EAB

Scaling Support for Financially Insecure Students

A Briefing for Institutional Leaders

Student Affairs Forum

Executive Summary

Today's students who face financial insecurity don't only come from low-income backgrounds.

Efforts to support financially insecure students on campus often focus on "traditionally" low-income students, such as Pell eligible students or students whose family income falls below the poverty level. However, with the rising cost of college, more and more students cannot afford to graduate and suffer from basic needs or other forms of financial insecurity. These individuals include students from middle-income backgrounds, international students, and students with extenuating circumstances who might not look like they're struggling on paper.

Financial insecurity extends beyond basic needs like food and housing.

In addition to being unable to afford their basic needs, financially insecure students often can't afford class requisites like books and supplies or critical "extras" like experiential learning activities and internships. The inability to finance these experiences negatively impacts students' time to degree and future job prospects.

RECOMMENDATION #1

Understand your evolving campus context through an audit of services for financially insecure students.

Financial insecurity resources are often developed ad-hoc across multiple departments, leaving students and administrators without a clear idea of what students can access. EAB recommends institutions conduct a thorough audit of services that support students' financial security (e.g., grants, food pantry, scholarships) as the first step in scaling services. An audit helps identify duplicative services and gaps in offerings based on your unique student body's needs.

RECOMMENDATION #2

Centralize resources to make it easy for students to get help.

Progressive institutions are shifting the burden of help-seeking away from students by centralizing services and programming. EAB recommends institutions centralize services online or through a single office to ensure all students can easily locate and access help.

RECOMMENDATION #3

Partner with vendors and institutional advancement to fund programs.

One-off donations and federal grants do not provide the flexibility or sustainability to scale services for financially insecure students. Work with vendors and institutional advancement to find new funding for programs. Vendors are motivated to maintain their contracts and see supporting students as part of their corporate values. Similarly, affordability efforts are a natural fit for partnerships with institutional advancement as donors increasingly seek cause-based giving opportunities.

Moving Beyond Focus on Pell Eligible

Historically, Students from Lowest Income Brackets Targeted for Support

Institutions know the stakes are high for students who struggle to pay for their education. Institutions historically have paid full or near-full tuition and board for academically successful students from low-income backgrounds. However, in recent years, the mounting cost of college for students has shown that many students not typically considered low-income struggle to make ends meet. International students, students with extenuating circumstances, and increasingly, middle-income students, all struggle with financial insecurity. Institutions are not only taking note of these changes but expanding programming to serve more students.

Looking Beyond the Typical Focus Area….

> **"Traditional" Low-Income Student**
>
> *noun*
>
> 1. *Pell Grant Eligible*: Typically students with family income less than $50,000
>
> 2. *Qualifies for Federal Trio Programs*: Students with family income less than 150% of the poverty level
>
> 3. *Falls in the Bottom Quintile*: Families in the bottom 20% of household incomes; upper limit of $24,638[1]

…To Identify Other Financially Insecure Students

International Students

Limited in their ability to work and ineligible for financial aid

Students with Extenuating Circumstances

Unable/unwilling to access parental support

Middle Income Students

Burdened by increasing cost of college
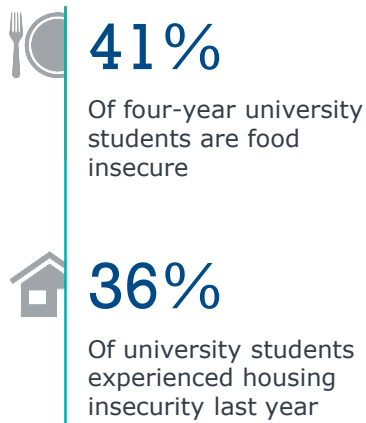
For the 2017 tax year.

Financial Insecurity Takes Many Forms

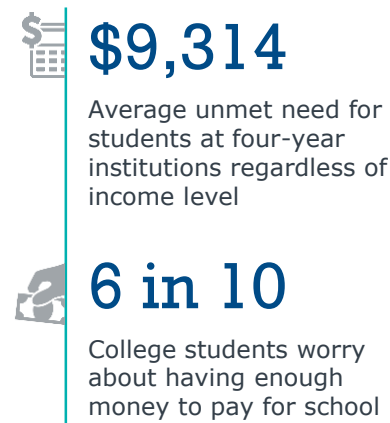## Data Highlights Students' Struggles in the US

The types of students struggling with financial insecurity isn't the only thing changing. Financial insecurity increasingly takes on new forms, from basic needs to affording the college experience. Students struggle to pay their tuition, with an average unmet need of nearly $10,000 *regardless* of income level. Additionally, 74 percent of students cannot afford common college "extras," such as unpaid internships and cocurricular activities. The ramifications for students facing financial insecurity extend far beyond their time on campus, as these "extras" can help students secure a job after graduation.
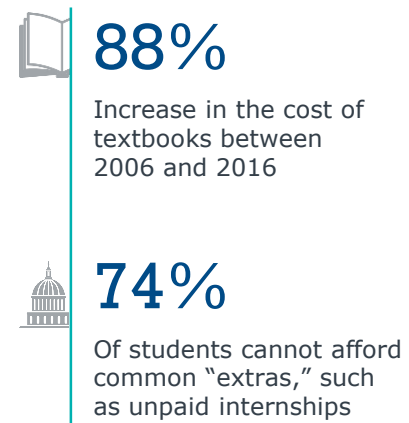
Financial Insecurity Goes Beyond Just Basic Needs

Basic Needs

41%
Of four-year university students are food insecure

36%
Of university students experienced housing insecurity last year

College Costs

$9,314
Average unmet need for students at four-year institutions regardless of income level

6 in 10
College students worry about having enough money to pay for school

College Experience

88%
Increase in the cost of textbooks between 2006 and 2016

74%
Of students cannot afford common "extras," such as unpaid internships

Source: Goldrick-Rab, et. Al. College and University Basic Needs Insecurity: #RealCollege Survey Report. Hope4College. April 2019; Grabmeier, Jeff. "70 percent of college students stressed about finances." *Ohio State News. June 2015;* National Low Income Housing Coalition. "College Students Face Housing and Food Insecurity." April 2019; TED: The Economics Daily, College tuition and fees increase 63 percent since January 2006, *Bureau of Labor Statistics*, August 2016; Walizer, Lauren. When Financial Aid Falls Short. CLASP. December 2018; EAB interviews and analysis.

An Intensifying Spotlight on Inequality

Institutions Face Scrutiny for Financially Insecure Student Outcomes

Institutions have been thrust into the spotlight on the issue of college affordability. Students' struggles to pay for their education and achieve postgraduate success are increasingly the focus of the news media. Articles highlight the disparities in enrollment and graduation rate across income levels at North America's top universities. Prospective students and their families are taking note. Prominent ranking systems inform prospective students of the state of college costs across institutions. The cost of college has never been more transparent. Prospective students and their families are paying attention and it's influencing where they decide to enroll.

Media Is Quick to Name and Shame Institutions for Disparity

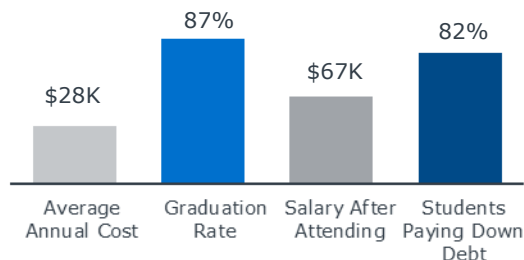|		
WSJ	*Even at Top Colleges, Graduation Gaps Persist for Poor Students*	
The New York Times	*Some Colleges Have More Students From the Top 1% Than the Bottom 60. Find Yours.*	
Bloomberg Businessweek	*If the Tuition Doesn't Get You, the Cost of Student Housing Will*	

National Rankings Increasingly Focus on Socioeconomic Factors

U.S. Department of Education

College Scorecard
Maple University

Average Annual Cost	Graduation Rate	Salary After Attending	Students Paying Down Debt
$28K	87%	$67K	82%

CollegeNET

2019 Social Mobility Index (SMI)
Oak University

Tuition	% Low-Income[1]	Median Salary[2]
$6,800	46%	$48,700

Grad Rate	Endowment	SMI Rank
53%	$106 million	18

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1) Defined as percent of students with family income below the US median household income
2) Median early career salary, defined as reported median salary 0-5 years after graduation
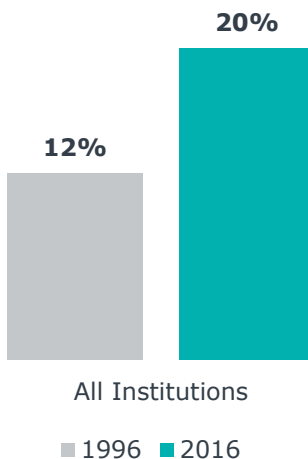
Tomorrow's Students Are Not Yesterday's

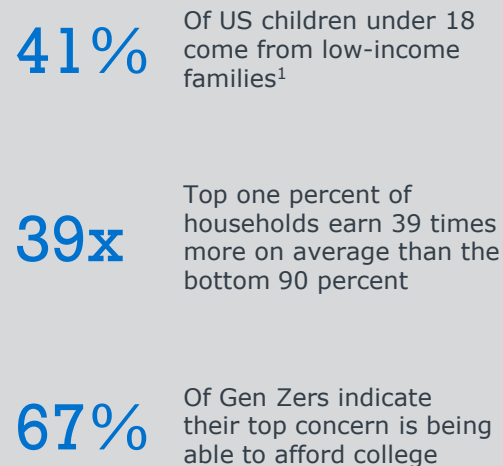## Supports Must Scale to Serve Changing Demographics

The urgency for expanding supports for financially insecure students will grow as the number of students facing financial insecurity at universities continues to increase. Already, 41 percent of US children under 18 come from low-income families. College students care deeply about the cost of college, with 67 percent of Generation Z students indicating that college affordability is a top concern.

More Students from Low-Income Backgrounds Enrolling in College

Pew Research, 1996-2016

12% (All Institutions, 1996)
20% (All Institutions, 2016)

All Institutions

■ 1996 ■ 2016

Tomorrow's Students Paint a Similar Picture

41% Of US children under 18 come from low-income families[1]

39x Top one percent of households earn 39 times more on average than the bottom 90 percent

67% Of Gen Zers indicate their top concern is being able to afford college

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A Challenge in Canada as Well

Limited Information Complicates Efforts to Help

Canadian colleges and universities are also seeing the impacts of financial insecurity on their student populations. One study found that 40 percent of Canadian postsecondary students experience food insecurity, levels similar to those of their US peers.

However, Canadian institutions also face additional complications; institutions do not receive any information about a student's finances or the finances of their family. This lack of financial data means staff must rely on on students to self-identify as financially insecure or on proxy populations (e.g., indigenous students, minoritized students) in order to target students for need-based supports.

Canadian Students Present a Familiar Picture But...

40%

Of Canadian post-secondary students experience **food insecurity**

70K

Post-secondary students in Canada experience **homelessness**

...Province and Federal Guidelines Limit Canadian Institutions' Ability to Help

✖ Difficult to allocate financial aid based on need, institutions often **rely on merit aid**

✖ **Institutions rely on imperfect proxies**, like indigenous status, to identify students who might benefit from affordability supports

> "I believe Canada is different from the United States in that we don't get students' SES status on their education forms. **We don't really know where a student is in terms of money** matters unless they tell us."
>
> *Heather Doyle*
> *Director, Student Academic Success*
> *Dalhousie University*

Source: Fraser, Elizabeth. "Homelessness among university students bigger than people realize, says prof." *CBC News;* November 2018; Silverthorn, Drew. "Hungry for Knowledge: Assessing the prevalence of student food insecurity on five Canadian campuses." *Meal Exchange*. 2016; EAB interviews and analysis.

How Do We Do This Right?

Overcome Common Barriers to Scale Services for Financially Insecure Students

As economic inequality continues to grow, campus leaders know they must do more to support students. EAB research found that institutions face three major barriers to expanding services for financially insecure students. An evolving campus context makes it difficult to know which supports to prioritize. Stigma and lack of program visibility on campus inhibit the number of students who seek support. And critical programs receive low funding priority, making it difficult to sustain services.

To meet these challenges, EAB identified three recommendations to help your institutions scale services for financially insecure students. The following pages provide an overview of each recommendation and case examples of how progressive institutions are addressing students' needs.

EAB's Three Recommendations

1	**2**	**3**
Understand Your Evolving Campus Context	Make It Easier for Students to Get Help	Use Alternative Funding Sources to Scale Programs

Don't Reinvent the Wheel

Conduct an Audit to Identify Siloes, Duplicative and Underused Services

There is no shortage of data illustrating that financial insecurity among students is a rising issue in higher education. But students' experiences with financial insecurity are different at every institution depending on the campus context, such as a campus's location, student body, and unique culture. To improve support for financially insecure students, institutions need to assess their current resources.

Universities often struggle to coordinate their efforts to support financially insecure students. Different offices, from the financial aid office and dining services to student clubs and academic departments create programs to address financial insecurity. These duplicative services consume valuable time and resources, while siloed supports create confusion about where students should seek help. Conducting an audit will allow your institution to evaluate and rightsize current offerings.

Why Do an Audit?

Gaps in Staff Knowledge	Lack of Student Awareness	Duplicative Services
Staff are unaware of service gaps because they don't know what is and is not offered	Valuable financial supports go underutilized because **students do not know about them.**	Multiple departments **offer the same affordability resources**, causing redundancy in service

Finding a Diamond in the Rough

NYU's Comprehensive Audit Identifies Campus Affordability Resources

New York University (NYU) conducted an effective audit of its financial insecurity resources by enlisting the help of staff and faculty to identify and evaluate lesser-known and underused resources. Members of NYU's affordability steering committee led the audit, working with staff and faculty across the departments they worked with. Committee members collected information about available resources in their department and sourced information on other offerings at cross-departmental meetings. The committee compiled a list of all relevant programs on campus in just 90 days.

Impetus for an Audit

"We reached out to partners to conduct an audit [of affordability initiatives] because we know solving a university-wide problem **requires a university-wide perspective.**"

Owen Moore
Assistant Vice President
New York University

Select Committee Members

- Senior Vice President for Student Affairs
- Vice President for Enrollment
- Vice President for Budget and Planning
- Academic Deans and Faculty
- Student Senators

Key Steps

1. **Selected** units and leaders to participate in audit

2. **Identified** unit level programs and resources

3. Conducted central **review** of all programs and services

4. Created a **comprehensive list** of resources

5. **Shared** resource list among staff members and students

NYU cataloged its programs and services in a single spreadsheet, making it easy for the affordability task force to identify gaps in services and share information between departments. The steering committee further maximized the benefit of the audit by meeting regularly to evaluate the identified services. Through those meetings, the committee identified resources that weren't being used to their full extent, most notably their meal voucher program.

Source: NYU Committee and Working Group Members; EAB interviews and analysis.

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Audit Highlights Opportunity for Improvement

Audit Uncovers Untapped Potential in Dining Dollars Program

Further investigation identified two primary reasons why students were underusing the meal voucher program: a lack of advertising and stigma associated with how the program distributed aid – the program required students to use physical vouchers to get into the dining hall, making students feel like they were using food stamps.

NYU Dining Dollars Program

- NYU Dining offered free meal vouchers to students experiencing food insecurity

- Students could receive five to six meal vouchers at a time

- Program was underutilized due to poor advertising and students' discomfort using physical vouchers

Changes NYU Made

➡ **Converted meal vouchers to dining dollars** that added $75 to student IDs

➡ Launched **campus-wide marketing campaign**

➡ Allowed students to request dining dollars at **10 different locations**

Audit Achieves Results in Dining Dollars Program

2,500 New students using dining dollars program within one semester

2,000% Increase in student use after program marketing began

As a result of the audit findings, NYU changed its meal vouchers to dining dollars using previously allocated funds. NYU now loads $75 onto students' ID cards when they make a request. The dollars also apply to campus convenience stores so students can use dining dollars to buy necessities like personal hygiene products or school supplies. After revamping the advertising around the dining dollars program through email outreach and ads in the student newspaper, student use increased over 2,000 percent with 2,500 new students using the program.

Source: EAB interviews and analysis.

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Promoting Institution-Wide Awareness

North Carolina State University's Multi-Pronged Advertising Strategy

Many factors prevent financially-insecure students from finding and accessing needed support: lack of knowledge of resources, stigma, eligibility concerns, tyranny of the immediate, and more. Institutions can better serve financially-insecure students by deliberately building awareness of resources, rather than relying on word-of-mouth education, and by making it easier for students to connect with services.

North Carolina State University's (NC State) "*You Don't Have to Choose*" marketing campaign expands awareness of Pack Essentials, NC State's suite of basic needs support resources. The campaign illustrates potential financial dilemmas students face, like being forced to choose between medical bills and a meal plan. By emphasizing that students don't need to choose between their basic needs and other necessary expenses, NC State empowers students to reach out for support when they need it.

Campaign Images Highlight Common Financial Dilemmas

"You Don't Have to Choose" Messages Shared Via

- ✔ Twitter posts
- ✔ Online video testimonials
- ✔ Digital billboards
- ✔ Instagram photos and videos
- ✔ Dining hall advertising
- ✔ Posters and fliers

The images are promoted widely throughout the campus community via social media, posters, and digital billboards. The campaign also includes testimonial videos from students who received support from Pack Essentials, which helps reduce stigma for students and bring the program to life for Pack Essentials supporters.

In the year after the "*You Don't Have to Choose*" campaign was launched, Pack Essentials saw a 75 percent increase in its caseload.

Make It Easy to Get Help

NC State Connects Students to Support Through "Pack Essentials" Website

North Carolina State University's Pack Essentials website and centralized application process provides financially insecure students with quick, easy, and streamlined access to cross-campus support without high cost to the university. The comprehensive portal centralizes all information on relevant campus services from emergency housing to food services, removing the burden of help seeking from students.

Pack Essentials Online Application

Sample Questions

1 May someone connect with you via phone?

❑ Yes

❑ No

Phone #_____

2 Which of the following concerns are you currently facing? (check all that apply)

❑ Food insecurity

❑ Housing insecurity

❑ Financial insecurity

❑ Other

3 Please explain your current circumstances and what support you need.

4 Please upload documentation, if available that supports your request (receipts, copy of bill, etc.). *[not required]*

The application (excerpted above) allows students to request access to all the website's relevant services. The application asks a few simple questions as a first step in connecting students with support.

Completing the application doesn't require any documentation or information that students don't already have on hand. This simple, streamlined process ensures students can access all the information and support they need without being stymied by confusing processes or eligibility concerns.

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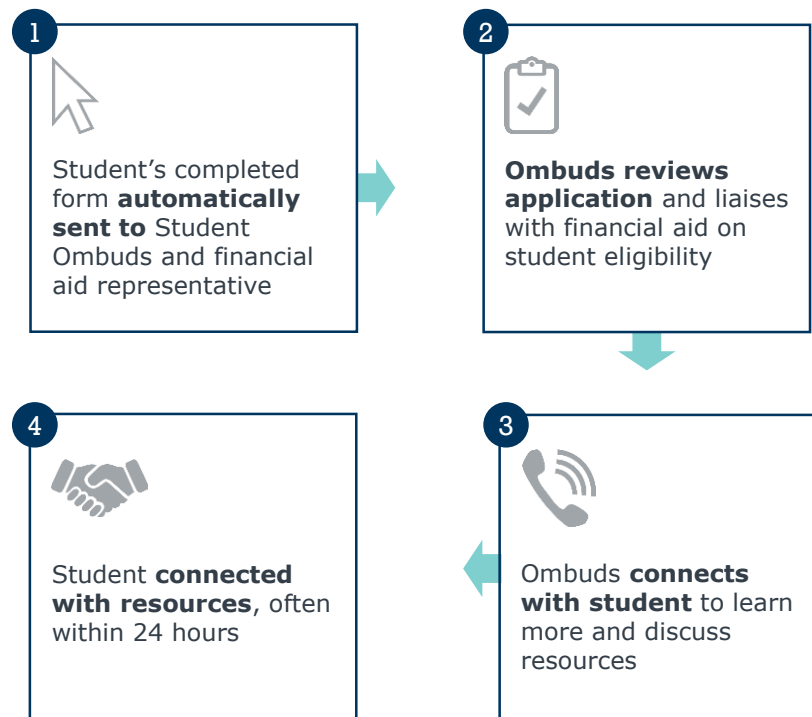# Students Connected to Supports Within 24 Hours

Student Ombuds Reviews Every Pack Essentials Application

Pack Essentials applications are automatically sent to the Student Ombuds and a staff member in the financial aid office. These two individuals work together to determine what resources the student is eligible for based on their financial aid status.

Then the Student Ombuds personally reaches out to the student, typically within 24 hours of receiving their application. Together they discuss the student's unique needs and identify the best supports from across the suite of resources available at NC State.

NC State's centralized portal and application process quickly and seamlessly connects students with support.

An Online Hub with Personalized Follow Up

1 Student's completed form **automatically sent to** Student Ombuds and financial aid representative

2 **Ombuds reviews application** and liaises with financial aid on student eligibility

4 Student **connected with resources**, often within 24 hours

3 Ombuds **connects with student** to learn more and discuss resources

> ### Easing the Burden on Students
>
> "Our greatest success was bringing existing supports under the umbrella of the Pack Essentials initiative and then building out new resources from there. We focused on **cutting the red tape from the outset** to help meet students' basic needs."
>
> *Mike Giancola*
> *Assistant Vice Provost & Student Ombuds*
> *North Carolina State University*

Source: EAB interviews and analysis.
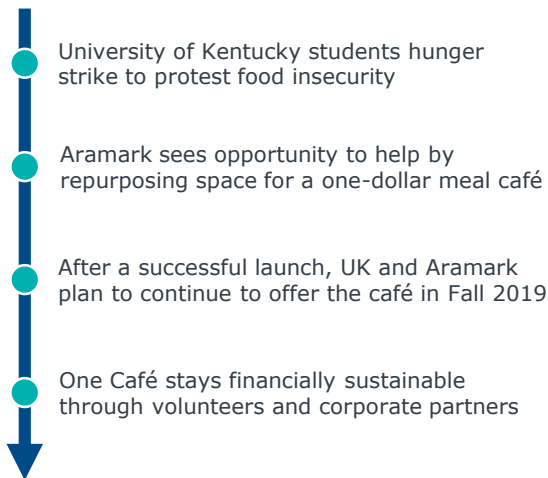
Traditional Funding Streams Are Not Enough

University of Kentucky and Aramark Partner to Address Campus Hunger

Institutions traditionally rely on two sources of funding for programming that addresses financial insecurity: narrowly defined federal and state programs and one-off donations. These one-off and ad-hoc funding sources limit institutions' ability to scale financial insecurity work to reach more students on campus.

EAB recommends institutions work with vendor partners and institutional advancement to find alternative funding for programs. Institutional leaders should use their shared goal with vendors and institutional advancement to improve the student experience.

Aramark staff at the University of Kentucky found an innovative and sustainable way to impact student hunger on their campus. Aramark staff approached the University to provide a café that served meals to students for just one dollar.

Aramark Spearheads New Café to Provide One Dollar Meals to Students

- University of Kentucky students hunger strike to protest food insecurity

- Aramark sees opportunity to help by repurposing space for a one-dollar meal café

- After a successful launch, UK and Aramark plan to continue to offer the café in Fall 2019

- One Café stays financially sustainable through volunteers and corporate partners

215 Students on average served each day

Create Your One Café

✔ **Use Student Volunteers as Staff**
Students fill low-skill positions at no extra cost to the institution

✔ **Partner with Local Restaurants to Source Meals**
Restaurants provide meals in exchange for exposure and marketing

✔ **Provide One FTE to Manage Café**
Manager oversees critical logistics for the café like coordinating staff; paid by vendor or institution

✔ **Do Not Limit Access Based on Financial Status**
Open access reduces stigma and encourages student use

In order to make the One Café sustainable, students volunteer as staff and local restaurants provide food in exchange for positive exposure. The café is open to all students and is prominently placed on campus which helps drive utilization and reduce potential stigma.

Source: EAB interviews and analysis.

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Funding Dining Dollars for Students in Need

Towson Uses "Last Ask" Donations in Their Phonathon

Towson University builds support for food security initiatives into phonathon scripting as a "last ask." Donors are asked to give small dollar donations to the dining fund at the end of the call. Scripting highlights the impact of the donation – a $10 donation feeds a student a meal.

The integration allows Towson to solicit donations for the dining fund without disrupting advancement's ongoing solicitation efforts. This approach also elevates awareness of the dining dollars program among students and alumni and increases donor giving due to the low threshold for participation.

A Small Intervention With a Big Impact
Sample Scripting

Volunteer: One last thing I'd like to mention is we're also fundraising for College X's food insecurity fund. The fund directly benefits my peers who are struggling with food insecurity, and a donation of **as little as $10 can buy a student a meal** at our dining hall. Can we count on your support?

Key Benefits of Last Asks

✓ Easy to embed in a variety of fundraising activities

✓ Low lift for advancement and volunteers to include in pitch

✓ Elevates awareness of the program among students and alumni

✓ Increases donor participation as accessibility is an increasingly resonant issue for alumni

Results

$94,471
Raised for the food insecurity fund in three years

4,600
Meals available for students through the fund

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Keeping Access and Equity Top of Mind

Rice University Takes Aim at Student Debt, Radically Reducing Costs

Rice University is taking college affordability beyond scholarship programs with the Rice Investment. The Rice Investment aims to meet the needs of not only traditionally low-income students but also middle- and upper middle-income families. The initiative covers the cost of tuition, fees, and often room and board for a broad set of students, without requiring them to take out loans. Rice launched a fundraising campaign to support the investment, which has seen strong support and enthusiasm from alumni, donors, and prospective students.

Rightsizing Aid to Income Ratios

Household Income	Aid Package
<$65K	**Full grant** for tuition, fees, room and board
$65K-$130K	At least **full tuition** scholarship
$130K-$200K	At least **half tuition** scholarship

Qualifying students are **not required to take out any loans**

Rice Commits to Supporting Low- *and* Middle-Income Families

2018
Rice announces initiative to expand aid for low- and middle-income students

$7-9M
Anticipated annual expenditure for the initiative

$150M
Fundraising campaign Rice launched to support the initiative

Leading to Increase in Giving and Application Numbers

$40M **Total funds raised** for the Rice Investment as of June 2019

29.4% Growth in **applications** *(from 20,923 to 27,084)[1]*

As of June 2019, Rice raised 40M for the campaign's 150M goal. Additionally, Rice saw nearly a 30 percent increase in applications in one year, indicating the value prospective students place on institutional support for college affordability. Rice's efforts highlight how institutions can set themselves apart and build donor and student enthusiasm when they prioritize initiatives that fight financial insecurity.

1) From 2017-18 to 2018-19.

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