. We want them to know the importance of completing the FAFSA®, understand how the financial aid process works, and get the aid they deserve to finish their education. Being able to help students identify and overcome obstacles allows us to do just that.

For example, Frank’s technology has been used to help students at local New York City community colleges, including LaGuardia. The Frank team went onsite to educate students about the FAFSA® and showcase how simple the process can be when they apply through Frank. One of our biggest takeaways from the work with LaGuardia Community College was how much administrators appreciated having an independent resource that would help advocate for their students, especially when every student has unique needs. Community colleges may lack systems that collect and analyze data, causing difficulties in understanding where their students need help.

Frank’s “white glove” treatment, which offers support through text, chat, and email support, has helped increase FAFSA® completion rates by 20 percent, which thereby helps more students enroll. The more students who complete the FAFSA®, the more likely they are to earn a degree, creating a win-win for students and colleges/universities.

**Moving Forward**

The unhappy reality is that for many students, financial aid is the obstacle that keeps them from accessing higher education. An antiquated process stands in the way, leaving them to take on massive debt or abandon their goal altogether. At the same time, FAFSA® is not an intuitive process for colleges and universities. Institutions have access to information only after the application has been processed by the government, making it difficult for administrators to assist their students.

This is where Frank bridges the gap. Creating a simpler financial system for students and a smarter process for colleges and universities, Frank solves both challenges at once. A student’s likelihood of academic success and an institution’s likelihood of continued enrollment both increase.

COVID-19 has imposed harsh economic realities on all individuals and industries, especially higher education institutions. But despite the many changes and challenges we will confront after the pandemic, students and institutions will both benefit from an improved FAFSA® process. With more students looking for affordable options, now is the perfect time to remove the financial aid roadblock and take the path forward.

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**Notes**

5. Ma and Baum, “Trends in Community Colleges.”

Charlie Javice is the Founder and CEO of Frank.

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