LESSONS LEARNED IN THE FIRST YEAR OF THE **INVEST IN COLLEGE SUCCESS PILOT**

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A pilot effort offering an incentivized savings program, financial education, and advising on paying for college takes stock of student uptake and retention rates after the first year.

Students who start their postsecondary education at a community college are less likely to earn a credential than students who start out at public or nonprofit four-year institutions or students at for-profit two-year institutions.[1] Among the many obstacles they face are financial constraints, and it was those obstacles that a pilot project, launched in 2014, seeks to address.

The pilot brings together three Massachusetts community colleges, two nonprofits, and the Federal Reserve Bank of Boston. The two-year Invest in College Success (ICS) pilot offers students text message–based advising, in-person and remote financial coaching, and access to a matched-savings program combined with financial education. The hope is that offering students these supports will help them attain their educational aspirations.

The three community colleges are Bunker Hill Community College (BHCC) and Northern Essex Community College (NECC) in eastern Massachusetts and Springfield Technical Community College (STCC) in western Massachusetts. The nonprofits are uAspire, which provides text message–based and in-person advising on financial aid, and the Midas Collaborative (Midas), a statewide nonprofit that administers financial capability coaching and matched-savings programs.[2] The pilot is supported with funding from the U.S. Treasury Department's Financial Empowerment Innovation Fund, and the Federal Reserve Bank of Boston (Boston Fed) is conducting an evaluation of the pilot in-kind.[3]

How Invest in College Success Works

ICS offers advising on paying for school, primarily through text messages and in-person sessions. The content and timing of the advising aligns with important financial-aid tasks such as renewal deadlines and also aims to make students aware of threats to their aid (e.g., if their grade point average falls too low). An additional service that was offered but not used in the first year was advanced financial coaching that students could access remotely.

ICS also offers a matched-savings program. For one year, money that students deposit into special custodial accounts is matched at a rate of 2 to 1 with funds contributed by the community colleges and the Federal Assets for Independence Program, through the Department of Health and Human Services. Students can triple savings of up to $750, resulting in $2,250 that they can use toward approved educational expenses. Participants in the matched-savings program were also required to take 12 hours of financial education classes.

A closed cohort of students who had received services from uAspire in high school went on to receive text-based messages once they matriculated. These students were also able to meet in person with a uAspire adviser. Advisers were also available to students who were not part of the text message cohort: any student could come by and receive in-person advising on matters related to paying for college if they were aware of the opportunity or were referred there by staff. Students in the matched-savings program, capped in year one at 30 slots each at BHCC and NECC and 40 slots at STCC, were recruited by college staff. In year one, 1,033 students participated in one or more of the services offered through the pilot. (See "Number of Students Served.")

The Year-One Evaluation

After a year, we evaluated ICS's progress. We gathered demographic information on participants and information on the extent to which services were utilized and by whom. Outcome data are not yet available on the matched-savings participants due to the continuous enrollment into the program, but even with the limited data at hand, we were able to gain some insights.

Data on Participants and Services Received

The majority of ICS pilot participants were from minority groups, female, and/or first-generation college students. (See "ICS Participant Demographics in Year One.")

Text-based advising was the service utilized by the most participants, a total of 677.[4] In-person advising was the service utilized by the second-greatest number of students. As noted above, some of the students who received text-based advising also met with an adviser in person, while other students met with an adviser in person but were not part of the group that received text-based advising. The matched-savings program served the smallest number of students.

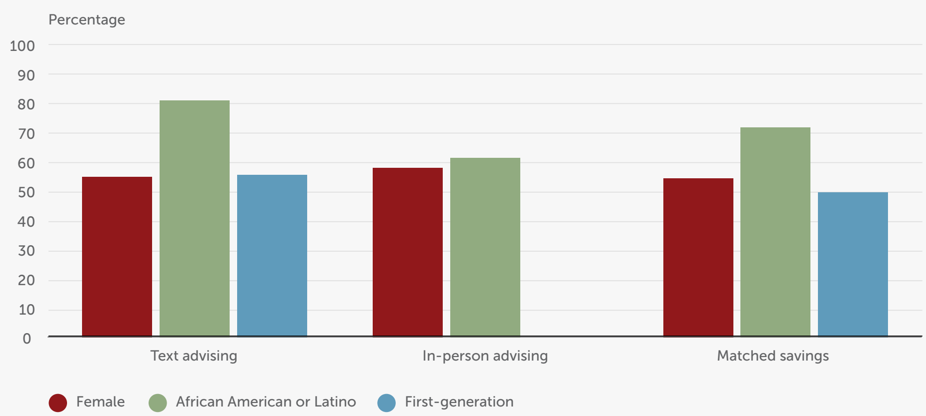
Of students in the texting group who met with an adviser (N=157), 86 percent completed one or more of seven identified financial aid–related activities.[5]

Among students who didn't receive text-based advising but who did meet with an adviser (N=297), more than two-thirds completed one or more activities.

Retention of ICS Text Advising Participants

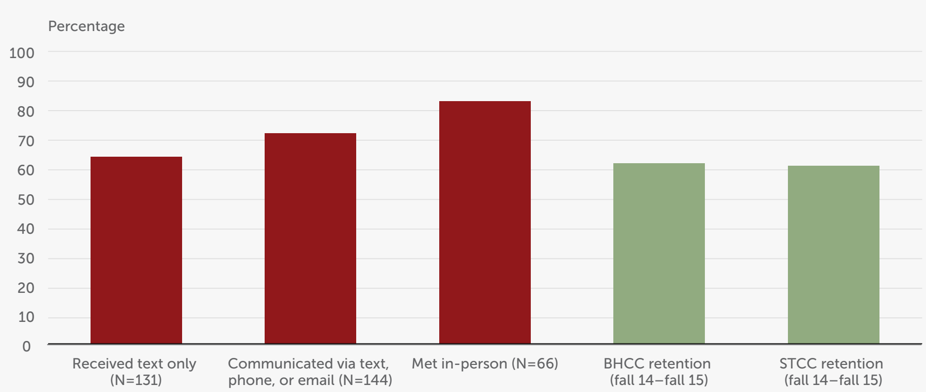
Sixty percent of students who began receiving text-based messages in December 2014 but who never engaged with an adviser were still actively enrolled in fall 2015. Students who met with an adviser in person (whether they received text-based advising or not) were retained at higher rates than those who communicated with an adviser only via text, phone, or email, and both groups had higher reten-

ICS Participant Demographics in Year One



Note: First-generation status was self-reported; the percentages do not include "unknown." The majority of students in the in-person advising group did not know the highest educational attainment of their parent(s)/caregiver(s).

Fall-to-Fall Retention for Full-time Students



Source: Retention rates of full-time students in the texting group were derived from National Student Clearinghouse enrollment data. Attendance status figures (i.e., full-time versus part-time) were available for BHCC and STCC only.

Number of Students Served

	Bunker Hill Community College		Northern Essex Community College		Springfield Technical Community College		Total
	Number	Percentage out of the of total	Number	Percentage out of the of total	Number	Percentage out of the of total	Number
Text advising	272	60.0	193	88.5	212	58.6	677
In-person advising	170	37.5	14	6.4	113	31.2	297
Matched savings	23	5.1	12	5.5	38	10.5	73
Total*	**453**		**218**		**362**		**1,033**

*Totals are less than the sum because some students participated in both the in-person advising and matched-savings programs.

tion rates than those who did not receive any advising at all. Among students who were enrolled full time (N=275), retention rates were even higher. (See "Fall-to-Fall Retention for Full-Time Students.")

Overall Lessons Learned in Year One

There appear to be benefits to advising services based on the higher retention rates of students in the text-based advising group. uAspire serves many low-income, first-generation students while the institutional average reflects more diversity, and we lack a control group, so we need to be cautious about these preliminary findings. However, there are also aspects of the delivery model that appear promising. For instance, the texting platform is an efficient way to communicate about issues related to financial aid and college affordability and allows for tailored responses and escalation of service intensity depending on student need.

On the other hand, the matched-savings program seems less successful. Despite the hope that it would be in high demand, program administrators at the community college pilot sites have found it challenging to identify students who were both interested and eligible for the program. Some students were simply too busy to participate. Many students who expressed interest did not meet the federal eligibility requirements either because they did not have a source of earned income or their household net worth was too high.[6] It is also possible that where the program was housed affected enrollment, given that numbers were higher at the two community colleges that placed it under support services other than the financial aid department, where enrollment was much lower.

The matched-savings program was also difficult to deliver, requiring more time investment on the part of community college staff when compared with other services offered in the ICS pilot. Staff at all three community colleges were responsible for ensuring that students met the financial education requirement of the matched-savings program. Students found it challenging to make time to meet that requirement.

Although we need more data and analysis to refine our understanding, it seems likely that the matched-savings program, as implemented in the ICS pilot, is limited in its ability to serve large numbers of currently enrolled community college students, many of whom have little time between work, school, and home life. As noted above, the narrow eligibility criteria were associated with much more staff time than expected for recruitment. The financial education and case management were also time intensive, but that was expected. Exploring alternatives for determining eligibility and delivering services might help identify ways to reduce the intensity of time per student required in this pilot. The text advising service shows promise both in terms of efficiencies and outcomes. The Boston Fed plans further analysis of the pilot in 2017.

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Endnotes

1 Doug Shapiro et al., "Completing College: A National View of Student Attainment Rates–Fall 2009 Cohort" (Signature Report No. 10, National Student Clearinghouse Research Center, Herndon, VA, 2015).

2 The Midas Collaborative is a nonprofit organization and overall project manager for ICS. Matching funds are provided by the U.S. Department of Health and Human Services Assets for Independence Act Program and the community colleges. uAspire is a nonprofit organization that aims to give students financial information and resources to manage college costs.

3 The operational costs of ICS are being underwritten by the U.S. Department of Treasury's Financial Empowerment Innovation Fund.

4 Additional students received text advising, but 677 is the number who received advising in high school and matriculated to one of the three community colleges.

5 Possible activities were addressing satisfactory academic progress, submitting a federal student aid form with uAspire, reviewing a student aid report, going over the aid verification process with uAspire, reviewing a financial plan, addressing a budget, and reviewing a loan.

6 Minimum eligibility criteria include household income below 200 percent of the federal poverty level and net worth not exceeding $10,000 (excluding a first home and vehicle); the community colleges could include additional criteria such as a minimum GPA and number of credits earned.