Scaling Improved Financial Behavior within WSSN: College Prototype Descriptions and Progress
Community college students, motivated to secure credentials and degrees that will help support themselves and their families, often face challenges to staying in and completing their educational goals. According to the American Association of Community Colleges, 42% of community college students are first generation students, 58% attend only part time, and nearly 85% of students work while in school, with about a third of students working full time. Family obligations, the need for income, and emergencies can easily derail even the most focused students.

The WSSN strategy is designed to support these strivers in pursuing academic and career goals, and to enable community colleges to achieve institutional changes that make those supports permanent, thereby improving retention and completion rates. WSSN is a multi-funder effort that is working with a diverse set of 19 colleges in four states: Arkansas, California, Virginia, and Washington, Virginia and is operated by Achieving the Dream (ATD), a national higher education nonprofit organization that supports student success through a network of 200 community colleges. The 19 colleges are applying a strategy originated by the Annie E. Casey Foundation’s Center for Working Families that intentionally integrates the following financial and educational supports for students:

- Education and employment advances – education, job readiness, occupational training, placement and career advancement;
- Income and work supports – access to student financial aid, public benefits, tax credits, and free tax assistance; and
- Financial services and asset building – financial education and coaching linked to affordable products and services to help families build self-sufficiency, stabilize their finances, and become more economically competitive

As part of the financial services and asset building strategy, WSSN sought to test strategies that can improve the financial capability of large numbers of community college students. With input from behavioral economists, community college staff, and financial product and services experts, WSSN identified many of the financial challenges that causes students to suddenly drop out of college. WSSN decided to focus on three specific challenges facing low-income community college students among those that were identified. First, students are challenged to manage a limited cash flow that often comes in the form of a lump sum at the beginning of the semester or in early February as part of their tax refunds. Second, students lack a financial cushion to absorb the shocks of a medical bill or a needed car repair. The only alternative they may have is to drop out of school in order to increase their work hours. Finally, students pay more for financial services because of either a lack of a credit history or a low credit score. Because credit scores are now used by employers and landlords, students with poor credit may be rejected for employment or housing. Consequently, WSSN created a list of potential solutions and developed a framework for prototyping potential interventions to address the aforementioned challenges. The table below illustrates the categories of prototypes colleges are now implementing.

<table>
<thead>
<tr>
<th>Prototype</th>
<th>Challenge being Addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide emergency grants tied to program to help students manage finances better in the future</td>
<td>Lack of a financial cushion</td>
</tr>
<tr>
<td>Automatic allocation to savings from financial aid distributions</td>
<td>Inability to manage cash flow</td>
</tr>
<tr>
<td>Adopt credit building tools</td>
<td>Ability to build credit</td>
</tr>
<tr>
<td>Improve financial literacy efforts by incorporating behavioral economics principles</td>
<td>Inability to manage cash flow; Lack of a financial cushion; Ability to build credit</td>
</tr>
</tbody>
</table>

The following six prototype descriptions illustrate approaches to addressing these challenges. All of the following prototypes are based on behavioral economic principles, a commitment to using a common baseline, and follow-up surveys to track the colleges’ prototype effectiveness, in addition to being constructed in a way that can be institutionalized and grown within colleges.

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Prototype Category:
Improve financial literacy efforts by incorporating behavioral economics principles

Challenge being addressed:
Cañada College, located in San Mateo County, is in the third most expensive county in California making it difficult for low and moderate-income students to go to college and support themselves at the same time. Due to financial challenges such as lack of or insufficient income, rising housing costs, and food insecurities, many students take longer to graduate or drop out of school. Many students find it challenging to save for emergencies and fall prey to predatory financial products that in turn only lead to deeper financial burden and stress.

Proposed solution:
SparkPoint at Cañada College has launched Cañada Cash! Students earn cash incentives to practice specific beneficial money management behaviors that will build their financial knowledge and capability. By educating students on how to be savvy banking consumers, connecting them to appropriate banking products and services, assisting them to adopt behaviors that will optimize transactional banking, and increasing their savings and improving their credit, Cañada Cash! students will be more likely to weather financial ups and downs, succeed in college and complete their educational goals.

Prototype Design:
After signing up for Cañada Cash!, students attend a group orientation/enrollment session that requires a commitment to a “behavioral pathway” which might include activities such as completing a Spending Tracker, increasing savings to at least $25 in a month, improving their credit score, using more appropriate banking products, or reducing debt. Students are supported in achieving their behavioral goals through group financial coaching sessions and peer support. Students successfully completing beneficial money management behaviors receive up to four financial incentives of $25 along their pathway (first 100 enrollees). A subset of students who require additional assistance meet individually with a financial coach.

Students served:
Outreach for Cañada Cash! will include all students, but targeted outreach will focus on EOPS/CARE, CalWORKs, Puente, TRIO and financial aid students with $0 family contribution.

Progress-to-date:
Cañada began outreach to students at the beginning of March 2016. As of May 25, 2016, student engagement is as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Showed interest in Cañada Cash</td>
<td>79</td>
</tr>
<tr>
<td>Signed up for an orientation</td>
<td>63</td>
</tr>
<tr>
<td>Attended an orientation</td>
<td>52</td>
</tr>
<tr>
<td>Signed the contract</td>
<td>52</td>
</tr>
<tr>
<td>NOT signed the contract</td>
<td>0</td>
</tr>
<tr>
<td>Signed up with a SparkPoint financial coach</td>
<td>52</td>
</tr>
<tr>
<td>Met with a SparkPoint financial Coach</td>
<td>30</td>
</tr>
</tbody>
</table>
Prototype Category:
Improve financial literacy efforts by incorporating behavioral economics principles

Challenge being addressed:
Students lack both the knowledge related to making good financial decisions and the habits that will lead to long-term financial stability. Particular areas of weakness concerning students are establishing and managing a budget to and promote awareness of their spending habits.

Proposed solution:
The prototype will promote behavior change by encouraging students to take, review and analyze their current financial situation as they participate in ELAC’s financial literacy campaign. The program will focus on incentivizing students to create a budget, build savings, and manage spending and debt. Behavioral change will be tracked to determine if students build financial capacity through this multi-segmented financial program.

Prototype Design:
Participating students will participate in a series of three mandatory financial education workshops following the initial orientation workshop. Monthly financial education workshops are available to all ELAC students. Topics at the mandatory workshops will include defining personal budgets, managing budgets and spending, and developing savings. Workshops will ask students to commit to financial goals and will introduce a spending tracker application. The workshops will encourage specific financial capability behaviors including use of the Spending Tracker, increases in savings and reductions in debt. Students that demonstrate beneficial money management behaviors will be awarded points for prize drawings which will be held quarterly.

Students served:
Three thousand low income students are currently enrolled in the Cal Works and EOPS programs. For the first year, ELAC is targeting 10% of these students (300).

Progress-to-date:
As of May 2016, ELAC has provided 7 financial workshops, engaging over 50 unique students. Approximately, 40 financial practices baseline surveys have been collected.
Prototype Category:
Adopt credit building tools

Challenge being addressed:
Like most Americans, Skyline College students find that establishing, building and re-building good credit is challenging. The Sparkpoint at Skyline College is connecting interested students to a Secured Credit Builder Visa Card—a specialized financial product provided by Community Financial Resources (CFR) through Cooperative Center Federal Credit Union. Through its experience in direct service, Skyline staff saw that many students lack credit scores or have credit scores below 650. Additionally, Skyline determined that many of their students had never received credit education or credit coaching.

Proposed solution:
A secured credit card enables students to establish and build credit in addition to supporting financial savings habits and positive money management skills. The prototype will promote behavior change through incentives to save, get and use a secured credit card and participate in financial education workshops/coaching.

Prototype Design:
In 2015, Skyline made the secured credit card available to students by providing savings incentives to students participating in four workshops on banking and credit management. In 2016, the college is testing the impact of two delivery mechanisms:

1. The first group of students are awarded incentives at the beginning of their program engagement, receive a secured credit card, and go through a series of financial education/coaching workshops; and
2. The second group of students go through the same series of financial education/coaching workshops but receive the incentives award and secured credit card upon completion.

Students will be assisted in achieving four milestones as part of the credit-building pathway:

1. Orientation/credit report review/product enrollment;
2. On-line banking set-up and savings account funding verification, effective credit product usage education;
3. Building & protecting credit history education;
4. Progress review of credit history.

The study will examine the student experience and outcomes related to savings, credit history, and other indicators of financial well-being comparing the students that get the incentives and secured credit card at the beginning of the process vs. students who get the financial education supports and the secured credit card on the back-end.

Students served:
Outreach will be conducted to all students. Eligibility is limited to students with credit scores below 650. Thirty-two students from 2015 will be tracked through surveys and an additional 58 students will be engaged in the Program in 2016.

Progress-to-date:
The 32 students that obtained incentives and the secured credit card in 2015 are continuing to move through the financial education and coaching workshops.

As of May 2016, 13 new students have received the incentives and the secured credit card on the front-end of the process and 8 new students are going through the workshops but will receive the secured credit card on the back-end of the process.
Prototype Category:
Improve financial literacy efforts by incorporating behavioral economics principles

Challenge being addressed:
Many times when the assistance of a student financial aid disbursement runs out, students struggle with daily expenses, as well as unexpected situations. These struggles can transfer college courses to the back burner, resulting in failing grades or dropped classes. Consequently, financial challenges for North Arkansas’ students are of vital concern.

Proposed solution:
North Arkansas College’s solution consists of deliberate and actionable financial literacy directly to students within the College Success Skills course. The college will promote behavior change by providing lessons paired with required actions that deal with handling money, spending, budgeting, saving, credit building, etc. The idea is that immersing students in the educational objectives and, by requiring them to follow through on actionable items, the college will set a precedent that can easily be followed outside of class.

Prototype Design:
The college will undergo development of new a College Success Skills curriculum to support students in keeping a personal budget, plan for unexpected hardships, build their savings and credit, etc. Students will be immersed in the education objectives and will set a precedent that can be followed outside of class. As part of the financial literacy component in the College Success Skills course, students will create a personal budget and check their personal credit score. Fifty percent of students will participate in one-on-one financial coaching. In addition, students will also set up checking or savings accounts and feel more comfortable interacting with financial institutions.

Students served:
North Arkansas College will serve College Success Skills students, which are students from the freshman orientation course. The course is also required for all developmental students.

Progress-to-date:
North Arkansas College is still developing their new College Success Skills curriculum and will be able to provide addition information on their enrollment numbers and student satisfaction assessments once the 2016-2017 academic year begins.
Prototype Category:
Provide emergency grants tied to program to help students manage finances better in the future.

Challenge being addressed:
When an unexpected financial emergency arises, students face considerable stress and may drop out of school in the middle of a semester. Although many students receive financial aid, students still struggle providing for themselves and their families. NOVA currently has a decentralized process with a small amount of emergency funds available for students facing financial emergencies but students may not be aware of the funds or know how to access them.

Proposed solution:
NOVA will address their challenge by creating a centralized and well-advertised process for students to apply for emergency grants. Although emergency grants will be capped at $500, research has shown that students often request smaller amounts closer to $250. In addition to an easily accessible and streamlined application process across all campuses, NOVA will require that students participate in financial education and coaching to help them to avoid future financial emergencies. Students will also commit to savings and/or reductions in savings. By providing timely financial and financial management supports to students facing an emergency, students will be more likely to complete the current semester, attend the next semester, and be better able to prevent future financial emergencies.

Prototype Design:
As part of the application process, students will complete an online financial education module and meet within two days with a financial coach. Students will either self-identify as needing assistance or will be referred by trained faculty and staff to the online emergency grant program. Students will sign a contract committing to meetings with a financial coach to set savings and/or spending reduction goals and complete follow-up surveys. Staff from the Financial Aid Office will review the application, including identifying whether the student is eligible for other institutional assistance.
Approximately three months after the grant has been received, the student will meet with the financial coach for a second time and will schedule a third session three months later. NOVA will also use principles from behavioral economics such as text messages and specially designed postcards to remind students of their goals and upcoming coaching sessions.

Students served:
NOVA plans to serve between 120 and 240 students between June and December 2016, depending on the size of the grant requests. Students will be referred by staff and faculty from the following areas: College & Career Pathways program, GPS 4 Success, Career Services, Financial Aid, and Advising & Counseling.

Progress-to-date:
NOVA’s prototype launched in June 2016. Agreements have been made across the campuses to create one emergency grant program with a centralized process with the full participation of the Financial Aid Office and the NOVA Educational Foundation. A financial coach has been identified to work with students and materials and departmental trainings have been created to support the process.
Prototype Category:
Automatic allocation to savings from financial aid distributions

Challenge being addressed:
Students at Walla Walla Community College (WWCC) are struggling to save money as they work their way through the school year. Distribution payments that are awarded at the beginning of the term are often spent early in the school term leaving many with little funding resources near the end of the term. This lack of savings leaves students vulnerable to financial emergencies and/or meeting basic needs that in return reduces retention and performance in the classroom.

Proposed solution:
By providing a mechanism/financial tool, incentivizing students to set aside part of their financial aid distribution into a savings account and providing financial literacy “savings” training, which include setting savings goals, students will be less likely to drop out due to a financial crisis and therefore more likely to successfully complete their classes. Students that set aside and sustain savings from their Pell Grant or financial aid will improve overall performance in the following areas:

- A reduction in emergency funding requests;
- Growth in student savings balance beyond initial distribution and match; and
- Better student persistence and completion.

Prototype Design:
During the student advisory meetings that follow financial award letters, advisors will describe the Safety-net Savings Program and invite students to participate. Students will agree to shift $100 from their financial aid distribution to a saving product, the US Bank Focus Card provided by Community Financial Resources. Students will receive a $25 incentive for shifting funds and additional incentives for maintaining the funds on their Savings Focus Card. Financial Literacy Workshops will be provided as a structural support for those participating in the program and to the college body as a whole. Over time, this prototype will examine the differences in student experience and outcomes between those who build savings as part of the financial advising process and those who do not.

Students served:
Approximately 150 students who are income eligible (below 200% of poverty level) and receiving a financial aid distribution.

Progress-to-date:
WWCC began their Prototype implementation the week of May 23rd. Students meeting with financial advisors are provided an information packet explaining the Safety-net Savings program, a performance contract to commit to the program, and a financial practices survey to assess baseline financial well-being.

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<tbody>
<tr>
<td>Show interest and have been sent survey</td>
<td>80</td>
</tr>
<tr>
<td>Returned survey(s)</td>
<td>22</td>
</tr>
<tr>
<td>Activated card(s)</td>
<td>14</td>
</tr>
<tr>
<td>Student(s) has deposited $100 and still needs the $25.00 bonus</td>
<td>1</td>
</tr>
</tbody>
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For more information about the WSSN: Contact the WSSN Team at wssn@achievingthedream.org or call (240) 450-0075.