

Promoting a Financial Capability Strategy to Increase the Financial Stability of Community College Students

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Organized by the Federal Reserve Bank of Boston

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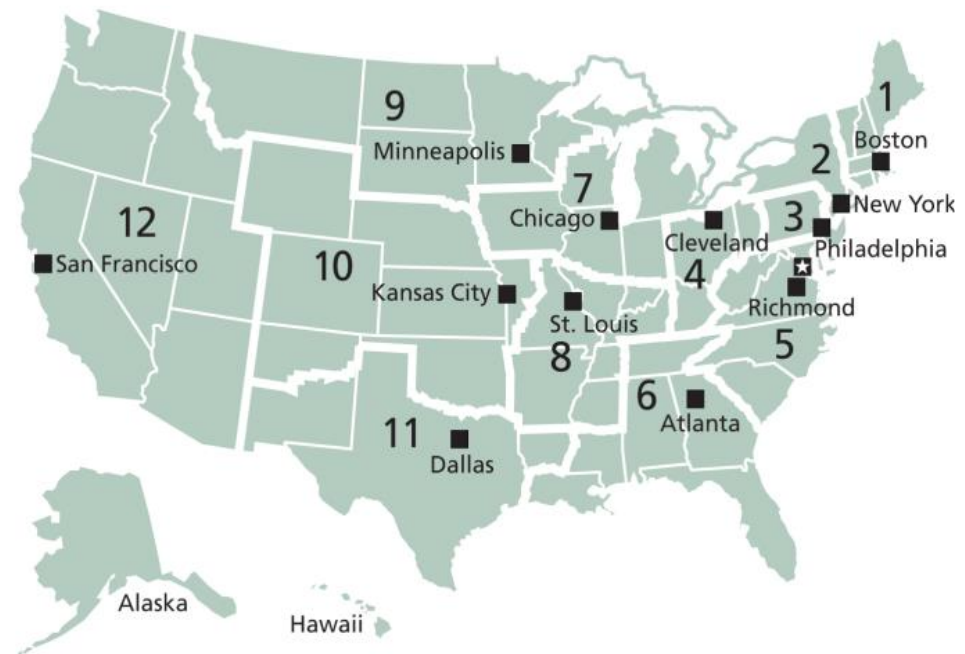
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Community Development

The Community Development (CD) function within the Federal Reserve System – consisting of individual departments at each of the twelve Federal Reserve Banks as well as at the Board of Governors – promotes economic growth and financial stability for low- and moderate-income (LMI) communities and individuals through a range of activities, including:

- **Convening stakeholders**, including practitioners, financial institutions, nonprofits, governmental agencies, and the philanthropic and private sectors,
- **Conducting and sharing research** to examine economic challenges facing low- and moderate-income communities and attendant policy implications; and,
- **Identifying emerging issues.**



Today's Presenters and Agenda

- Sarah Savage, Senior Evaluation and Learning Specialist, Federal Reserve Bank of Boston
- William Watson, Ed.D., Director, SparkPoint at Skyline College
- Sonya Caesar, Money Matters @ CCBC Program Director
Coordinator of Developmental Education
Community College of Baltimore County
scaesar@ccbcmd.edu
- The following will be discussed:
 - Helping community college students achieve financial stability
 - An overview of SparkPoint centers and SparkPoint at Skyline College
 - CCBC's commitment to financial empowerment and capability

Helping Community College (CC) Students Achieve Financial Stability by Increasing Their Financial Capabilities

Sarah Savage

**Senior Evaluation and Learning Specialist
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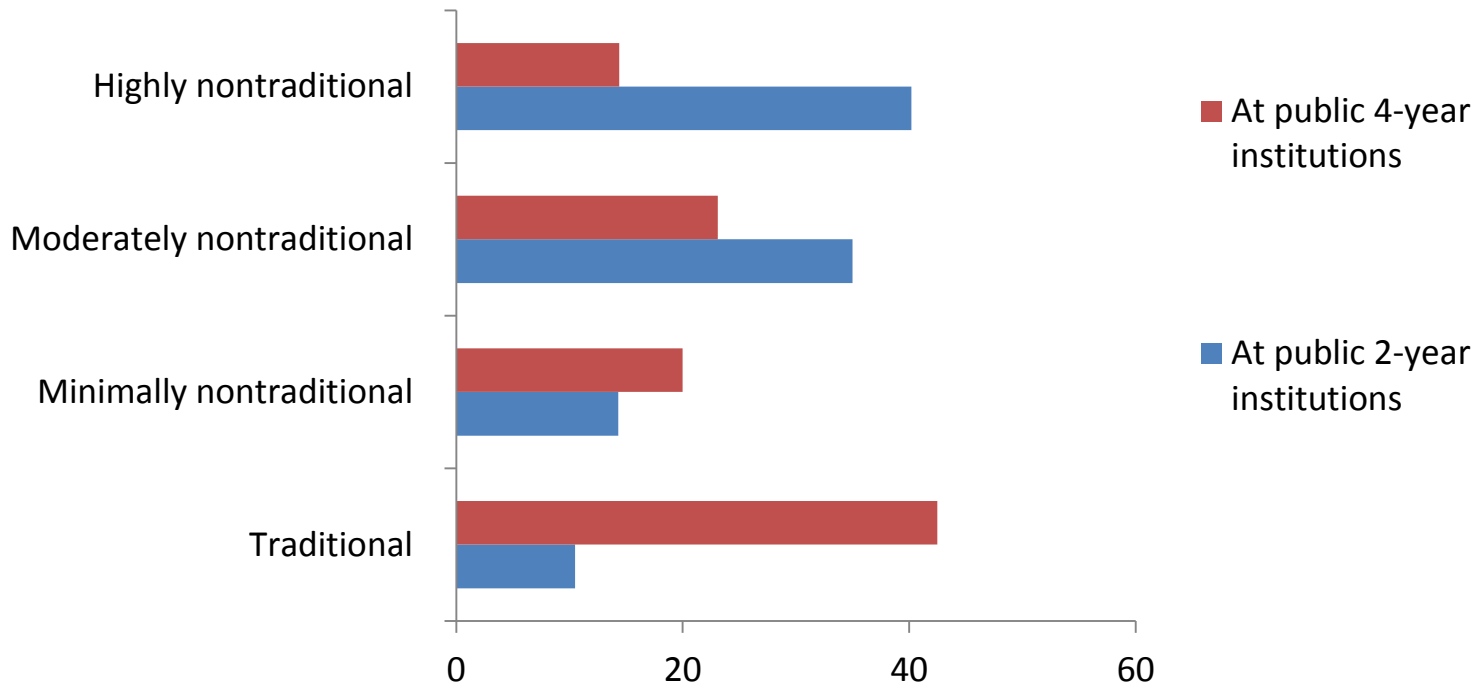


Why Is the Boston Fed Working with CCs?

- Alignment of goals related to financial stability and economic mobility of low- to moderate-income populations
- Poor educational and financial outcomes of many students of two-year public institutions
- Need for strengthened financial capabilities of students and individuals served by CCs
- Fit of financial capability work with community colleges

Some Facts about CC Students

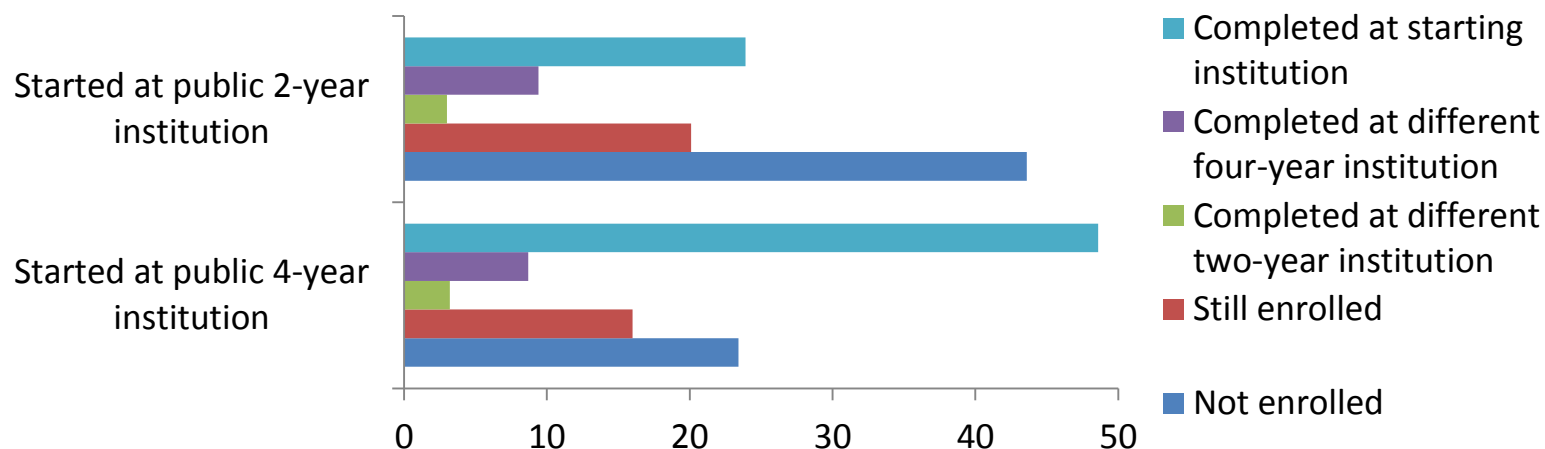
- They are more likely to be nontraditional (financially independent, attending school part-time, delayed enrollment, working full-time, having dependents, being a single parent, having a GED or no high school diploma) than public 4-year students.



Source: Students with nontraditional characteristics by sector, 1999-2000 (Choy, 2002).

Some Facts about CC Students (continued)

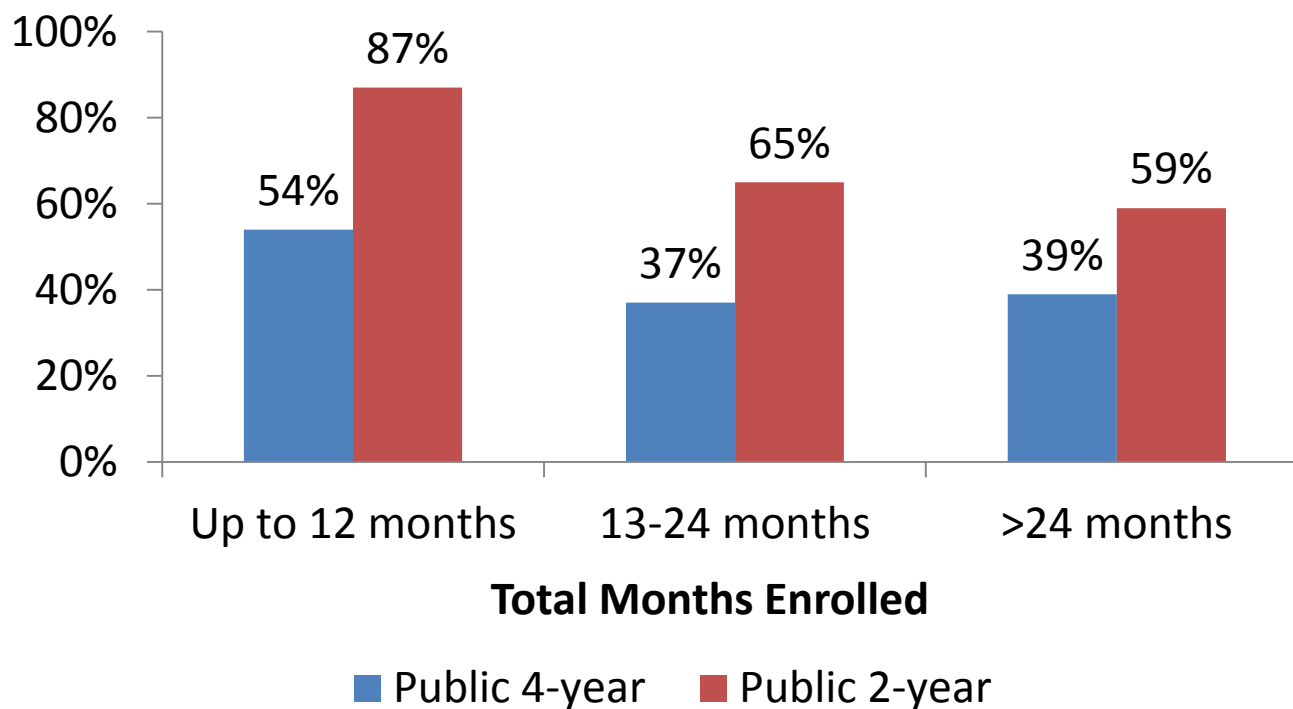
- They are more likely to stop/drop out than public 4-year students.



Source: Six year outcomes by starting institution for fall 2006 cohort (Shapiro et al., 2012)

Some Facts about CC Students (continued)

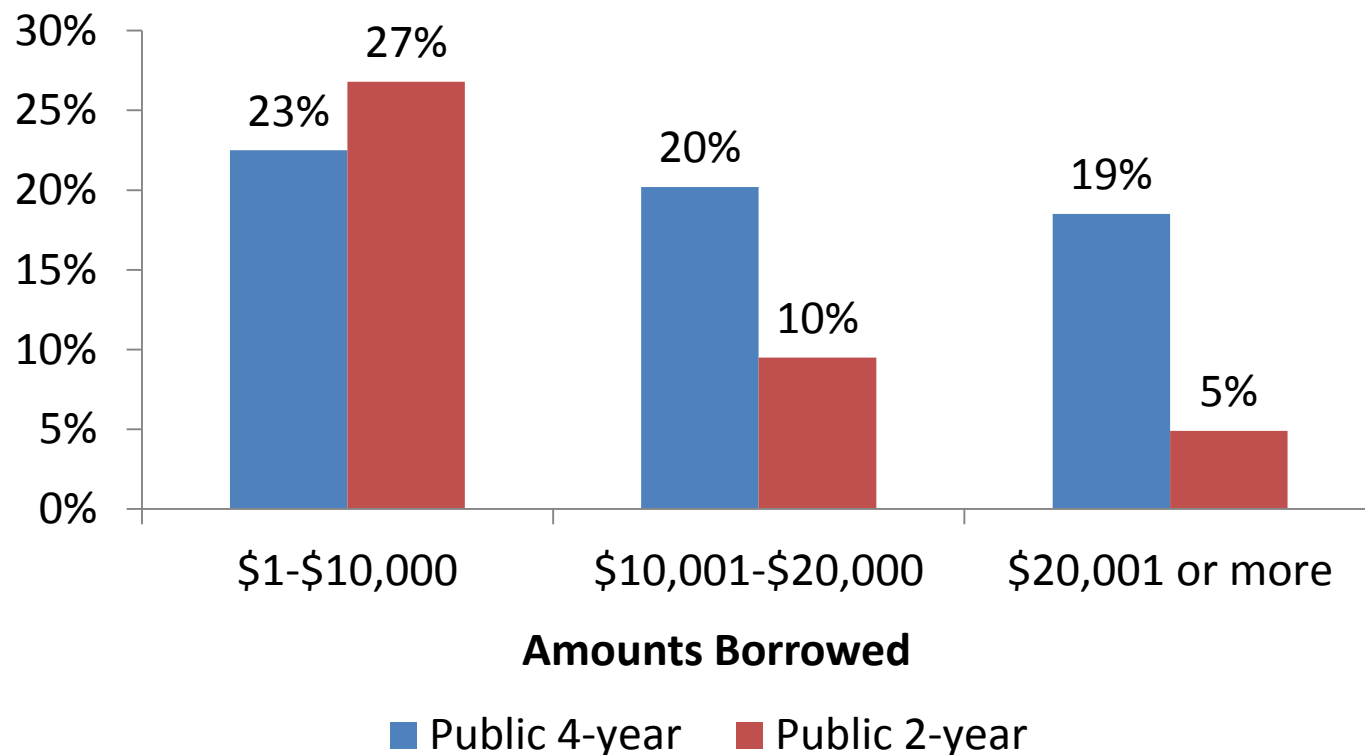
- They are less likely to borrow student loans than public 4-year students.



Source: Non-borrowing Students Who First Enrolled in 2003-04 and Left Without Completing a Degree or Certificate by 2009 by Sector (U.S. Department of Education)

Some Facts about CC Students (continued)

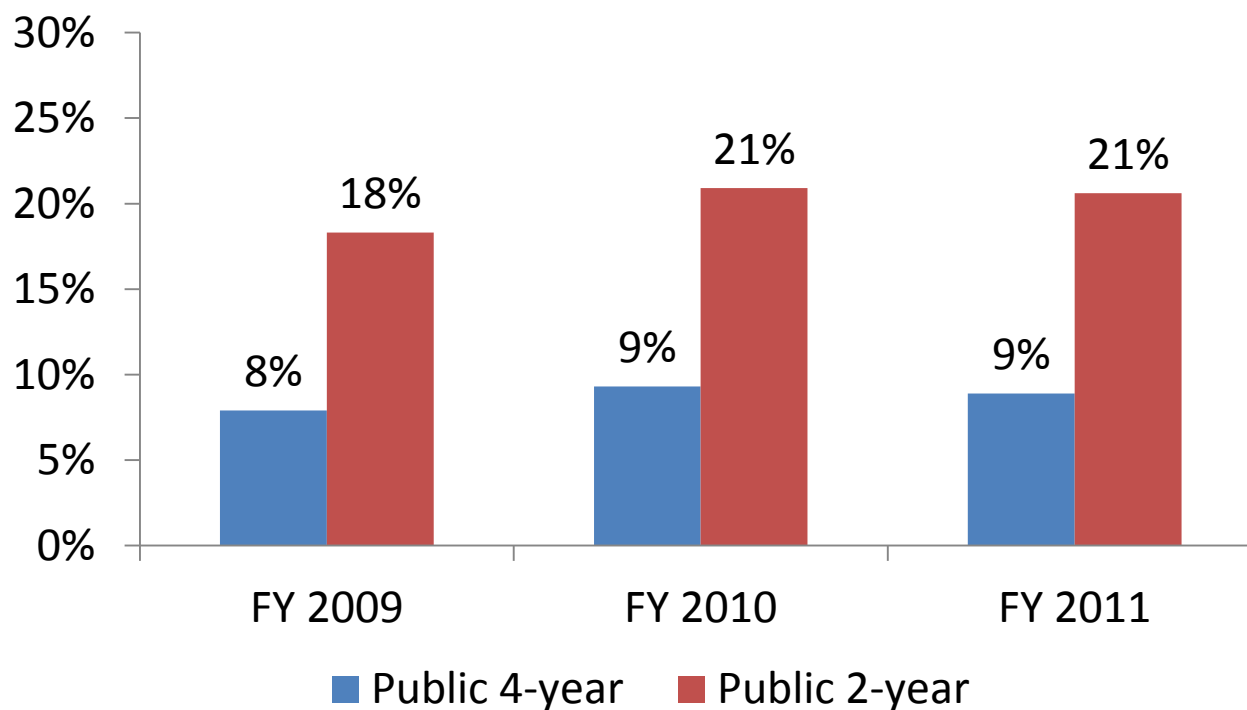
- They borrow lesser amounts than public 4-year students.



Source: Amount borrowed among those enrolled at least 24 months (U.S. Dept. of Education)

Some Facts about CC Students (continued)

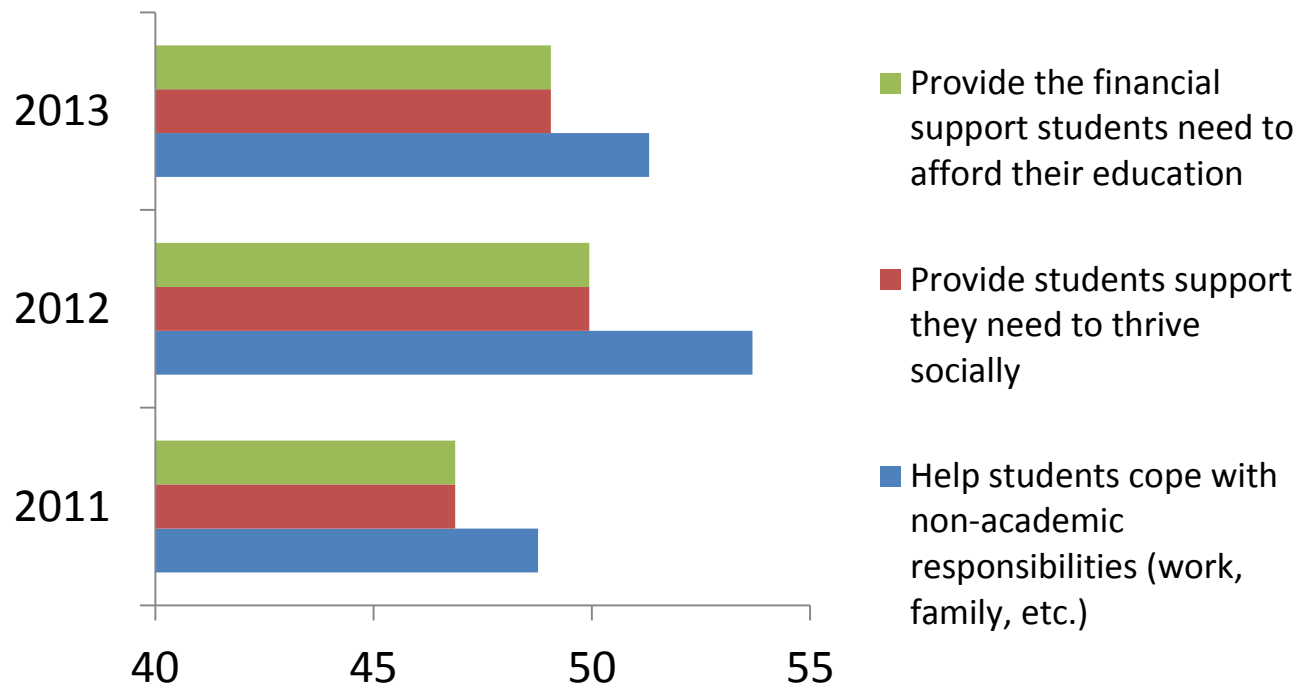
- They are more likely to default on student loans than public 4-year students.



Source: Official national cohort default rates by sector (Calculated July 26, 2014) (BPS, 2009)

Institutions Spend Ample Time Addressing Non-Academic Challenges

Percent of Community College Faculty Survey of Student Engagement (CCFSSE) Respondents, Who Indicated that Their Institution Spends “Quite a bit” or “Very much” time on the Following:



Source: University of Texas at Austin, Community College Faculty Survey of Student Engagement (2013).

The Bottom-Line: CC Students Need Help
Making Informed Financial Decisions Tied to
Institutional Outcomes

What Are We Doing?

- Convening CC stakeholders and potential partners, supporters, and decision-makers to generate buy-in and foster connections and partnerships.
- Evaluating a two-year integrated asset-building, financial education/coaching, and college affordability pilot at three CC to assess viability and scalability.
- Exploring the development of an institutional-level indicator of a financially capable student body.

What Are We Doing? (continued)

- Deepening our engagement with CCs across New England to identify needs and opportunities.
- Disseminating resources and research to help inform this work at the institutional-level.

A Resource Handbook for CCs

Promoting Pathways to Financial Stability

A Resource Handbook on Building Financial Capabilities of Community College Students

July 2014 • The Federal Reserve Bank of Boston

Features

- Making the case for adopting a financial capability strategy
- Eight case studies on various efforts implemented at community colleges around the country
- Insights from community college students enrolled in personal finance courses
- A snapshot of financial capability efforts of New England-based community colleges

Promoting Pathways to Financial Stability

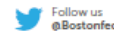
A Resource Handbook on Building Financial Capabilities of Community College Students

Description of Contents

- A message co-authored by Senior Vice President Richard Walker and Assistant Vice President and Director of the Financial Capabilities Group Sol Carbonell:
A description is given of how the work with community colleges aligns with the mission of the Federal Reserve Bank of Boston.
- Making the case for adopting a strategy to build financial capabilities of community college students. The strategy is assessed against areas of need, fit, evidence, resource availability, capacity to implement, and readiness of options.
- Eight case studies:
The case studies describe individual financial capability efforts implemented at community colleges in different parts of the country. The types of efforts include educational matched savings programs, financial stability centers, peer mentoring, financial coaching, online financial education, and a virtual center approach. Each study provides a description of the program, details on implementation, indicators of utilization and effectiveness, and challenges and funding.
- Insights from students in personal finance courses:
In their own words, students provide details about their backgrounds, financial experiences, perspectives on and attitudes toward money, and ways they apply personal finance concepts to financial goal-setting.
- A snapshot of financial capability efforts at New England-based community colleges as of August–September 2013:
A description of institutional priorities, financial capability efforts, and perceived barriers to building financial capabilities more systematically is drawn from surveys completed by 34 community colleges in the region.
- Conclusion:
An overview and implications for moving forward with financial capability efforts are offered.

Financial Capability: the capacity based on knowledge, skills, and access to manage financial resources effectively.

Source: President's Advisory Council on Financial Capability



Source: Federal Reserve Bank of Boston (June 2014).

What Outcomes Are We Seeking?

- CCs to commit to building the financial capabilities of their students.
- CCs to implement efforts that align with promising practices in the field of financial capabilities.
- For CCs to observe gains in the financial capabilities of their students.
- For efforts that demonstrate effectiveness to be institutionalized and brought to scale.

References

- Susan Choy, *Nontraditional Undergraduates*, NCES 2002-012 (Washington, DC: U.S. Department of Education, National Center for Education Statistics, 2002).
- Doug Shapiro, Afet Dundar, Jin Chen, Mary Ziskin, Eunyoung Park, Vasti Torres, Yi-Chen Chiang, *Completing College: A National View of Student Attainment Rates*, National Student Clearinghouse Research Center: Signature Report, November 2012.
- U.S. Department of Education, Federal Student Aid (<http://www2.ed.gov/offices/OSFAP/defaultmanagement/schooltyperates.pdf>).
- Beginning Postsecondary Students Longitudinal Study (BPS), 2009; calculations by the authors.
- University of Texas at Austin, Center for Community College Student Engagement, *Community College Survey of Student Engagement*, 2013.

SparkPoint at Skyline College: Resourcing College Connection & Completion

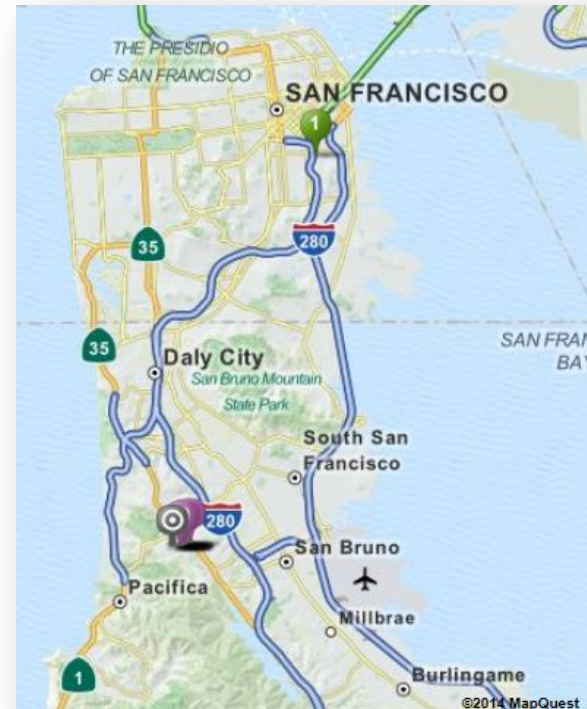
William Watson, Ed.D.

**Director
SparkPoint at Skyline College
william.watson @smccd.edu**



Skyline College

- Mission: to empower and transform a global community of learners
- One of the 112 community colleges in California.
- Most diverse college in the system.
- Headcount = 10k per semester.
- “Jewel in the California Community College System” (Recent Accreditation Site Visit Team)



Source: <http://skylinecollege.edu/skylineshines/2013/10/24/skyline-shines-through-accreditation/>.

3300 College Drive, San Bruno CA 94066 | www.skylinecollege.edu/sparkpoint

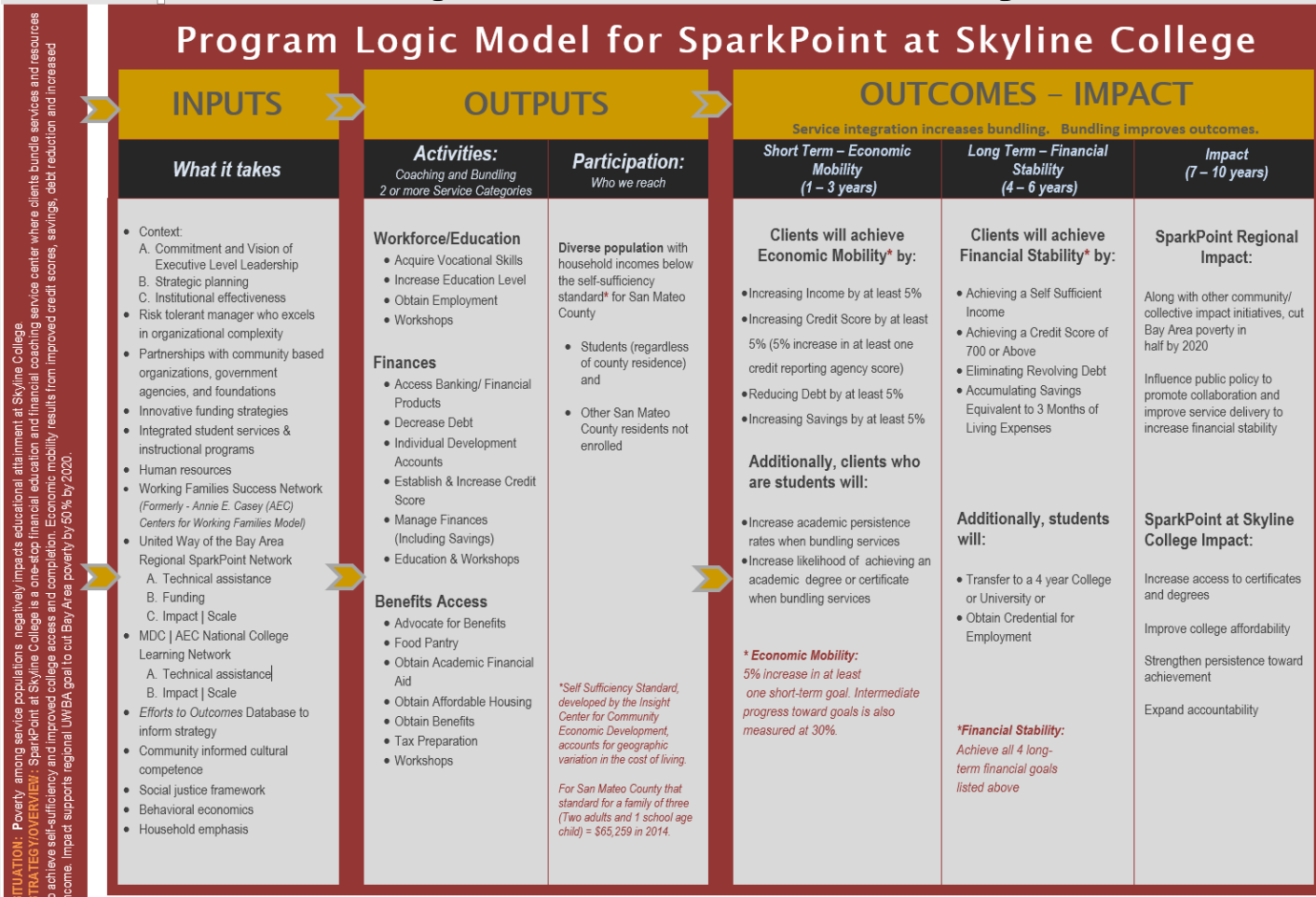
What Is SparkPoint?

- SparkPoint is modeled on the Annie E. Casey Foundation's Centers for Working Families.
- A SparkPoint Center integrates services provided by multiple organizations, which low-income families use to achieve financial stability.
- SparkPoint at a college campus supports institutional effectiveness/mitigates economic disparities.
- The Regional SparkPoint Initiative is a strategy of the United Way of the Bay Area to reduce poverty in the Bay Area by half by 2020.

SparkPoint at Skyline College

- Financial Education and Coaching Center supporting financial self-sufficiency (Annie E. Casey model: Centers for Working Families, now Working Families Success Network)
- Launched in January 2010.
- Skyline College provides primary staffing and administration. Integrated in Student Services Division.
- Bundles services to increase income, grow assets, build credit for students and others in San Mateo County (INCOME < 200 percent of Self Sufficiency Standard).

SparkPoint at Skyline College



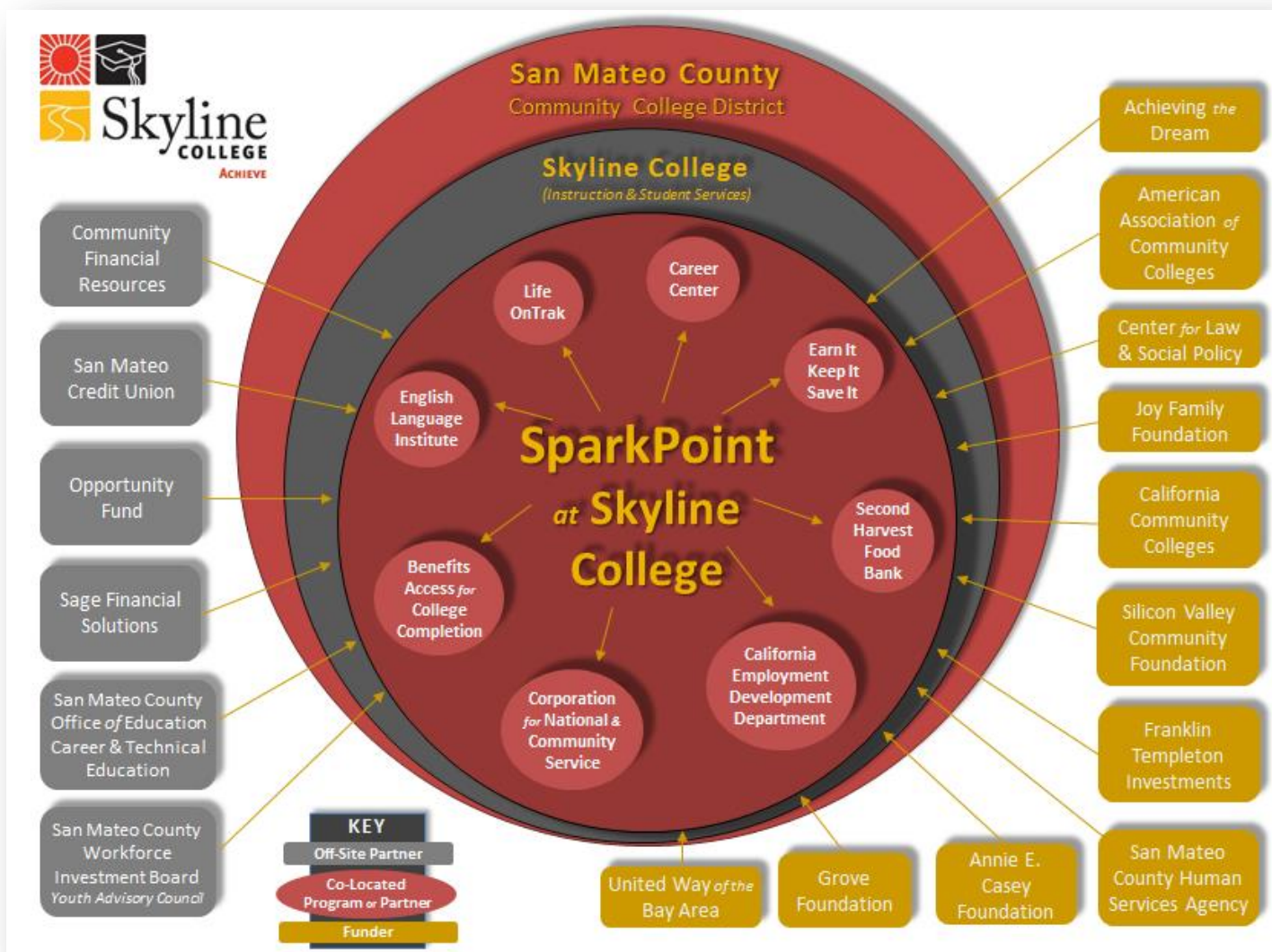
SITUATION: Poverty among service populations negatively impacts educational attainment at Skyline College
STRATEGY/OBJECTIVE: SparkPoint at Skyline College is a one-stop financial education and financial coaching service center where clients bundle services and resources to achieve self-sufficiency and improved college access and completion. Economic mobility results from improved credit scores, savings, debt reduction and increased income. Impact supports regional LWBA goal to cut Bay Area poverty by 50% by 2020.

Skyline College Mission: To empower and transform a global community of learners.



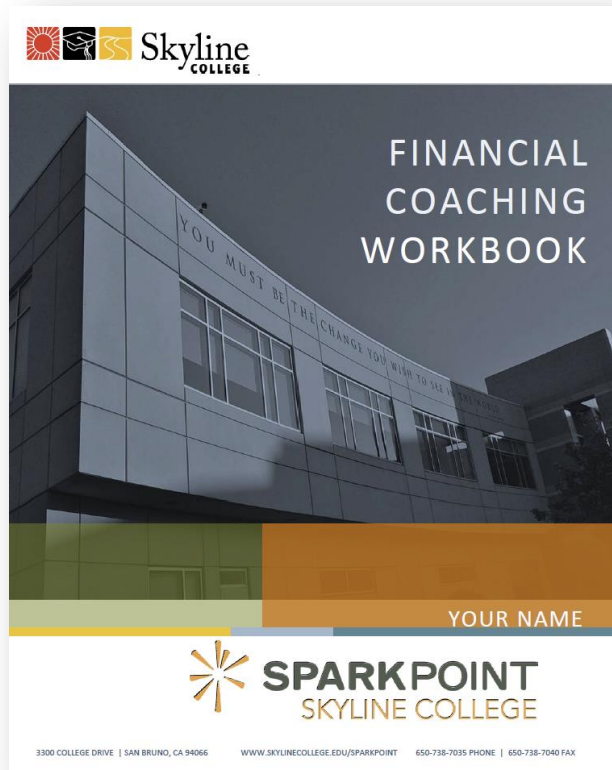
Source: <http://www.skylinecollege.edu/sparkpoint/about/LogicModel.php>.

SparkPoint at Skyline College (continued)



Source: William Watson, director, SparkPoint at Skyline College, <http://www.skylinecollege.edu/sparkpoint/partners/>.

Personalized Financial Coaching



MODULES OF FINANCIAL COACHING

1	Introduction To Financial Coaching
2	Setting Your Financial Goals
3	Tracking Your Progress
4	Benefits Eligibility
5	Understanding Credit
6	Building Your Savings
7	Creating A Budget
8	Follow-ups

Source: Written by Melanie Espinueva, M.S. and edited by William Watson, Ed.D., Andrea Doffoney Anyanwu, M.P.A., and Heather Smith, M.P.A. | Cover design and photo by William Watson www.skylinecollege.edu/sparkpoint.

Bundling Services/Resources/Products

- Career and Technical Education + Integration with Student Services at Skyline College
- English Language Institute
- Financial Coaching and Education (Community Financial Resources; Opportunity Fund; San Mateo Credit Union; SAGE Financial)
- Grove Scholars Program (\$90k, 2013 - 2014)
- Employment Services Center (Skyline College Career Center, CA Employment Dev Dept.)
- Assistance accessing public benefits (benefitscalwin.org CLASP AACC)
- Volunteer Income Tax Assistance Center
- Paralegal Studies Program | Legal Clinic
- Food Pantry (\$150k distributed 2013-2014)
- Individual Development Accounts (44 students – savings + match = \$86,862 | 2013 - 2014)



Source: www.skylinecollege.edu/sparkpoint. Photos, William Watson.


Bundling Services/Resources/Products (continued)

<http://wfsncollegeguide.org/>

WORKING FAMILIES SUCCESS STRATEGY COLLEGE IMPLEMENTATION GUIDE

INTRODUCTION

start → This implementation guide is designed to be used by community college leaders, faculty and staff who are interested in starting or expanding a Working Families Success effort at their institution. The guide can be read from start to finish or accessed at different points depending how far along your college is.



INTRODUCTION
Why is the WFS strategy important for colleges?

KEY CONCEPTS
Six tenets of the strategy

LEADERSHIP
Developing an engaged college leadership team

TOOLS

TAKEAWAYS

DESIGN

TARGET POPULATION
Focusing in on which students to serve

APPROACHES
Deciding how to deliver services

STAFFING
Assessing labor intensity and defining roles

PARTNERSHIPS
Broadening the scope in cost-effective ways

DATA
Documenting student progress and outcomes

MARKETING
Making sure students know what's available and how to access

FUNDING
Building sustainability over time

EXPANSION
Continuous improvement and change

TAKEAWAYS

EXAMPLES

TOOLS

DELIVERY



OVERVIEW
Delivering the plan that you've developed

EMPLOYMENT
Employment and education services beyond coursework


INCOME AND WORK SUPPORTS
Increasing economic stability with financial support

FINANCIAL SERVICES
Teaching students how to achieve financial goals

EXPECTED RESULTS
Results and Conclusion

download guide →

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By Dan Braun and Alyson Zandt with Colin Austin, Jenna Bryant and Kate Mitchell. This work was funded by the Annie E. Casey Foundation. We thank them for their support but acknowledge that the findings and conclusions are those of MDC alone and do not necessarily reflect the opinion of the Foundation. All content © 2013 MDC

Source: www.wfsncollegeguide.org.

Leadership

Skyline College President Regina Stanback Stroud. Member, President Obama's Advisory Council on Financial Capability for Young Americans.



Skyline College Vice President of Student Services, Dr. Joi Lin Blake. Board member of the Chief Student Services Officers of the California Community Colleges.



Source: President's Photo by Raul Guerr. Vice President's Photo by William Watson.

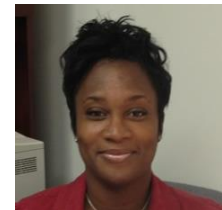
Final Takeaways

- Fall/spring persistence rates for students who take up three SparkPoint services = 94 percent.
- Now part of Working Families Success Network – Community College Expansion
- Mitigating economic disparities to improve college connection and completion = institutional effectiveness and promotes inclusive excellence.

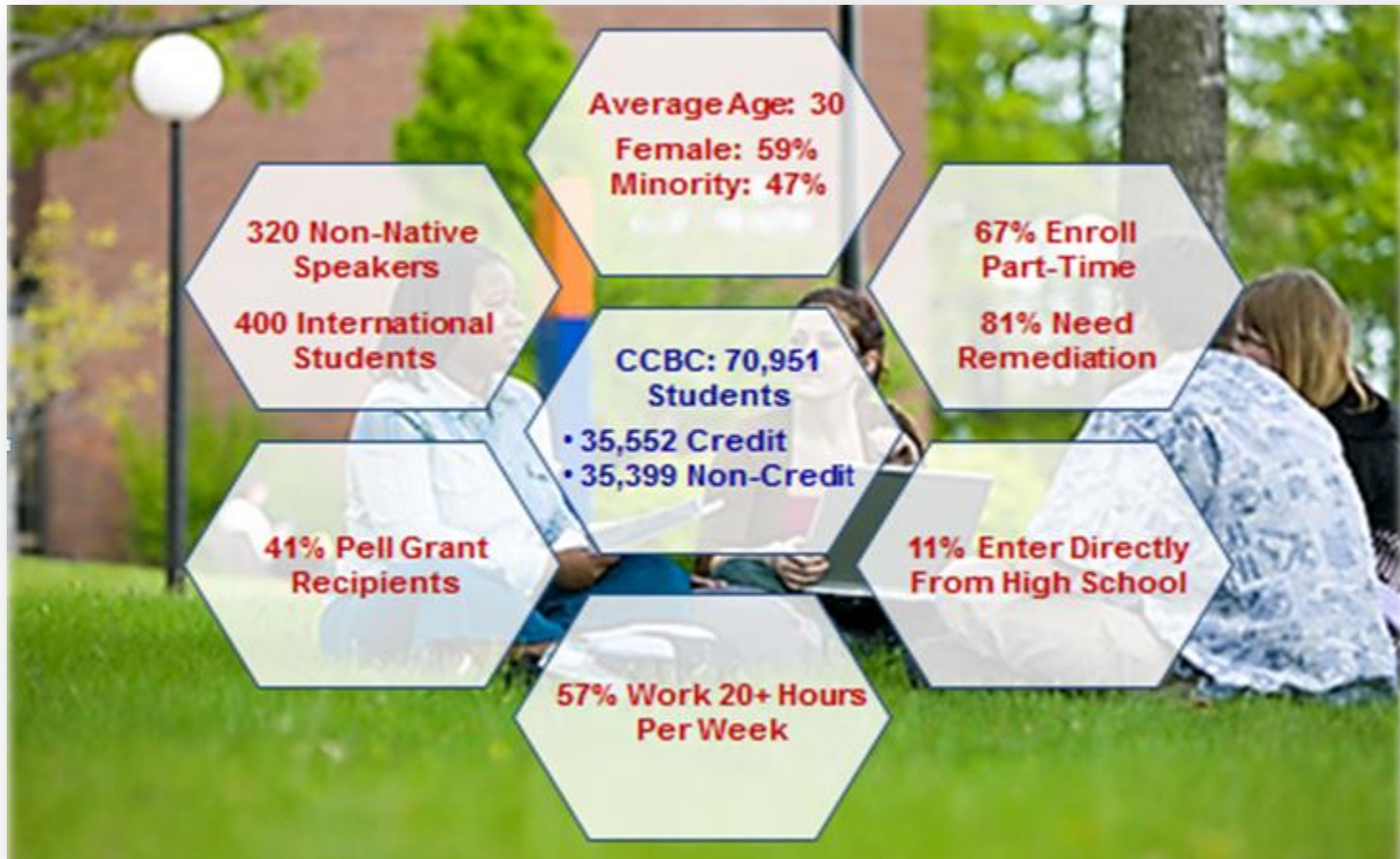
Community College of Baltimore County's (CCBC) Commitment to Financial Empowerment and Capability

Sonya Caesar

Money Matters @ CCBC Program Director
Coordinator of Developmental Education
Community College of Baltimore County
scaesar@ccbc.md.edu



Macro View



Source: FY'12 CCBC Data

Bellwether Awards Presentation delivered by Sonya Caesar, Susan Delker, Sheldon Caplis, and CCBC President Dr. Kurtinitis, 2014
Photograph courtesy of Clark Vandergrift

CCBC's Financial Empowerment and Capability Initiatives

MacMacro/Light Touch Intervention

Spring 2011

CCBC's Financial Literacy Journey Begins:

- Secured Grant
- Created mini documentary
- 350 Freshman Students in Money Matters @ CCBC Pilot
- Not Content Specific/Micro savings Project

Fall 2012

Money Matters @ CCBC at Scale:

- 17,706 Students have been exposed to the Financial Literacy Curriculum.
- Collectively, students report saving close to \$80,000 over the past six semesters.
- Financial literacy Program: 2014 Bellwether Award Recipient

The Journey Continues

Deeper Touch/Technology Infused Interventions

Fall 2012 - present

AtD/MDC/Bank of America
Grant

- Created CCBC CARES (Community and Academic Resources for Education Success) Financial Coaching Program

Fall 2013 – present: ‘Save Me’: Virtual Reality Project

- Students in the ACDV 101 course will see ‘future’ avatar versions of themselves when they log into Blackboard (CCBC’s online learning portal).
- It is theorized that a person's future self is typically someone you are not acquainted with yet – a stranger (e.g., yourself with greyed hair) which can lead to diminished long-term/ future planning.

The CCBC Perspective

- An estimated 41 percent of our students live at or below the poverty level.*

*CCBC Planning, Research, and Evaluation department
FY 2014 PAR Documentation Report
Free Application for Federal Student Aid (FAFSA)/Pell eligibility is used as the proxy

Taking a Closer Look: CCBC C.A.R.E.S Financial Coaching Program

Financial Coaching: Program Rationale and Overview

- Each semester a number of our students experience economic crises (e.g. job loss, eviction, utility turn-off notices, auto emergencies, etc.) that negatively impact their academic goals and ability to be successful.
- These ‘money worries’ may cause them to lose focus, affect concentration, drop out mid semester, and/or stop out.
- The CCBC CARES financial coach provide a one-on-one partnership with the student to develop attainable financial goals to overcome the adversity and create a realistic plan of incremental steps towards achieving them. The program works in partnership with the financial aid office and the CCBC Emergency Assistance Fund.
- SMART goals serve as the coaching framework – A smart financial goal is one that is Specific, Measurable, Achievable, Realistic, and Timely.
- Part of this intervention may include connecting them to institutional and community financial resources.

Taking a Closer Look: CCBC C.A.R.E.S Case Study

BB is 28 years old and a fulltime student on the basketball team.

- Student lives with elderly grandmother and mother.
- Mom suffers from multiple sclerosis and has five children ages 29, 28, 27, 21, 20.
- Mom lost her house and moved in with her mother and son.
- During coaching intake discovered that student was diagnosed with ADD as a child and bipolar disorder while incarcerated. Student disclosed that he has been self-medicating (marijuana) approximately every two days.
- When asked why he had not sought treatment he stated that he was embarrassed and doesn't want to be called crazy.
- On two year probation for a felony charge of 1st degree assault/robbery, served six months.
- Student was stressed due to his living situation and caring for his sick mother.
- His current living situation is making it very difficult to study and save.
- SMART GOALS: He wants to help his mother with her deposit for a bigger place, save for an apartment and car, get a job and pass all of his classes. Student wants to learn how to maintain a house account and how to save for goals, medication and therapy, disability appeal, savings account, pay restitution, and pay off medical bills.

Lessons Learned

- Training/replication - Bank of America and Community College of Central New Mexico Financial Coach Training program did not fit 'neatly' into the community college environment.
- Assessment - The metrics used to measure outcomes was in need of adaption.
- Culturally responsive approaches language - Characterization/categorizing the partnership between student and the financial coach (e.g. novice, competent, etc. vs. tier of service needed).

CCBC CARES Glimpse

Data Item	Fall 2012	Spring 2013	Fall 2013	Spring 2014	Total
The total number of students enrolled in your college during given semester	25188	22320	24275	TBD	70023
The total number of students participating in financial capability activities*	3889	1884	3953	1783	11, 509
The number of students receiving one-on-one financial literacy training or financial coaching	32	80	84	171	367
The number of students participating in financial capability workshops**	25	34	44	46	149
The number of students taking student success courses including portions of courses focusing on financial literacy	3832	1770	3825	1566	10, 993
The number of students receiving income supports or work supports***	21	61	45	40	167
Number of volunteers assisting in financial capability program activities	0	7	11	8	26
Number of Bank of America volunteers assisting in financial capability program activities	0	2	0	0	2
Number of students (percentage) who participated in financial capability programs in Semester who are returning in the next semester retention rate) (Only for Fall to Spring)	N/A	93%	85%	TBD	93%
Retention rate for all students. Compare to last year's primary student success course & all students.	N/A	60% Fulltime 74% Part-time	42% Fulltime 50% Part-time	TBD	51% Fulltime 62% Part-time

Source: Prepared by Sonya Caesar

MDC/Achieving the Dream/Bank of America CCBC CARES Final Report Fall 2012 - Spring 2014

Questions?

You have two options to ask questions today:

1. Email us at: communities@stls.frb.org.
2. Type your question into the chat box of the webinar.

Wrap-Up/Closing

Thank you to today's presenters and to all participants for joining this session.

Next steps:

- All session materials are available on our web site and in the next few days we will be posting an audio file of today's session.
- If you have topical suggestions for future sessions, or any questions about this program, please feel free to contact us at communities@stls.frb.org
- Information about future sessions will be posted on our website along with archived materials from past sessions:
www.stlouisfed.org/connectingcommunities/

Related Resources



In connection with this session, you can find a variety of additional resources on this topic , available at **www.fedcommunities.org**.

It provides an array of practical resources to help you in your role as a community development professional, whether you work involves supporting people, places, the practice of community development, or small business development.