



CCBC
The Community College
of Baltimore County

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November 10, 2011

Mr. Daniel Broun
Program Director
MDC
307 West Main Street
Durham, NC 27701

Dear Mr. Broun:

CCBC is proud to submit the attached proposal for the Financial Empowerment Strategies for Student Success. You will see from our proposal that this program would extend and complement our already existing financial literacy program which has at its centerpiece a comprehensive curriculum delivered to over 5000 students a year. As a data-driven institution, we will be more than willing to:

- collect and perform on performance measures
- participate in overall program evaluation
- implement sustainability strategies, and
- share lessons learned and material created with Achieving the Dream, MDC, Bank of American, and other Achieving the Dream colleges.

We have enjoyed and grown from our participation in Achieving the Dream, and we look forward to the opportunity to reach even more students through the funding provided by this grant.

Sincerely,

Sandra L. Kurtinitis, Ph.D.
President

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**Financial Empowerment Strategies for Student Success
Grant Proposal from The Community College of Baltimore County**

College Name: The Community College of Baltimore County
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**Financial Empowerment Strategies for Student Success
Grant Proposal from The Community College of Baltimore County**

I. Description of Current Services Aimed at Enhancing Financial Capability.

1. Student success is at the center of CCBC's commitment to its students and for decades, the college has been committed to financial assistance, education, and empowerment. The college has a long history of providing scholarship assistance and last year distributed nearly \$70,000,000 in federal financial aid to its students. The college established the Opportunity Grants Fund for students in need of financial assistance who do not qualify for a Pell grant and completion scholarships for students who are close to completing a degree. Grants from these two funds exceeded \$500,000. Added to this is approximately \$22,000 in Emergency funds to students who may not have enough money for books or other college necessities.

CCBC offers FAFSA Workshops to students applying for federal financial aid. At *College Goal Sunday* a Maryland initiative through YMCA, students and parents get assistance with FAFSA completion and can talk one-on-one with counselors about aid. First time loan applicants must attend a one hour, in-person group counseling session, required by the Financial Aid Office. Topics covered include practical payment concerns, loan limits, and private vs. subsidized loans. The session is followed by a quiz. Second time loan applicants complete on-line counseling session and quiz.

CCBC hosts an annual *Personal Finance Day* for students on each of its three campuses in October of each year. This event provides local expert speakers who discuss topics such as credit/debit management, budgeting, student borrowing, and identify theft. Each spring, CCBC also hosts a financial expo for the entire community with workshops, vendors, and family events. Last year, the event had an attendance of over 400.

Discussion about financial literacy is also part of the college's award-winning Accelerated Learning Program. This program, which pairs a developmental education writing class with English 101, recognizes the impact of financial issues on academic success. Students are encouraged to share challenges. Faculty have been trained to answer basic questions and then to help students find the answers to deeper questions.

The most relevant of CCBC's financial capability efforts is the creation of the *Money Matters @ CCBC* program. *Money Matters @ CCBC* is the financial literacy component that was restructured and embedded within the first-year orientation course, Academic Development: Transition to College (ACDV 101) as of spring 2011. This mandatory, one-credit hour, course targets more than 5,000 new CCBC students annually. Financial literacy is particularly pertinent for a freshman course since research indicates that the financial challenges students face are a significant impediment to academic success¹ and

¹ Brock, T. T., Richburg-Hayes, L., LeBlanc, A., Paxson, C., Rouse, C. E., & Barrow, L. (2009). *Rewarding persistence: Effects of a performance-based scholarship program for low-income parents*. New York, NY: MDRC.

that students are particularly prone to dropping-out of community college during their first year if a financial challenge arises².

The Transtheoretical Model of Change³ served as the conceptual framework for the contextualized, culturally responsive financial literacy curriculum design. The financial literacy segment begins with the airing of CCBC's award-winning mini documentary, *Beyond the Classroom Walls*⁴. The short film features real stories from CCBC students about their financial hurdles with advice from one of our community partners, The Maryland CASH Campaign. Another portion of the curriculum presents students with case scenarios on various aspects of financial literacy such as 'wants versus needs', 'predatory lending', and 'how to save for a crisis'.

Class Project - Operation Silver Savings

The Operation Silver Savings project is a hands-on component of the *Money Matters @ CCBC* curriculum that involves students actively engaging in a micro savings activity. The concept of incorporating micro savings into the ACDV 101 financial literacy segment is "borrowed knowledge" from noble prize winner, Muhammad Yunus, who implemented global small scale savings efforts as a tactic to combat poverty.⁵

Since forty-seven percent of CCBC students experience poverty, introduction of this grass-roots project during a freshman orientation class transforms financial literacy from a philosophical discussion about behavior change to an action-based, tangible strategy that may inspire, motivate, and/or model savings behavior. This project encourages students to 'Feeding the Pig' leftover coins daily or as often as possible and tallying their totals at the end of the course.

Distribution of piggy banks is a symbolic way to introduce the concept of savings and is incredibly important to micro asset building. Saving an extra \$20 or more for emergencies can mean the difference between a student being able to get to school or not. With these emergency funds, for example, a student can replace a lost bus pass, buy gas for his/her car, purchase something to eat, etc.

This initiative heightened awareness among students about making thoughtful spending choices and the documentary created a safe zone for classroom discussion. *Money Matters @ CCBC* serves as an important springboard for the college in moving students from financial literacy to financial education and coaching, and is at the heart of the

Community College Survey of Student Engagement (2005). *Engaging Students, Challenging the Odds*. Retrieved October 12, 2010, from http://www.ccsse.org/publications/CCSSE_reportfinal2005.pdf

² Fike, P., & Fike, R. (2008). Predictors of First-Year Student Retention in the Community College. *Community College Review*, Vol. 36, No. 2. (1 October 2008), pp. 68-88.

³ Prochaska, J. O., Velicer, W. F., Rossi, J. S., Goldstein, M. G., Marcus, B. H., Rakowski, W., Fiore, C., Harlow, L. L., Redding, C. A., Rosenbloom, D., & Rossi, S. R. (1994). Stages of change and decisional balance for 12 problem behaviors. *Health Psychology*, 13, 39-46.

⁴ www.ccbcmd.edu/moneymatters (click to view)

⁵ Zelinsky, T. (2009). Contribution of Microsavings to Poverty Alleviation: The Case for Eastern Slovakia. 3rd Central European Conference in Regional Science. Retrieved September 4, 2010 from http://www.cers.tuke.sk/cers2009/PDF/03_50_Zelinsky.pdf

college's efforts to engage, educate, and empower students – ultimately increasing retention.

2. CBC enrolls over 70,000 students, fifty percent of which qualify for and receive some sort of financial aid and assistance. This is up from thirty-five percent three years ago. Approximately 4,500 students participated in *Money Matters @ CCBC*, to date, through ACDV 101, which is mandatory for all first year, degree-seeking students. The program reached approximately 500 in the spring 2011 pilot and 4,000 in the fall 2011.
3. CCBC developed survey tools for *Money Matters @ CCBC* to measure students' knowledge about financial behavior and modeled its pre-survey tool after the *Financial Fitness Quiz: A Tool for Analyzing Financial Behavior*⁶. The survey focuses on gauging financial practices and attitudes and collects data on the fiscal habits of first-year CCBC students enrolled ACDV 101. The program targeted more than 4,500 new CCBC students last year and will target 6,000 in 2012.

Pre-Survey Tool

In summary, the *Money Matters @ CCBC* pre-survey results showed that:

- Although fifty-four percent of the 1,492 sampled students indicated they had both checking and savings accounts, more than seventy-five percent used money orders, other family members' and friends' checking accounts, or cash to pay their bills. This suggests that a significant portion of this population is *underbanked*, "[students] have a bank account but still use fringe financial institutions such as payday lenders and checking cashing outlets"⁷.
- Fourteen percent of respondents were *unbanked* (i.e. having no bank account).
- An aspect of this assessment instrument asks the student to rate himself/herself as a saver. Twenty-five percent reported being poor savers or unable to save.

Measurable Outcomes for Money Matters @ CCBC Financial Literacy Course

There is considerable debate among researchers regarding the effectiveness and measurability⁸ of financial literacy programs. As such, consensus has yet to be reached. Because of the ACDV 101 course's short, seven-week duration, CCBC did not measure knowledge in specific content areas. Instead, measurable outcome focused on:

- evaluating the usefulness of the class project
- gauging if participation in *Money Matters @ CCBC* influenced student perspectives regarding saving and spending; and
- assessing whether the ACDV 101 Financial Literacy program helped to change the way students think about money

⁶ O'Neill, B., & Xiao, J. (2003). "Financial Fitness Quiz: A Tool for Analyzing Financial Behavior," *Consumer Interests Annual*, American Council on Consumer Interests, 49. Retrieved September 15, 2010. www.consumerinterests.org/public/articles/index.html?cat=264

⁷ Servon, L.J., & Kaestner, R. (2008). Consumer Financial Literacy and the Impact of Online Banking on the Financial Behavior of Lower-Income Bank Customers. *Journal of Consumer Affairs*, 42(2), 271-305.

⁸ Fox, J., Bartholomae, S., & Lee, J. (2005). Building the case for financial education. *Journal of Consumer Affairs*, 39(1), 195–214; Huston, S.J. (2010). Measuring financial literacy. *Journal of Consumer Affairs*, 44(2), 296-316; Lyons, A. (2005). Financial education and program evaluation: Challenges and potentials for financial professionals. *Journal of Personal Finance*, 4(4), 56–68; Lyons, A. (2005). Financial education and program evaluation: Challenges and potentials for financial professionals. *Journal of Personal Finance*, 4(4), 56–68.

Post Survey Tool

The online post-survey has both multiple-choice and a series of open-ended questions that provide qualitative feedback and allow students to share qualitative information about what they learned during the financial literacy portion of the ACDV 101 curriculum. This post evaluation seeks to assess the programs' effectiveness and determine whether the class project had an impact on fiscal behavior. Due to unforeseeable events that included technical glitches, hurricane Irene, and an earthquake, sample size for the post-survey has been 219 respondents to date.

In summary, the *Money Matters @ CCBC* post-survey results showed that:

- Ninety-one percent of students saved during the class project
- Seventy-five percent of students saved *additional* money with their piggy bank
- On average, students saved \$26.27
- Sixty-nine percentage of students indicated that overall, the ACDV 101 financial literacy program helped to change the way they think about money

The financial literacy curriculum is embedded within the larger context of the freshman orientation course. Therefore, it is not possible to attribute improved retention to this segment alone. However, focus groups are currently being conducted to evaluate the fiscal behavior of retained ACDV 101 students (randomly selected) one semester later. Data for the course as a whole demonstrates that there has been a 5-7 % increase in the retention of first-year CCBC students.

4. CCBC uses volunteers from the following organizations for its annual Financial Expo event: Maryland Coalition for Financial Literacy, Jr. Achievement, BGE, HUD, Richmond Federal Reserve, plus other financial institutions. CCBC plans to use these partner again at the financial expo and use Bank of America volunteers for workshops on the proper use of credit and free tax preparation. This would extend our already existing services in tax preparation that are offered by our own business faculty.
5. CCBC received funding from Citi Foundation for *Money Matters @ CCBC* to create the mini documentary that featured real stories of CCBC students and its 'Feed the Pig' micro-savings, piggy bank project.
6. Nineteen full time staff members support our students in the financial aid offices of our three campuses. Approximately 100 trained faculty teach the financial literacy curriculum each semester. This program is supervised by a full time department chair and a learning assistance coordinator.

II. Proposed Expansion of Services Aimed at Enhancing Financial Capability

1. The *Money Matters @ CCBC* program is part of an overall strategy at CCBC to focus on student success – retaining students so they can finish college. The college believes that

expanding the current *Money Matters @ CCBC* program will create financial awareness among a greater number of CCBC students and impact overall student success.

Funds from this grant will allow CCBC to capitalize on the engagement and heightened awareness reported by ACDV 101 students and would expand the program beyond 'financial education' to include 'financial coaching' for *all* CCBC students.

Obtaining the Financial Empowerment Strategies for Student Success Grant would also enable the college to begin a new initiative - CCBC CARES (Community and Academic Resources for Educational Success). This student success-focused proposal will be modeled after the Center for Working Families' bundled services approach and will focus on the following services in its initial implementation phase:

- 1) Offering financial Coaching as a core approach aimed at improving the financial behavior of students and, in the long-term, retaining economically disadvantaged students. CCBC already has one coach who has been trained on how to use the Central New Mexico Community College financial coaching model and the college intends to hire two additional financial coaches who will work with select student populations on "deeper touch" interventions.
- 2) Establishing a CCBC CARES Emergency Scholarship Fund that will be subsidized by the CCBC Foundation Office. CCBC faculty report they often feel helpless when one of their students is experiencing a financial crisis. This Student Emergency Scholarship fund will quickly assist eligible students with short-term financial emergencies enabling them to remain in school, rather than being forced to take a leave of absence or drop out. As a condition of the CCBC CARES Emergency Scholarship Fund, student recipients will be required to participate in one-on-one financial coaching. Additionally, students who receive financial assistance from the CCBC Opportunity Grants Fund (i.e. those who do not qualify for a Pell grant) will also need to participate in the financial coaching program.
- 3) Partnering with community agencies, organizations, and local businesses that will serve as a resource for connecting students to appropriate community services and non-predatory financial products. For example, CCBC would use Bank of America employee volunteers to facilitate a series of financial education workshops for the general student population. Cooperative partnerships will also enable CCBC CARES to investigate the possibility of offering opportunities for select students (e.g. Emergency Fund recipients) to participate in starting an Individual Development Account (IDA).

It is hoped that the CCBC CARES program will eventually expand to offer integrated services such as benefits screening assistance and workforce and career development for its students.

2. Utilization of volunteers will permit the college to offer 'light touch' financial coaching interventions through their facilitation of a variety of workshops that are responsive to

student needs. For example, pre-survey data indicates that more than fifty percent of the students polled are interested in learning more about budgeting. These workshops will be piloted in our ACDV classes and to groups of students in our accelerated development program, since these are the courses most closely aligned with financial literacy. They will expand to other credit course offerings, if successful.

3. The Maryland CASH Campaign partnered with CCBC to lend expertise assistance in the production of the financial literacy documentary, *Beyond the Classroom Walls*. This organization also augmented CCBC’s VITA tax refund preparation offerings this past spring. The program is still in the growth spurt stage and intends to forge many other such partnerships.
4. CCBC has a grant under development with the Citi Foundation to integrate financial literacy into the Accelerated Learning Project, a developmental education program that condenses the amount of time it takes students to complete developmental courses and enter general education credit courses. The college also plans to submit a concept paper to the National Endowment for Financial Education for funding to develop qualitative and quantitative research tools to track the long-term success of its financial literacy and education efforts.
5. CCBC’s participation in Achieving the Dream influenced the decision to designate financial literacy education as one of the institutions’ strategic priorities, aimed at increasing student success. This commitment to poverty reduction is being entrenched in the fabric of the institution and financial literacy is being promoted as a campus-wide agenda. Though the birth of *Money Matters @ CCBC* was originally funded through a grant, CCBC continues to sustain the program by contributing funds to purchase the piggy banks and produce a subtitled version of the documentary. There are also plans to pilot the Operation Silver Savings project in some Economics 101 classes in spring 2012. Of significant importance will be obtaining “Train the Trainer” Financial Literacy Coaching certification. Having the capability to deliver training will permit CCBC to continue to recruit continually both external and internal volunteers with the coaching model indefinitely at minimal cost to the institution.

III. Project Budget

| Cost Category | Amount Budgeted (each yr.) | Amount Expended by 6/30/13 |
|------------------------------------|----------------------------|----------------------------|
| Personnel ¹ | \$26,400 | \$52,800 |
| Travel ² | \$5,000 | \$10,000 |
| Orientation for Volunteers | \$100 | \$200 |
| Professional Training ³ | \$1,000 | \$2,000 |

Budget Narrative:

1. Two financial coaches working 30 hrs per week, for 35 weeks a year at \$22 per hr
2. Travel for one staff member to attend the Kick-off in January 2012 and the 2013 Strategy Institute
3. Train the Trainer to pay for time and materials for new trainers to receive training