

# Mentor Circle Institute III: Supporting Student Financial Stability

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# The Story of Ismael Chamu

“Ismael constantly scrambles to find shelter and enough food for himself and his siblings while working a campus job, leading a student club and trying to earn a bachelor’s degree in sociology.”




*Los Angeles Times article (3/11/18):  
He attends elite UC Berkeley but lives in a trailer with no heat or sewer hookups. Soon, he'll be scrambling to find new shelter.*





How can we structurally support students in addressing the broader life challenges that affect their ability to focus on and complete their educational goals?





How can we structure luck  
by design and not by chance?

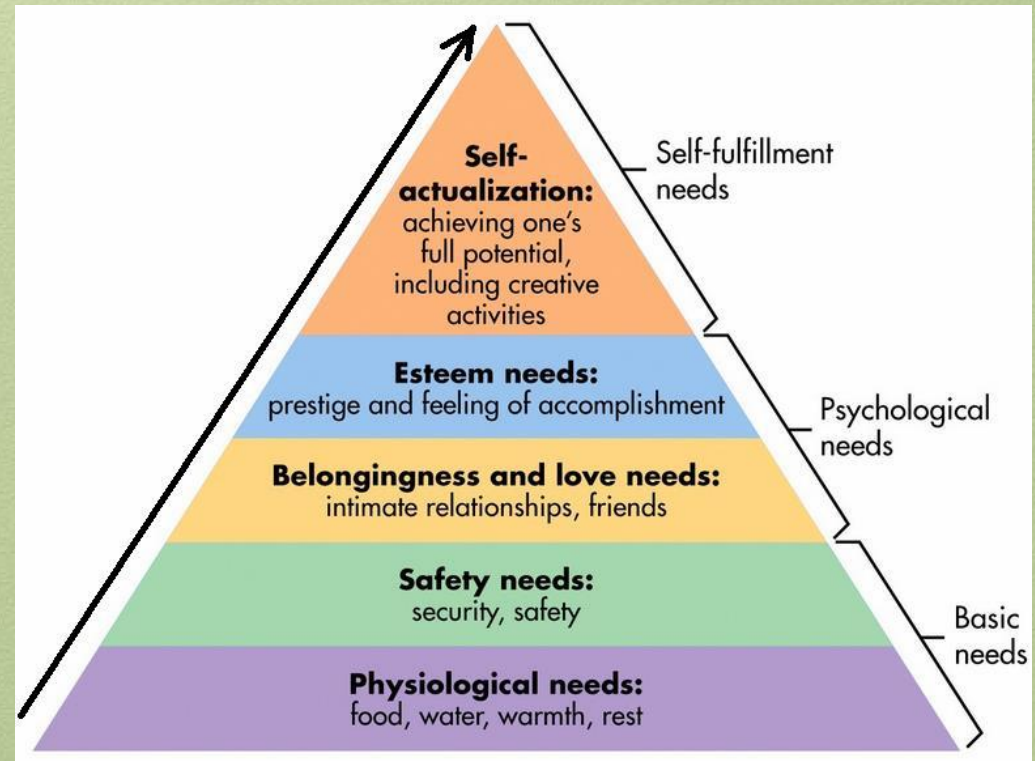




# Sample Basic Needs

- Food
- Housing
- Transportation
- Childcare
- Healthcare
- Legal services
- Tax preparation
- Mental health

Maslow's Hierarchy of Needs



# ALICE<sup>®</sup>

ASSET LIMITED, INCOME CONSTRAINED, EMPLOYED



**MICHIGAN**

ALABAMA, ALASKA, ARIZONA, ARKANSAS, CALIFORNIA, COLORADO, CONNECTICUT, DELAWARE, **FLORIDA**, GEORGIA, HAWAII, **IDAHO**, ILLINOIS, **INDIANA**, IOWA, KANSAS, KENTUCKY, **LOUISIANA**, MAINE, **MARYLAND**, MASSACHUSETTS, **MICHIGAN**, MINNESOTA, MISSISSIPPI, MISSOURI, MONTANA, NEBRASKA, NEVADA, NEW HAMPSHIRE, **NEW JERSEY**, NEW MEXICO, **NEW YORK**, NORTH CAROLINA, NORTH DAKOTA, **OHIO**, OKLAHOMA, **OREGON**, PENNSYLVANIA, RHODE ISLAND, SOUTH CAROLINA, SOUTH DAKOTA, TENNESSEE, TEXAS, UTAH, VERMONT, **VIRGINIA**, **WASHINGTON**, WEST VIRGINIA, **WISCONSIN**, WYOMING.

**2017 UPDATE**

Winter 2017

**STUDY OF FINANCIAL HARDSHIP**

GIVE. ADVOCATE. VOLUNTEER.  
United Ways of Michigan  
[UnitedWayALICE.org/Michigan](http://UnitedWayALICE.org/Michigan)



## ALICE

Asset Limited  
Income Constrained  
Employed

For the ALICE Report, visit  
[www.michiganALICE.org](http://www.michiganALICE.org)

Funded by Consumers Energy and local  
United Ways

# Portrait View





# Landscape View





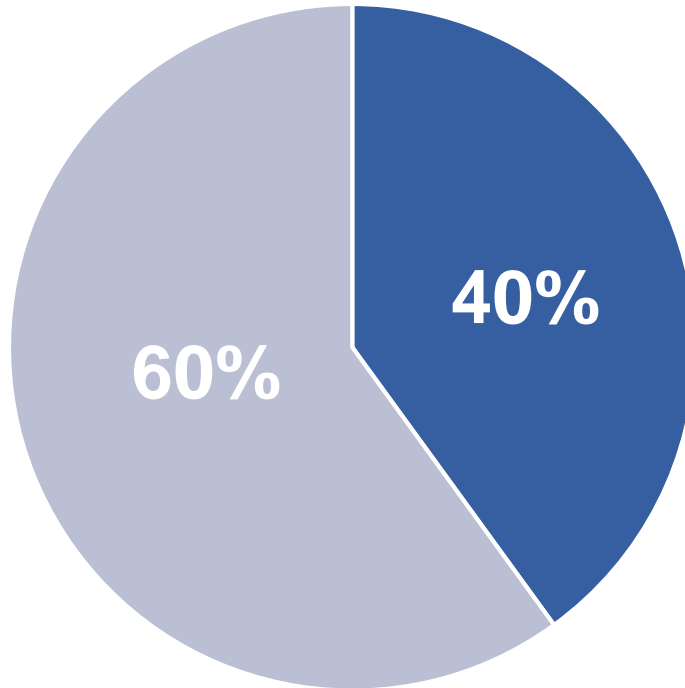
# What does the ALICE Report describe?

- Household Survival Budget
- ALICE Threshold
- ALICE Income Assessment
- Economic Viability Index

# ALICE Survival Budget

| Monthly Costs, Michigan Average, 2015 |                 |                                     |                                 |
|---------------------------------------|-----------------|-------------------------------------|---------------------------------|
|                                       | SINGLE ADULT    | 2 ADULTS, 1 CHILD,<br>1 PRESCHOOLER | 2007 – 2015<br>PERCENT INCREASE |
| <b>Monthly Costs</b>                  |                 |                                     |                                 |
| Housing                               | \$478           | \$696                               | 14%                             |
| Child Care                            | \$—             | \$1,108                             | 8%                              |
| Food                                  | \$184           | \$609                               | 14%                             |
| Transportation                        | \$359           | \$718                               | 8%                              |
| Health Care                           | \$183           | \$702                               | 77%                             |
| Miscellaneous                         | \$138           | \$425                               | 18%                             |
| Taxes                                 | \$174           | \$414                               | 19%                             |
| Monthly Total                         | \$1,516         | \$4,672                             | 18%                             |
| <b>ANNUAL TOTAL</b>                   | <b>\$18,192</b> | <b>\$56,064</b>                     | <b>18%</b>                      |
| <i>Hourly Wage</i>                    | <i>\$9.10</i>   | <i>\$28.04</i>                      | <i>18%</i>                      |

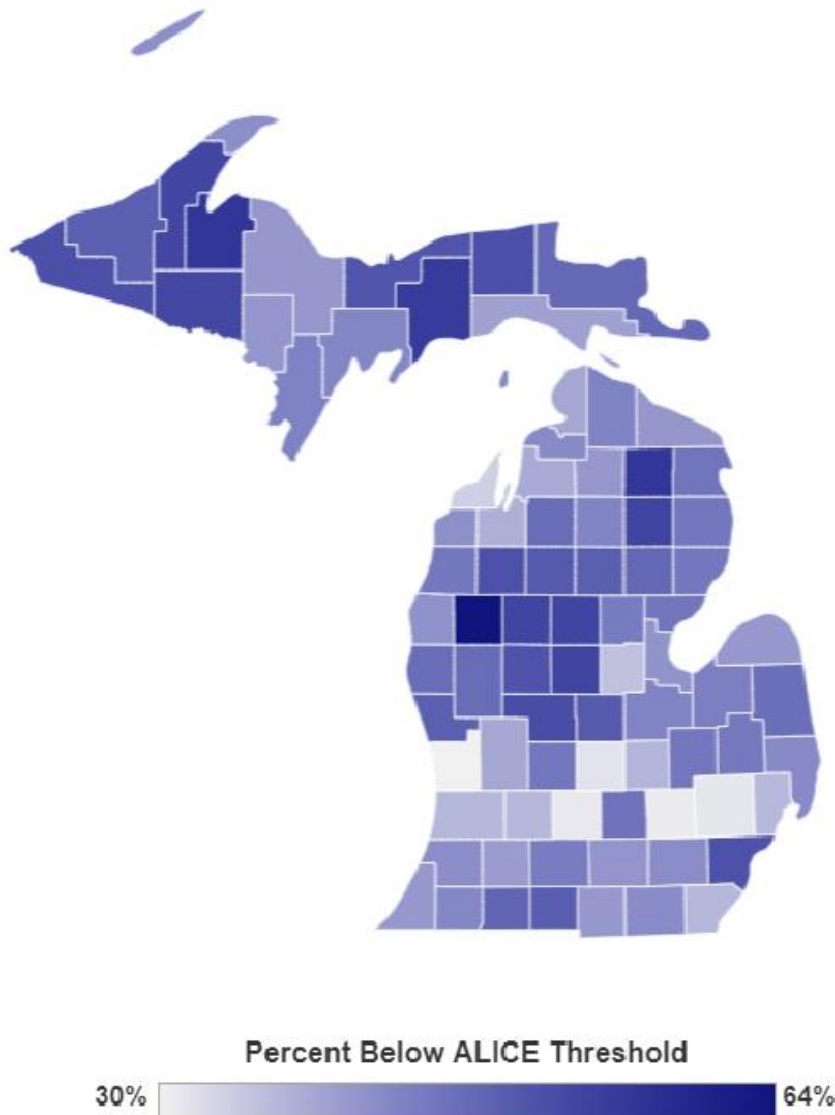
# How Many Households are Struggling?



■ **Poverty & ALICE**  
15% 25%

■ **Above ALICE Threshold**





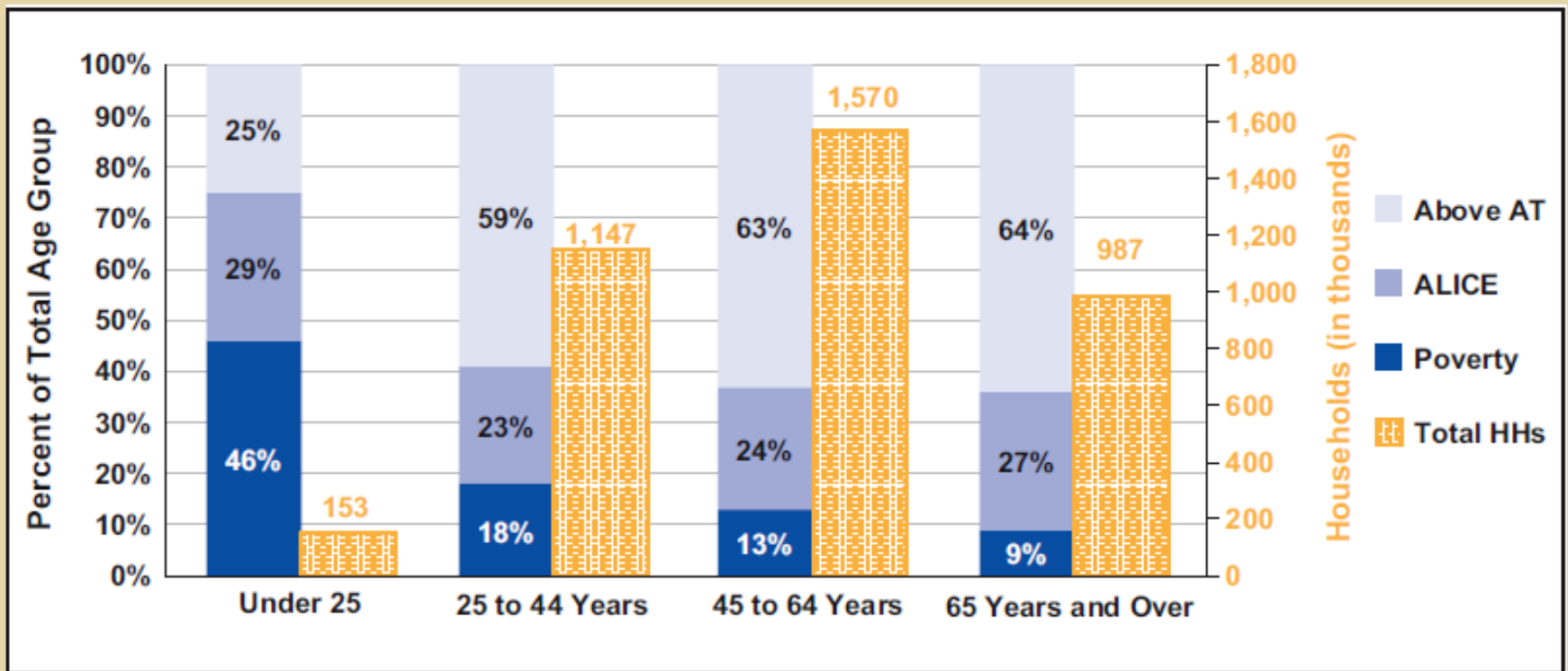
ALICE  
Lives in all counties

Households below  
the ALICE Threshold

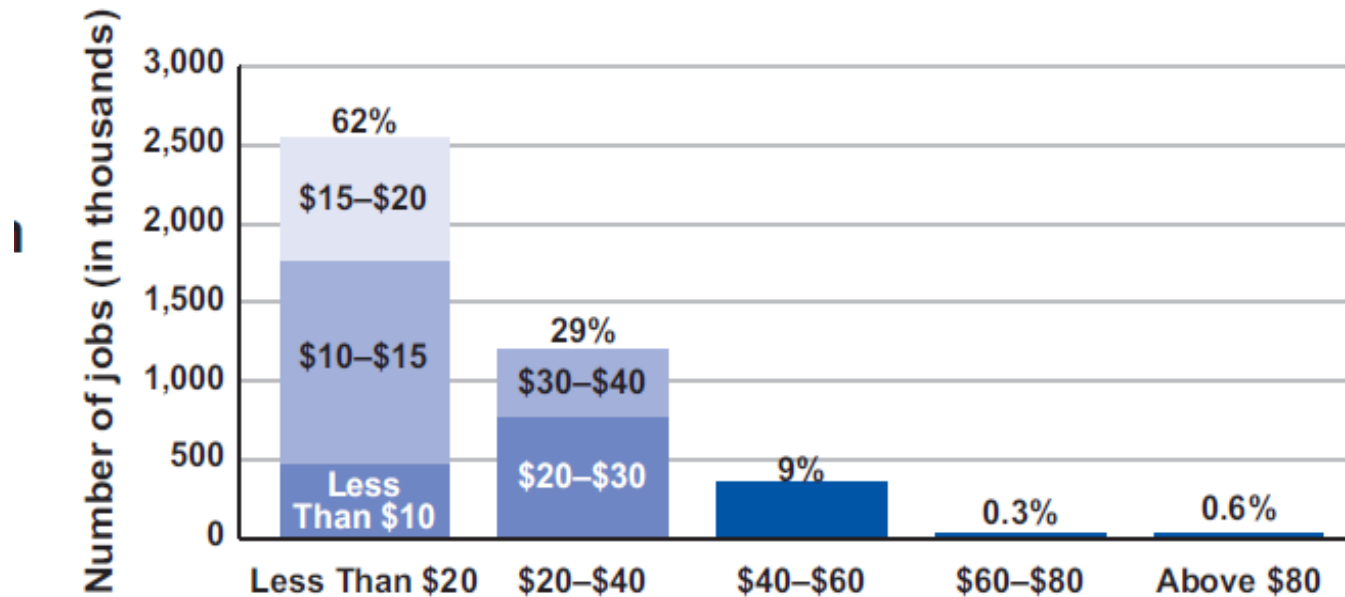
Livingston County: 27%

Lake County: 59%

# 75% of Households Headed by People Under the Age of 25 Are ALICE

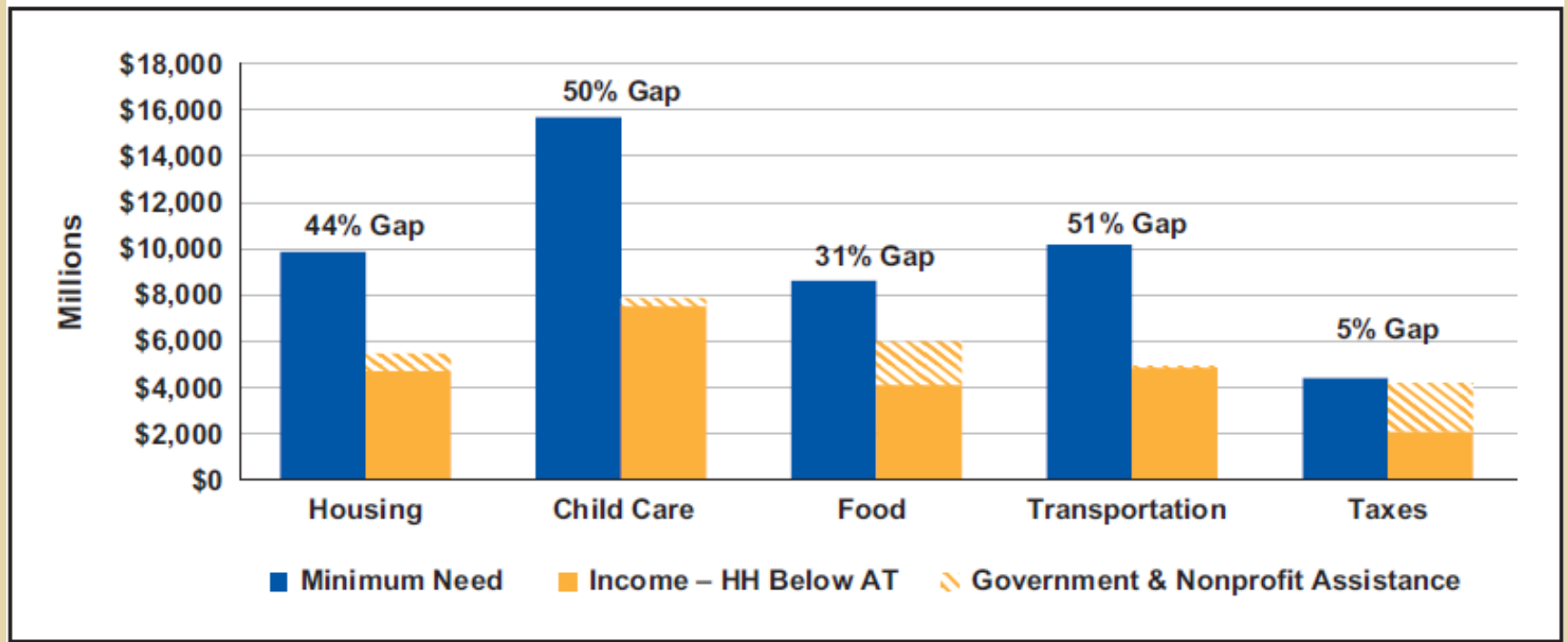


# How Much Does ALICE Earn?





# Basic Needs with Public and Nonprofit Spending



# ALICE IN MUSKEGON COUNTY

## 2015 Point-in-Time Data

**Population:** 172,790 | **Number of Households:** 63,215

**Median Household Income:** \$47,453 (state average: \$51,084)

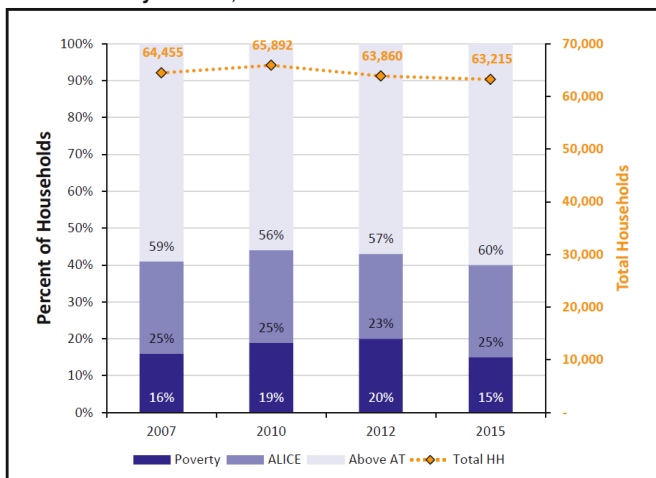
**Unemployment Rate:** 7.5% (state average: 7.2%)

**ALICE Households:** 25% (state average: 25%); **Poverty Households:** 15% (state average: 15%)

## How many households are struggling?

**ALICE** is an acronym for **A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed – households that earn more than the Federal Poverty Level, but less than the basic cost of living for the county (the ALICE Threshold, or AT). Combined, the number of poverty and ALICE households equals the total population struggling to afford basic needs. The number of households below the ALICE Threshold changes over time; households move in and out of poverty and ALICE as circumstances improve or worsen. The Great Recession, from 2007 to 2010, caused hardship for many families. Conditions started to improve in 2010 and 2012 for some, but not for all.

Households by Income, 2007 to 2015



## What does it cost to afford the basic necessities?

The bare-minimum Household Survival Budget does not include any savings, leaving a household vulnerable to unexpected expenses. ALICE households typically earn above the Federal Poverty Level of \$11,770 for a single adult and \$24,250 for a family of four, but less than the Household Survival Budget.

Household Survival Budget, Muskegon County

|                      | SINGLE ADULT    | 2 ADULTS, 1 INFANT,<br>1 PRESCHOOLER |
|----------------------|-----------------|--------------------------------------|
| <b>Monthly Costs</b> |                 |                                      |
| Housing              | \$419           | \$705                                |
| Child Care           | \$–             | \$1,051                              |
| Food                 | \$184           | \$609                                |
| Transportation       | \$349           | \$697                                |
| Health Care          | \$184           | \$707                                |
| Miscellaneous        | \$129           | \$406                                |
| Taxes                | \$158           | \$292                                |
| <b>Monthly Total</b> | <b>\$1,423</b>  | <b>\$4,467</b>                       |
| <b>ANNUAL TOTAL</b>  | <b>\$17,076</b> | <b>\$53,604</b>                      |
| <b>Hourly Wage</b>   | <b>\$8.54</b>   | <b>\$26.80</b>                       |

Sources: 2015 Point-in-Time Data: American Community Survey; ALICE Demographics: American Community Survey; the ALICE Threshold. Budget: U.S. Department of Housing and Urban Development (HUD); U.S. Department of Agriculture (USDA); Bureau of Labor Statistics (BLS); Internal Revenue Service (IRS); Michigan Department of Treasury; Early Childhood Investment Corporation.

## ALICE Data by County

# Intersecting Student Populations









- First-generation students
- Students of color
- Student parents
- Minorities
- Undocumented students
- Veterans
- Foster youth
- Students with disabilities
- Opportunity youth





# Impact is Real, and Severe

Figure 2: College graduation rates by family income and test scores

|               | Below-average test scores  | Above-average test scores  |
|---------------|--|--|
| Richest       | <br>30%<br>Complete college | <br>70%   |
| Upper middle  | <br>19%                     | <br>50%   |
| Bottom middle | <br>9%                      | <br>39%  |
| Poorest       | <br>6%                    | <br>26% |

**Source:** *Affluent Students Have an Advantage and the Gap is Widening*, December 12, 2012, New York Times based on research from Bowen, W.G., Chingos, M.M., & McPherson, M.S. (2009). *Crossing the Finish Line: Completing College at America's Public Universities*. Princeton, N.J.: Princeton University Press

# Four Strategies to Strengthen Student Financial Stability

- 1. Understand Student Needs**
- 2. Organize and Connect Supports**
- 3. Connect Partner Supports to Students**
- 4. Ensure Students Access Supports**



# FS1: Understand Student Needs



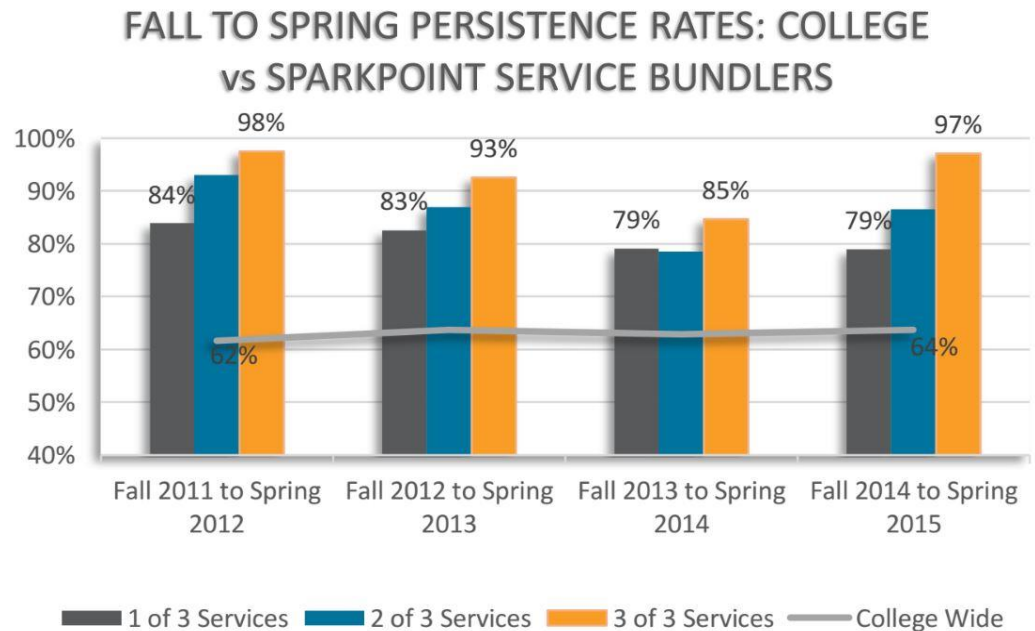


# FS1: Understand Student Needs

- What is each student's unmet financial need?
- How many of our students:
  - ✓ Work >20 hours per week
  - ✓ Are the primary caretaker / Have a dependent
  - ✓ Have stable housing
  - ✓ Have reliable access to food
  - ✓ Are the first in her/his family to attend college
- Use existing quant / qual data sources as proxies
  - ✓ FAFSA, CCSSE, screenings, exit surveys (beware!)
- “Perfect is the enemy of the good”



# FS2: Organize and Connect Supports



SOURCE: SPSC & SKYLINE COLLEGE PLANNING RESEARCH & INSTITUTIONAL EFFECTIVENESS 2011-2015





# SparkPoint at Skyline College

- One stop financial capability and support services center
- Part of regional United Way of the Bay Area
- Services:
  - ✓ public benefits eligibility screening and application assistance
  - ✓ food pantry
  - ✓ financial coaching
  - ✓ a career services center with career counseling
  - ✓ tax preparation assistance
  - ✓ Grover scholars program
  - ✓ legal clinic
  - ✓ secure credit builders program
- Key to the success of this program is **BUNDLING!**



# Potential Venues for Bundling

- Onboarding (College Application, Intake Form, Orientation, SSC / FYE)
- Appointments (Advising, Counseling, Financial Aid)
- Student Services Syllabus!
- Course (Syllabus, Cheat Sheet, PPT slide)
- Food Pantry
- Campus Workshops
- Hub / Co-location
- You!





# FS3: Connect Partner Supports to Students



# FS3: Connect Partner Supports to Students

- **Broad definition of partner**
  - ✓ **Built-in expertise / ready-to-use tools**
- **Low-touch and high-touch support**
- **Bringing service to the student**
- **Co-location (Periodic / Permanent)**





# FS4: Ensure Students Access Supports



The screenshot displays the LaGuardia Community College website. The header includes the college's logo and the slogan 'DARE TO DO MORE'. A navigation bar contains links for HOME, BENEFITS, ELIGIBILITY, NEWS, and CONTACT. The main content area is titled 'Benefit Screening Form'. On the left, there is a photo of a student at a desk with the caption 'Student at LaGuardia Community College receiving financial counseling'. The form itself contains various input fields and dropdown menus for personal and financial information. At the bottom, there is a section for 'Benefits you are receiving, please indicate all that apply:' with checkboxes for SNAP/Food Stamp, Public Assistance, Medicaid, Public Housing, SafeLink Wireless, Assurance Wireless, Access-a-Ride, and School Meal.

**LaGuardia Community College** DARE TO DO MORE

HOME BENEFITS ELIGIBILITY NEWS CONTACT

**Benefit Screening Form**

EMPL ID:   
First Name:  M.I.:  Last Name:   
Address:   
City:  State: New York  Zip:   
Email:  Telephone:   
DOB:  Marital Status: (Select)   
Country of Birth: (Select)   
Citizenship Status: (Select)   
Ethnicity: (Select)   
Primary Language Spoken:   
Are you a U.S. Veteran? (Select)   
Education Status: (Select)   
Employment Status: (Select)   
Household Size: (Select)   
Major:   
Monthly Income:  
Salary Income: (Select)   
Child Support: (Select)   
TANF/SSI Income: (Select)   
Other Income: (Select)   
Disability Income: (Select)   
Housing: (Select)   
Dependents under age 19: (Select)   
**Benefits you are receiving, please indicate all that apply:**  
☐ SNAP/Food Stamp ☐ SafeLink Wireless  
☐ Public Assistance ☐ Assurance Wireless  
☐ Medicaid ☐ Access-a-Ride  
☐ Public Housing ☐ School Meal





# FS4: Ensure Students Access Supports

- Embeds financial supports and public benefits directly into existing college processes and spaces
  - ✓ Recruitment efforts
  - ✓ New student orientation
  - ✓ Mandatory first year seminar
  - ✓ Professional development
- Every new student completes a FAFSA and a benefits screening form (standard process for all students!)
  - ✓ Flag supports for which student may be eligible

**PRONOIA!**



# FS4: Ensure Students Access Supports

- **Normalize / Destigmatize**
- **Opt-out vs. Opt-in**
- **Students as co-designers**
- **Remove artificial barriers**
- **Basic supports knowledge for all (Prof Dev)**





# Financial Stability + Guided Pathways



**N**NATIONAL  
**C**CENTER FOR  
INQUIRY &  
IMPROVEMENT



# Integrating GP + FS: Sample Activities

## 1. Clarify Students' Paths

Clearly communicate to all students  
(1) the full cost of attendance,  
(2) the economic benefits of completion by award, and  
(3) the suite of available supports to help pay for college



# Integrating GP + FS: Sample Activities

## 2. Get Students on Path

Conduct a screening process to determine supports and services (including public benefits) for which each student may be eligible





# Integrating GP + FS: Sample Activities

## 3. Keep Students on Path

Educate and empower the college to recognize student financial stability issues and direct students to places/people who can assist in accessing the relevant services



# Integrating GP + FS: Sample Activities

4. Ensure  
Students  
are  
Learning

Embed  
active/applied  
learning activities  
in interactions that  
the student has  
with the institution



# Real Talk

- How can the food pantry be a starting point and not an ending point in this work?
- How are our own policies and processes having unintended consequences on (groups of) students?
- How do we normalize the student experience and communicate this with students?
- How do we align and offer relevant professional development?
- How do we meaningfully engage the campus community?





# But... (draft mode)

1. We're not a social service institution / that's not our job
2. Our students wouldn't be poor if they could just manage their money better
3. Our students will just spend their Pell grants on new phones
4. What we need is financial literacy / coaching
5. We need more folks in our financial aid office
6. Reasons students are part-time are beyond our control
7. We already have a food pantry



# Resources

- Beyond Financial Aid Guide (with Self-Assessment)  
[www.luminafoundation.org/bfa](http://www.luminafoundation.org/bfa)
- Working Families Success Community College Expansion  
<http://achievingthedream.org/resources/initiatives/working-students-success-network>
- Skyline College's Comprehensive Diversity Framework  
<http://skylinecollege.edu/seed/diversityframework.php>
- Benefits Access for College Completion  
<https://www.clasp.org/tags/benefits-access-college-completion-bacc>
- Being Not-Rich at UM (Crowdsourced Google Doc for UM Students)  
<https://docs.google.com/document/d/1Ou-AelCrAg6soUJVbiviKAGBGF276w-UBlw-eMigwOA/edit>
- Affordability Hotline (Facebook Group for UM students)  
<https://www.facebook.com/groups/affordabilityhotline/>





# Ping Us

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