



1111 Figueroa Place
Wilmington, CA 90744-2397
(310) 233-4010
(310) 233-4460 Fax
Email: martinma@lahc.edu

Marvin Martinez, *President*

November 9, 2011

Dan Broun
Program Director
MDC
307 West Main Street
Durham, NC 27701-3215

Dear Dan,

I am writing to support the attached application for the Financial Empowerment Strategies for Student Success program offered by Achieving the Dream, the Bank of America and MDC.

Los Angeles Harbor College is committed to its students' success on and off campus, and the financial capability education program that this project will support is an important factor in that success, one to which Harbor College faculty and staff are determined to continue and improve.

Our researchers will collect the data and help us to interpret it, and the entire organization will participate in the overall evaluation of the program as it is built into our campus routine, with the help of this funding. The strategies we propose will be incorporated into existing campus programming so that the institutionalization of the strategies will be implicit in the design.

Finally, we are not only willing but proud to share the lessons learned and all materials we create with Achieving the dream, MDC, Bank of America and other Achieving the Dream colleges.

Thank you for considering our proposal.

Sincerely,

Marvin Martinez
President

Financial Empowerment Strategies for Student Success

Proposal Submission Deadline
November 10, 2011

College Name: Los Angeles Harbor College

Contact person regarding this proposal:

Name	Leige Doffoney
Title	Achieving the Dream Project Leader, Dean of Academic Affairs
Address	1111 Figueroa Place
City/State/Zip Code	Wilmington, CA 90744
Telephone	310-233-4021
Fax	310-233-4488
Email	doffonlc@lahc.edu

Please answer the following questions. Your total response should not exceed six pages.

(See attached 6 pages)

I. Description of current services aimed at enhancing financial capability:

1. *What types of services aimed at enhancing financial capability does your college currently provide?*

Financial Aid Counselors: Staff in the Financial Aid office assist students applying for Financial Aid, including assistance with completing and filing the FAFSA, creating a practical budget, and researching other financial assistance such as scholarship programs. Online videos and Frequently Asked Questions help students in the initial stages and staff reviews all applications to assist students in completing the process.

Students applying for Financial Aid are directed to Cash Course, an online financial advice and budgeting system for college students designed by the National Endowment for Financial Education. The system provides basic financial information about budgeting, planning, overspending, banking, credit card management, credit, identity theft and other money matters.

Financial Literacy Training: In response to the difficulties the Financial Aid Officer observed, a course was developed to help entering students understand the financial aid system, its relationship to their personal sense of financial responsibility while in college and afterwards, and basic personal finance and banking strategies. The course, Education 008, *Financial Aid and Personal Financial Management*, provides a student with 0.5 college units that do not accrue towards the Associate Degree.

Other Programs: Counselors and Program Assistants work with students in a variety of other programs (CalWORKS/TANF - Temporary Assistance to Needy Families, CARE - Cooperative Agencies Resources for Education, Foster Youth and Veterans) that address the needs of those who qualify, and the counselors and program assistants who work for these programs are able to discuss basic financial management issues in the course of their work.

In the past, several former Foster Youth who received Chaffee Grants did not return to classes after receiving their checks. Financial Aid personnel began talking with them about how they planned to use their money in one-on-one sessions that heavily stressed budgeting and financial planning. EOP&S (Extended Opportunities Programs & Services) joined this effort since these students were eligible for EOP&S services. As the number of participating foster youth grew because retention improved, group counseling sessions were developed by EOP&S. Eventually, Chaffee Grant checks were not released until the students attended a counseling session with heavy financial capability emphasis.

The Future: Now we want to expand the services for especially needy students, beginning with former foster youth, to offer deeper financial capability training throughout the semester. Ultimately we plan to offer these services to the entire student body. The staff who work with the financial needs of the students is united in efforts to create a more integrated personal financial management experience for all students,

possibly as part of a "Welcome to College" orientation program. Gathering data on student success factors, including financial capability, is the first step toward effecting the institutionalization of this concept.

2. Which students (first year, developmental, all, etc.) and how many students (per semester/quarter or per year) participate in these services?

Just over 10,000 applications were filed in the Financial Aid Office at Harbor College in 2011-12, and to date nearly 4,000 have received packages (others chose or were unable to attend). In the past, students were encouraged to take the only 0.5 unit course, but there was no requirement to do so. The Financial Aid Director offered the course. If this were a requirement for students who receive financial aid, more online instructors would be need to be trained in order to meet the demand. The Financial Aid Office is considering requiring financial training for all students receiving student loans. Based on observations and successful experience with the neediest cohort of students (former foster youth), any expansion to financial capability education will begin with that cohort so its effect can be measured, before scaling the activity up to include the general population.

The assistance programs that offer benefits to special populations such as TANF recipients, foster youth, veterans and the financial aid office emergency loan program have anecdotal information to offer, since these programs involve more one-on-one contact with the students they serve.

For instance, sisters Diana and Beatrice have learned to budget and save to the extent they were able to move out of subsidized residential housing to their own apartment. Another student, Asa, was able to make the transition from public transportation to driving and maintaining his own car.

April, a CalWORKS student with three daughters, was desperate and facing homelessness because her husband was using their rent money to support his drug habit. Intensive counseling and emergency funds kept her in her apartment. She graduated with her Associate Degree last June and has begun work toward her baccalaureate degree at UCLA this fall - well on her way to self-sufficiency.

3. What quantitative or qualitative evidence do you have to suggest that the college's financial capability offering(s) has increased students' knowledge and/or students' success? If available, please provide information about the impact of the financial capability program on participating student's retention and completion rates.

Completion and retention rates for the last 4 years are generally rising: (Source: Los Angeles Harbor College 2011 Fact Book and Planning Resource Guide)

FALL				
OUTCOMES	2007	2008	2009	2010
Successful Completion	53.9%	58.8%	61.6%	59.1%

Retention	78.2%	78.3%	80.4%	80.9%
-----------	-------	-------	-------	-------

However, this is due to many factors, including specially funded enhanced student services, increased enrollments of motivated students due to the recession, faculty senate commitment to student outcomes and other factors. This proposal, in fact, is designed to isolate a cohort of students for whom we can provide special financial capability instruction and guidance, and then track the cohort's performance against those in the general population who exhibit a similar profile of characteristics.

4. Has your college previously involved community volunteers in providing financial capability services? If so, how have the volunteers been engaged and from which organizations have these volunteers come?

We have used trained volunteers from the student body to provide Income Tax Preparation services for local residents, and visiting representatives from local banks and financial institutions to provide short seminar-style meetings on the topic of financial literacy for targeted groups, including cohorts of specific job training programs such as the Process Plant Technology program sponsored by the U. S. Department of Labor. Most of the financial capability training for the general population has been conducted by the college faculty and staff, including the Financial Aid Office and the CalWORKS program office.

5. How is your current program financially supported?

We do not have a staff or an office dedicated to financial capability training. The principals are infused into various curricula and student services from the Financial Aid Office, CalWORKS, CARE, EOP&S, Personal Development classes and the one-half unit course, Education 008, that is dedicated to financial capability training. Funding for these efforts is a combination of the general college fund and special funding, either by competitive grants or formula funding from the State of California.

6. How many staff support your program? Are these full time or part time?

There are three full-time staff persons involved in the effort to provide financial capability training, although neither of these persons is assigned to this project on a full-time basis: The Financial Aid Director, Sheila Millman; the CalWORKS Director, Mercy Yanez; and the Achieving the Dream Project Leader and Dean of Academic Affairs, Leige Doffoney.

II. Proposed expansion of services aimed at enhancing financial capability:

1. How will the college use this grant to scale (in breadth and/or depth) its current financial capability services?

There are three basic steps to this proposal:

A. Leige Doffoney, Sheila Millman and Mercy Yanez will examine the current financial capability training modules in use to design a single program that can be made available to a specific cohort of students, and identify a data collection system that will make it possible to measure the semester-to-semester and fall-to-fall retention rate of the cohort against their peers in the general student population.

B. The committee will discuss this plan with local Bank of America personnel who will volunteer to conduct Financial Literacy training sessions for the selected cohort to make sure the principals discussed in the sessions dovetail with the elements of the training pathway the committee has designed. The message will be consistent and delivered over time in a step-by-step configuration that will prepare students to access financial resources available to support their college career *while understanding the responsibilities they incur when they accept the grants, loans and other assistance for which they qualify.*

C. The committee will select the initial cohort of 40 students to be trained in the fall of 2012. A similar selection process will occur in the spring and fall semesters of 2013. The plan will continue to escalate over time after the funding period. The goal is to use the data collected during this period as the basis for a proposal to institutionalize Financial Capability Training as part of the college orientation process for all incoming students.

There will also be a train-the-trainer component in this process. The Bank of America volunteers will train college personnel to deliver the financial literacy program so that it can be more easily incorporated into the general college orientation experience. It may also be possible to train and hire students to deliver this training to their peers on an ongoing basis, to reinforce and support the initial sessions, once the program has been institutionalized as part of the official college orientation process.

Further, to more fully engage students, the college Student Senate, which is a very active organization, will be asked to participate by urging students to take advantage of the training *and to apply the principles to their daily lives.* The senate can then use its participation in our region (Region 7, 14 colleges participating) to spread the word even further. We will also investigate the possibility of creating a Personal Finance Club through the Inter Club Council of the associated student government to more fully engage the faculty and students on campus.

2. How will the college use volunteers to scale its current offerings?

Volunteers from the Bank of America will be used in two basic ways:

A. To offer financial literacy training to pre-selected cohorts (at first), and then to offer this training as part of the college orientation process (i.e., to the general college population).

B. To train college personnel to deliver the financial literacy training (counselors, faculty and staff) so that the college can more easily institutionalize the training program.

The goal is to insure that every Harbor College student is fully aware of the elements of financial capability, and how these skills affect their educational success, their career plans, and their ability to become fully integrated as productive citizens contributing to the economic and social health of their communities.

3. Have any community organizations agreed to partner with the college and provide volunteers to help scale financial capability at the college? If so, which organizations?

The Bank of America branch at Tenth Street and Pacific Avenue in San Pedro, California has offered to supply financial education to our students, and will be our primary partner in designing this program. We have also had offers of support from local chambers of commerce, including the Wilmington and Harbor City/Harbor Gateway Chambers. The chambers of commerce will be especially important in helping those students who choose an entrepreneurial career, which has become an increasingly attractive choice to displaced workers who have entered the ranks of the "long-term unemployed," a significant sector of our current student body.

4. Will the college or other entities provide additional financial support to assist in scaling these services?

Yes. The college will support this effort with staff time, providing at least \$35,000 worth of services over the life of the grant, and considerably more than this over time after the grant expires. College support will include administrative support at the dean and associate dean level, coordination at the staff level, and instructional support at the counselor and faculty level. The Bank of America will support the program with its corporate volunteerism program, supplying volunteers to provide financial educational services on the campus.

5. How will expanded financial capability services and volunteer engagement be sustained after the two-year project?

The goal is to incorporate formal financial capability training into a more robust College Orientation program designed to prepare incoming students for college success and to infuse the entire college experience with financial capability experiences so that all students will have the skills needed to cope with personal finance issues and make positive financial choices that help them to stay in school and complete their education.

Harbor College is surrounded by neighborhoods with low-income residents who are under-educated and under-employed. Many of the college students are so financially stressed that the concept of financial planning is totally alien to them. Every dollar they earn or borrow is needed - and then some - in order to provide necessities for them and their families. The idea of saving or in any way preparing for the future is subsumed by the need to survive in the present. Consequently the general *attitude* toward financial capability must be changed.

Once the financial capability program is incorporated into the College Orientation process, the next step is to *infuse* college life with the principals of financial capability. Students need to be made aware of the implications of every expense - to buy or not to buy, to spend or not to spend - from the cafeteria to the book store to the financial aid office to the classroom supplies every student needs.

Further, *all academic classes* can be flavored with financial capability issues - not merely Economics or Bookkeeping 101. So the plan is to make the faculty aware of the relationship between financial capability and student success during professional development activities, to motivate faculty to find ways within their own disciplines to reinforce this message to the students.

Finally, financial capability curricula and counseling are important, but it will be equally important to track student progress - their grades, persistence and completion levels - in order to assess the effectiveness of the strategies employed. Evaluations from the students themselves in the form of survey responses will make it possible for the team to determine which strategies most positively affect the students and motivate them to respond favorably to the training.

III. Project Budget

Note: Selected colleges will have the opportunity to modify their budgets as needed.

Cost Category	Amount Budgeted	Amount Expended by June 30, 2013 (to be reported by July 30, 2013)
Personnel	\$31,000	24,000
Fringe Benefits (41% for staff, no benefits for interning asst. counselor \$15/hour X 20 hours/week X 80 weeks = \$24,000)	\$ 3,000	2,000
Travel (transportation, lodging and meals) Kickoff Strategy Institute Learning Experiences (2 per year for 2 people)	\$ 1,600 \$ 3,700 \$14,400	1,600 3,700 10,800
Supplies/Office	\$ 1,300	1,300
Indirect Costs	\$10,000	7,500
Total	\$65,000	50,900