

STATEMENT OF PRESIDENT YOES

EASTERN GATEWAY COMMUNITY COLLEGE
CENTRAL STATE UNIVERSITY
FRANKLIN UNIVERSITY

FREE COLLEGE BENEFIT

FOP members and families that are currently using or are planning to use the Free College Benefit, there will be no enrollment for the Fall semester 2022.

On July 18, 2022, the U.S. Department of Education notified Eastern Gateway Community College (“EGCC”) that they must cease their Free College Benefit program and not to disburse Pell grant funds to any new students enrolling in the Free College Benefit program until EGCC redesigns its program. The Department of Education stated that the structure of EGCC’s Free College Benefit program violated federal financial aid rules, by using some students’ Pell Grant funds, to essentially subsidize the enrollment of other students who do not qualify for federal aid. The Department of Education determined that EGCC charge Pell-eligible students the full amount of their grants. EGCC then reduced the bills for non-Pell eligible students to zero, recording the waivers as external scholarships, but essentially using excess Pell funds to subsidize the tuition of the non-Pell eligible students.

Per EGCC’s website, they are still awaiting further information regarding the Department of Education’s guidance on the Free College Benefit for current students. I recommend that current students under the Free College Benefit program who plan to continue your education at EGCC should enroll in Fall 2022 classes. You should pay for tuition out of your personal funds. EGCC has stated that Pell grants will not be disbursed to qualifying students until the matter with the Department of Education is resolved.

Although the websites of both Central State University and Franklin University are silent as to the cessation of their respective Free College Benefit programs, I also recommend that students enroll and pay for Fall 2022 classes if it is your intention to continue your education at these institutions.

I have instructed General Counsel to investigate and monitor this matter closely. I will follow up and advise affected members as soon as I receive additional information.

Please see the following link from EGCC for a list of FAQs and answers concerning this situation: <https://egcc.edu/press-release/>.