

## FAIR Fights Influx of Financial Aid Forms

### *ABBYY FormReader Provides Major Cost and Efficiency Benefits*

Client: Old Dominion University Research Foundation

#### **Program**

*ABBYY FormReader*

#### **Results**

*Scanning time and cost cut by two thirds*

#### **Synopsis**

*The Financial Aid Independent Review (FAIR) helps private and parochial K-12 schools choose worthy recipients for the schools' financial aid dollars. Manually inputting the nearly 30,000 financial aid forms it receives annually proved time-consuming and costly. By turning to ABBYY FormReader 6.5 Desktop Edition, FAIR cut its expenses and inputting time by two thirds.*

As spring turns to summer, students who have applied for financial aid, along with their parents, wait impatiently to find out whether they will receive the cash windfall they need to attend the school of their choice. Many families submit their financial aid forms to Financial Aid Independent Review (FAIR), which provides the processing power private and parochial grammar and high schools need to handle the influx of financial aid requests.

However, as the popularity of the service has grown, the Minneapolis/St. Paul-based service bureau found that processing incoming forms was becoming increasingly

challenging. In 2005, FAIR had tired of hiring additional seasonal staff and then laying them off after the rush, and decided to purchase a forms processing solution from ABBYY Software to increase its processing speed and reduce its reliance on temporary workers.

"Our work is very seasonal," says Dwayne Wolterstorff, executive vice president of FAIR. "We are extremely busy from February to the end of June, when we get 85 percent of the applications for the upcoming academic year. We are a relatively small company so it never made any sense for us economically to have people on staff full-time."

## Stemming the Tide

In serving its K-12 school clients, FAIR processes nearly 30,000 11x17-inch, 2-page applications each year. "In the past, we've always done our data entry manually, and we've had to hire temporary people," says Wolterstorff. "During our peak time, we'll have 10 employees and six of those are seasonal hires."

As the company grew, Wolterstorff wanted to reduce his organization's dependence on casual part-time data entry employees. "I'll pay \$20 per hour yet I still can't find workers during our peak season," says Wolterstorff. "Data entry is one of our single biggest hurdles to growth. It led me, at the end of the busy season last year, to look for other alternatives."

After seeing demonstrations of several forms processing products, FAIR standardized on a system that included ABBYY FormReader 6.5 Desktop Edition and a Canon 7580 sheet-fed scanner.

FAIR asked FormTran, a Lake Forest, Calif.-based ABBYY reseller, to design the forms. "The form definition was complicated with lots of fields and most solution providers and end-user organizations don't have the expertise to do that," says Mike Stuhley, president of FormTran. Further complicating the solution was the fact that the FAIR form contained "drop out ink"—that is, colored ink that could not be read by the scanner—as well as the large 11 x 17 sheet size. The process was made even easier since FormTran coincidentally used the same type of scanner as FAIR. "There's a huge difference from one scanner to another," says Stuhley. "By scanning their form on exactly the same kind of scanner, we saved them a lot of effort in tweaking the forms to optimize them for their specific scanner."

## Huge Volume, Huge Savings

During peak season, FAIR receives 500 to 600 applications daily, including many pages of income tax forms and other supporting data. "The mail gets opened and bundled into stacks of 25 applications by date," says Wolterstorff, adding that scanned images of background materials are archived in their system. "Our schools want to know when each application got into the office, so the date stamping is important." Next, the bundles get routed for inputting into the company's database—and then are evaluated by trained financial people to see if families qualify for assistance.

FAIR almost immediately reaped substantial savings and speed enhancement from ABBYY FormReader. In its first five months of using the software, FAIR tripled the speed at which it inputs the financial aid forms it receives. Within five months of installing ABBYY FormReader, FAIR has scanned 25,000 forms.

A well-trained data entry person can input an average of 175 forms in a typical five-hour shift, at a cost of \$100 per shift in salary. Manually inputting the 25,000 forms it has received would take approximately 143 shifts- at a cost of \$14,300 in employee pay. By comparison, a single scanner operator using FormReader can input 500 forms in a typical five hour shift—cutting the necessary scanning time to only 50 five hour shifts- or \$5,000, a cost-savings of more than 65 percent. In fact, the ABBYY software paid for itself in a matter of months.

"There's no doubt that this is a time and money saving process," says Wolterstorff, adding that previously finding people to hire to do manual entry had proved all but impossible.

Although this year's busy season is winding down, FAIR expects to process an additional 3,000 financial aid requests for the upcoming academic year.

## **Form of the Form**

Forms processing proved a solid solution for FAIR, especially since the organization limits the number of form formats it processes. "We have four templates that we set up for scanning purposes," says Wolterstorff. "Eighty percent of the forms go through the first template, and the other three templates cover a Spanish language form and some special requests for specific customers."

FAIR's form is a single 11x17 inch sheet of paper folded into four separate pages. "As the mail gets opened, all the additional paperwork gets folded in with the application," says Wolterstorff. "We need to make sure all the correct documentation is kept with the corresponding form."

The forms contain complex information that includes both figures and text. "The financial need analysis service we provide is fairly comprehensive, so the forms have sections for income, assets and debt, and expenses," says Wolterstorff.

In order to ensure an orderly process, FAIR has a scanning operator scan the forms, verify the accuracy and then export the data to the FAIR SQL database for detailed data analysis. Once in the FAIR system, an auditor verifies the financial information submitted by hopefuls. Finally, FAIR provides a detailed report to its school customers who then award available financial assistance.

## **Evolving the System**

ABBYY FormReader will allow FAIR to adapt its system to newer forms as they evolve, says Wolterstorff. "Now, we have some customers who are interested in a quicker and easier process, and so are just looking at adjusted gross income," he says, adding that the organization has received 1,000 of this new type of application this year. "ABBYY allows us to readily complete new templates as things evolve. It also gives me the flexibility to write my own Visual Basic script if I want add other things."

Now, FAIR has the horsepower it needs to respond to student financial aid forms efficiently and effectively—and help schools get good news into the hands of aspiring students much more quickly.