

Invest in College Success Pilot in Massachusetts: Knowledge and Tools for Community College Students



Innovative pilot led by The Midas Collaborative, designed to help students with financial decision making and college affordability, delivered within three community colleges.

An increasing number of jobs require postsecondary education. As of 2014, 49% of Massachusetts residents ages 25-64 have completed high school or some form of postsecondary education but do not have a bachelor's degree¹. The gap in postsecondary education levels widens even further for Black, Hispanic and Native American population groups.

Community colleges hold promise for helping to address the gap in postsecondary education. They provide flexibility and affordability for students. Students attending community college are more likely to be non-traditional than their counterparts at four year colleges, meaning, for instance, that they are more likely to be financially independent, and working more hours and with dependents of their own². Financial challenges can be particularly disruptive to staying the path for some community college students. In addition, college-bound students may be underprepared for making informed financial decisions since research has shown financial literacy rates of high school students to be as low as 6.9 percent³. For these reasons, community college settings seem ideal for embedding services aimed at supporting students in navigating the costs of attending college.

Invest in College Success (ICS) was a pilot intervention, launched in fall 2014, designed to help students navigate college affordability and build financial capabilities in three Massachusetts community colleges. The two-year pilot was supported by the [U.S. Treasury Department's Financial Empowerment Innovation Fund](#) and additional funders.

Structure of Invest in College Success

Multiple partners made ICS possible. The Midas Collaborative (Midas) provided leadership and support for financial education, financial coaching, and an educational matched savings program, uAspire delivered text message-based and in-person advising on college

affordability, and the Federal Reserve Bank of Boston (The Fed) evaluated the pilot. Three Massachusetts community college partners, Bunker Hill Community College (BHCC), Northern Essex Community College (NECC) and Springfield Technical Community College (STCC), were active partners in the marketing of and delivery of financial education and the educational matched savings program. Combined, over 30,000 students attend the three colleges annually.

Chart 1 describes the various services and engagement methods.

For virtual and in-person advising, the content aligned with important financial-aid tasks such as FAFSA renewal deadlines, and aimed to make students aware of threats to their aid (e.g., if their grade point average falls too low). Students who had received services from uAspire in high school were a part of the ICS virtual advising cohort once they matriculated. These students were also able to meet in-person with a uAspire adviser on campus, which was open to any student.

The matched savings program incentivized each student to deposit up to \$750 into a dedicated account with a match rate of 2 to 1, resulting in a total of \$2,250 per student to be used for educational expenses. Participants in the program were also required to take 12 hours of financial education classes. For the matched savings, there were 100 slots available across the three colleges, per pilot year.

ICS FUNDERS

- U.S. Treasury Department – Financial Empowerment Innovation Fund
- U.S. Department Health & Human Services Assets for Independence Act
- Santander Bank
- Capital One
- Citizens Bank
- Massachusetts Attorney General's HomeCorps Program

Services Offered & Provided By	Financial Education Classes Community Colleges	College Virtual Advising/Reminders uAspire	Basic Coaching uAspire	Matched Savings Program (MSP) Midas	Advanced Coaching Midas
Description	Financial literacy instruction covering general financial education topics (e.g., banking, budgeting, credit, financial planning).	College affordability counseling; students receive assistance with college affordability challenges (e.g., completing FAFSA, understanding SAP requirements, planning for and paying college bills, etc) via customized and targeted text messaging advising/reminders.	Personal financial counseling/coaching: individual counseling and assistance for students who access college affordability supports, covering education-related expenses and basic budgeting (e.g., FAFSA, SAP, planning for and paying bills, loan management, post-college planning, etc).	Open to students who meet a minimum threshold of eligibility based on income and asset tests. Each student has a savings goal of \$750 over a 12 month period (plus an additional six months to use matching funds) at a 2-1 match rate, earning \$2250 at the completion of their savings goal to be spent on education-related expenses. Match funding is provided by the U.S. Department of Health and Human Services Assets for Independence Program and the Community Colleges.	Based on Midas's Financial Confidence and Coaching Program (FCCP) which provides individuals with confidential, remote financial coaching sessions to MA residents. Students seeking more in-depth support will receive up to three coaching sessions with an experienced financial coach via Skype or by phone to cover more financial barriers (e.g., public benefits, employment, child support, post-bankruptcy challenges, credit remediation and family financial issues).
Engagement Method(s)	Classroom; web resources	Texting (outgoing and incoming follow-up)	In-person or phone service; web resources	In-person, phone, and email communications	Web, phone and Skype (Sign up by web or phone; intake by phone; coaching sessions by phone or Skype)

Summary of Findings

The Federal Reserve Bank of Boston conducted a [final evaluation](#) of ICS services offered from fall 2014 to August 2016, completed in June of 2017. Utilizing data from a variety of sources, the evaluation highlighted the impact of virtual and in-person advising, matched savings, and financial education on student outcomes, the majority of whom were women and racial minorities. The evaluation also provided valuable insight into the structure of the pilot, noting successes and challenges that may be applicable to future community college programs.

Student Participation:

- 1,770 students were served during the two year period
- The majority of ICS participants received advising services through the uAspire virtual advising or the in-person basic coaching services.
- Virtual Advising participants were recent high school graduates from a number of schools high in diversity. These students were younger and more likely to be nonwhite than the general population at the colleges or the students who participated in in-person Basic Coaching or the Matched Savings Program.
- 104 students participated in the Matched Savings Program across the three colleges, with an

average length of program enrollment of 13.6 months

Financial Aid Outcomes:

- **More contact yielded better results:** Among Virtual Advising participants, having one or more in-person advising sessions increased the likelihood of FAFSA renewal and on-time bill payments even when controlling for GPA and select demographics.
- **Advising services yielded promising results:** FAFSA Renewal rates of students receiving a comprehensive dose of Virtual Advising or standard in-person Basic Coaching were higher than aggregate statistics provided by the colleges for new degree seeking students.

Financial Capability and Savings Outcomes:

- **Saving incentives and financial education hold promise:** Without controlling for other factors, participants of the Matched Savings Program who completed pre- and post-surveys demonstrated significant improvements in self-reported financial behaviors and fact-based financial knowledge.
- **Low-income students saved, with incentives and support:** \$43,301 total was saved by 104 enrolled participants who made savings deposits, with an average monthly net deposit of \$40 during the period studied. This was incentivized with matching dollars totaling \$85,923 combined.

Lessons from the ICS Model

The evaluation examined uptake and outcomes of the supports provided to community college students during the pilot period. Overall, uptake was challenging for much of the pilot, except for Virtual Advising. However, when students did text back, met with an advisor, or became active savers, there was reason to be optimistic according to outcome data such as FAFSA renewal rates among advisees relative to aggregate statistics from the colleges, and savings activity and self-reported behavioral and knowledge changes among Matched Savings participants. It is important to note though that in either case there were no control groups that would enable us to attribute the observed outcomes to ICS services with confidence.

Additionally, the evaluation found that the implementation component of the pilot - the opportunity for partners to learn from one another's settings and services - was valuable. It was beneficial to share how each institution approached each element of the pilot differently - where they housed it, their recruitment practices, how they processed funds through financial aid, and how they approached financial education. The Boston Fed's resources and convening role to engage the partners were instrumental in the launch of the pilot.

There are applicable findings and lessons for future community college programs offering similar services. These include opportunities for cross training for partners on all services offered, more staff capacity at the community colleges for administering Matched Savings Programs, regular program adaptation, review of eligibility requirements where applicable, and communication among partners as needed throughout pilot stages. College affordability supports and resources to improve financial health are needed at the community college level. Embedded services that meet students where they are and incorporate learnings from ICS, may enable community colleges to ensure that financial need doesn't disrupt student success.



"Saving for my education through Midas has been important to me because it was the first opportunity since a piggy bank to save a percentage of my income and watch it accrue over a longer period of time. The savings allowed me to take more classes and worry less about paying for school." **Michael C., ICS Matched Savings Graduate at Bunker Hill Community College**

Invest in College Success Partners:



[The Midas Collaborative](#) – The Midas Collaborative is a Massachusetts nonprofit that advances the financial security of low and moderate income residents across Massachusetts in collaboration with its member organizations and partners. **Contact:** Pam Hoffman, Executive Director

[uAspire](#) – uAspire is a nonprofit that works to ensure that all young people have the financial information and resources necessary to find an affordable path to – and through – a postsecondary education. **Contact:** Marina Turlakova, Director of Research & Evaluation

[The Federal Reserve Bank of Boston](#) – As part of the Central bank of the United States, the Boston Fed works to promote sound growth and financial stability in New England and the nation. **Contact:** Sarah Savage, Senior Policy Analyst

[Bunker Hill Community College](#) – **Contact:** Kathleen O'Neill, Director of Single Stop

[Northern Essex Community College](#) – **Contact:** Alexis Fishbone, Director of Financial Aid

[Springfield Tech Community College](#) – **Contact:** Jose Lopez-Figueroa, Director of Center for Access Services

¹ Urban Institute, Delinquent Debt in America(2014)(http://www.urban.org/research/publication/delinquent-debt-america/view/full_report)

² CFED, Assets & Opportunity Scorecard for Massachusetts (2015)(<http://scorecard.assetsandopportunity.org/latest/state/ma>)

³ Boston is listed as most unequal in the USA. Brookings Institute, City and Metropolitan Inequality on the Rise, Driven by Declining Incomes (2016) (<http://www.brookings.edu/research/papers/2016/01/14-income-inequality-cities-update-berube-holmes>)



The Midas Collaborative advances the financial security of low and moderate income residents across Massachusetts in collaboration with its member organizations and partners. We facilitate asset development and asset protection of families in a manner that is collaborative, helps build communities, and is practitioner-tested and informed by state and national initiatives.

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