



Increasing Retention Rate and Financial Literacy with Multiple Financial Aid Disbursements and the Program for Financial Education

About San Jacinto College

- 3 campuses with full services
- A Maritime Campus on the Houston Ship Channel
- Coming 2021, Generation Park Campus

Race/Ethnicity	Percent
American Indian or Alaskan Native	0.6%
Asian	5.6%
Black or African-American	10.1%
Hispanic or Latino Origin	56.9%
International	1.9%
Native Hawaiian or Other Pacific Isl.	0.2%
White or Caucasian	23.5%
Unknown	1.2%

- Headcount
 - Fall 2018 – 32,561
 - 2017-2018 – 41,540
- Average Student Age – 22.8
- Enrollment Status
 - Full-Time – 23.2%
 - Part-Time – 76.8%
- Gender
 - Female – 57.4%
 - Male – 42.6%

≈ 30% receive some type of financial aid

What is Return to Title IV?

Return to Title IV (a.k.a. R2T4)

- recalculate students' federal financial aid eligibility for students who completely withdraw from classes or stop attending prior to the 60% point of the period of enrollment
- return unearned federal aid to the U.S. Department of Education

Aid Like A Paycheck (ALAP)

- In 2011-2012 and 2012-2013, the Return to Title IV Debt (unearned financial aid) reached a peak of \$1.3 million.
- Online Roster Certification System was implemented fall 2013.
- The data collected confirmed that students dropout or disappeared after receiving the aid.

Aid Like A Paycheck (ALAP)

- Late 2013, SJC signed an agreement with MDRC to research if financial aid distributed in multiple payments similar to a paycheck would help students and schools.
- The theory was that payments every other week would help students manage their money more effectively, which would enable them to make choices that would ultimately lead to positive academic outcomes.

Aid Like A Paycheck (ALAP)

- During the Fall of 2014, the Aid Like A Paycheck (ALAP) project was implemented with 1,500 students.
- After three years, the ALAP project monitored almost 5,000.
- Half of the students received their aid in bi-weekly payments while the other half received their payments in a lump sum.

ALAP Successful Results

- R2T4 debt was reduced to an all-time low of \$362,500 for 2016-2017.
- ALAP mid-project report showed that students who received their aid in payments borrowed less, owed less money to the college at the end of the semester, and returned the following semester at a higher rate than those who received their aid in a lump sum.
- SJC changed the financial aid disbursement method for all students to multiple payments (3 monthly) per semester during the 2017-2018 year.

ALAP Lessons Learned

- The R2T4 savings we had with the official withdrawals were overshadowed by the returns of those who stopped attending without completing the regular withdrawal process.
- 85% of the R2T4 debt is generated by students who stopped attending.
- For the 2017-2018 year, the R2T4 debt increased by \$120,098.

ALAP Lessons Learned

We are implementing more attendance collection points to align with the multiple disbursements.

- Fall
 - First collection point will be early September
 - Second collection point will be early October
 - Third collection point will be early November
- Spring
 - First collection point will be early February
 - Second collection point will be early March
 - Third collection point will be early April
- Summer
 - First collection point will be mid-June
 - Second collection point will be Late June or early July
 - Third collection point will be Late July

ALAP Opportunities for Improvement

- Some students are still receiving aid when they are no longer attending classes or never attended.
- Faculty should be reminded about the importance of submitting accurate and timely attendance reports.
- Some wait until the end of the semester when the system forces them to report a grade.
- The appropriate grade for these students is an FX; however, some faculty opt to give students a grade of F to keep from tracking a last day attended.

What is the Student Loan Cohort Default Rate?

Student Loan Cohort Default Rate (a.k.a. CDR)

- the percentage of a school's federal student loan borrowers who enter repayment within the cohort fiscal year (denominator) and default (or met other specified condition) (numerator) within the cohort default period
- the 2-year rate for FY2008 released in 2010 was 13.2%
- The rumor was that the new 3-year rate was going to double
- the first 3-year rate for FY2009 released in 2012 was 18.2%
- Majority of students were dropouts or had academic progress issues

Program for Financial Education (PFE)

- Implemented fall 2011
- Modeled after the Center for Working Families program at Central New Mexico Community College
- Created to ensure students receive the necessary information, tools, resources, contacts, and services to become more successful in their educational and career pursuits
- Targeted population included students who had lost their aid due to lack of academic progress

Two Components of the PFE

- Students are required to meet with counseling staff twice per semester to receive coaching and access to informational resources to aid with overcoming potential barriers to success.
- Students are required to complete a financial literacy training.

Financial Literacy Component of the PFE

- Students can meet the financial literacy component by attending a face-to-face workshop or completing five online modules.
- After each session, their knowledge is assessed.
- Those who pass the assessment and complete their coaching sessions regain their financial aid eligibility for future semesters.

PFE Successful Results

- Data shows that students who complete at least one coaching session and a financial literacy workshop tend to perform better than students who do not
- The FY2014 CDR decreased to 9.1% from 17.3%
- The FY2015 CDR maintained at 9.1%

PFE Lessons Learned

- We have to ensure staff stays well informed.
- As new Counselors were hired, information passed along lost some of the meaning.
- We had to reevaluate the population that was being required to participate.
- We had to keep up with technology. Online financial literacy workshops were needed for those who could not attend the face-to-face workshops.

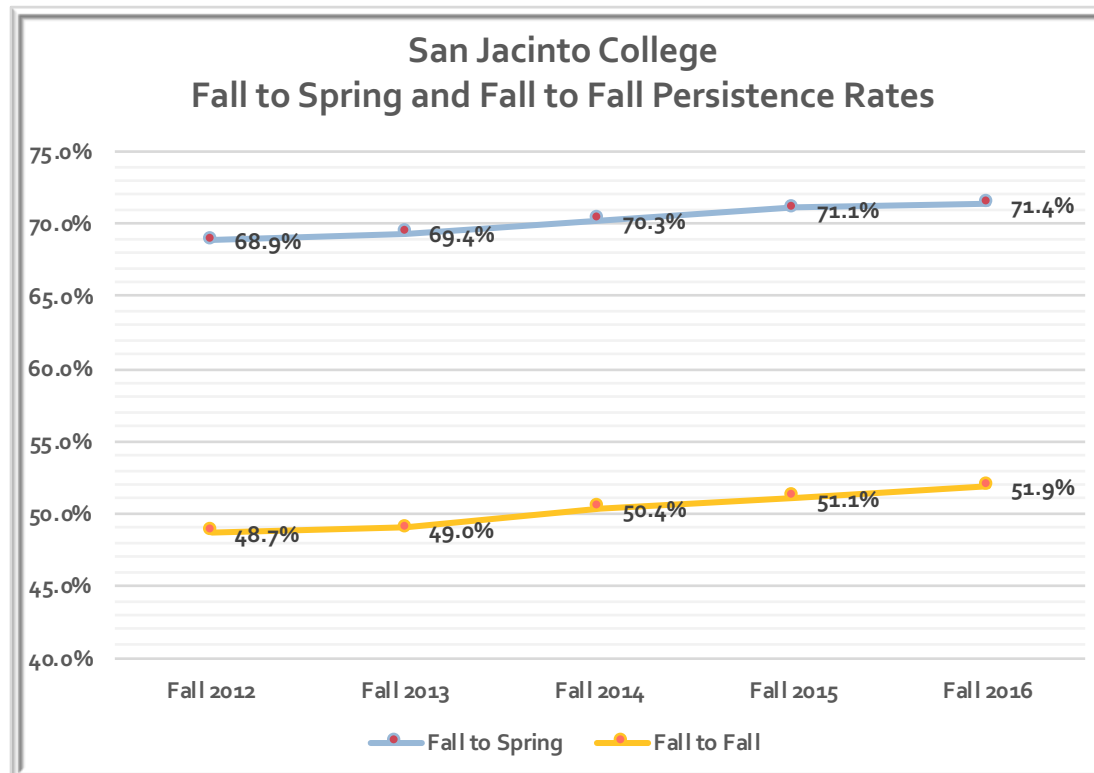
PFE Opportunities for Improvement

- We need to bring financial literacy to more students.
- A module that will be integrated with our LMS (Blackboard) is in the final stage of development.
- Faculty will be able to assign the module to students for a grade or extra credit.

Effects on Retention Rates and Financial Literacy

- Students who received their aid in payments returned the second semester at a 6% rate higher than those who received their aid in a lump sum.
- Students who complete at least one PFE coaching session and a financial literacy workshop tend to perform better than students who do not.

Effects on Retention Rates and Financial Literacy



Questions?



Contact Information

Robert Merino, Dean of Financial Aid Services

robert.merino@sjcd.edu

(281) 998-6342

