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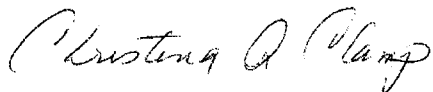
## **The New Hampshire Latino IDA Program for Higher Education**

*"Poverty begins when even one child is denied his  
or her fundamental right to education. What begins  
as a failure to uphold the dignity of one life, all too  
often ends as a calamity for entire nations."*

-- Kofi Annan  
United Nations Secretary General

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Approved By:



Christina Clamp

## **The New Hampshire Latino IDA Program for Higher Education**

### **Abstract**

The number of Latinos in New Hampshire grew 80 percent from 1990 to 2000. The Latino community is the fastest growing segment of the state's population (U.S. Census, 2000). Despite their growing number, Latinos remain among the most educationally disadvantaged groups in the state. This situation is even worst for those who live within the inner city of Manchester and Nashua.

The likelihood that Latino students will successfully complete their high school education and move into postsecondary education rises with family income and parental education. About 40 percent of Latino children live in families with incomes below poverty line. This percentage has risen from 33 percent in 1985 (Federal Interagency Forum on Child and Family Statistics, 1998). This is a factor closely associated with low educational attainment.

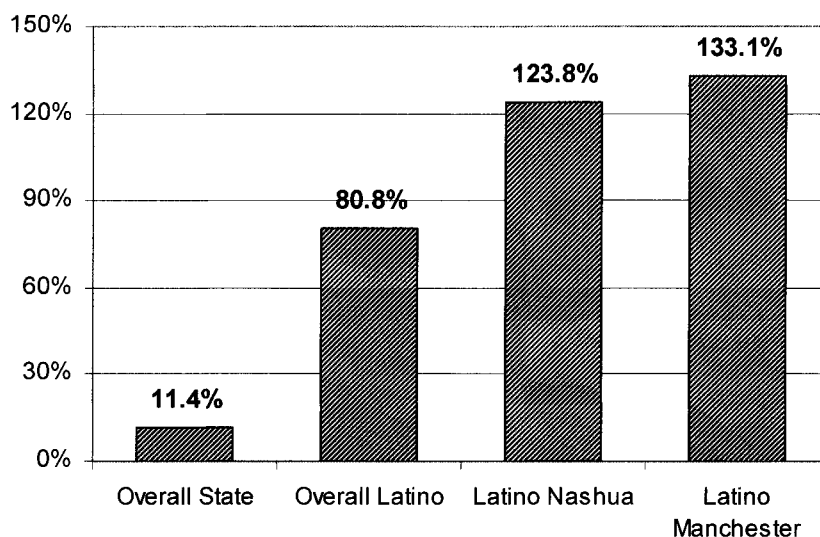
This project will develop a community economic development Youth-IDA College Readiness Program for higher education in the cities of Manchester and Nashua. The target population is underserved Latino juniors and seniors from Manchester High School Central and Nashua High School. The goals of the project have been: to increase educational expectations, to develop an effective collaborative model to provide up to 20 IDAs for higher education, and to successfully place these students in postsecondary education institutions.

The program will be evaluated in four areas: (1) The number of Latino students who enrolled in the program, (2) The percentage of participants' seniors who graduated from high school, (3) the percentage of participants' seniors who have successfully enrolled into postsecondary institutions, and (4) the percentage of students who reached their saving goals and completed the program.

## **I. Community Needs Assessment**

According to the U.S. Census Bureau, New Hampshire's Latino Population has increased by 80 percent from 1990 to 2000 representing the fastest growing segment of the state's population. In 2000, from a total Latino population of 20,489 (U.S. Census 2000) only 109 Latino students took the SAT in NH (College Board, 2000 SAT Memo Report) From this low number, 26 Latino test takers had family's incomes at or below \$35,000 yet the majority of Latino families are from this income bracket. Financial need was confirmed in a query conducted by the NHCUC in 2003 to 102 Latino high school students from Nashua High, 45 percent ranked financial need as the major obstacle toward college. As a result, Latinos are significantly underrepresented in postsecondary institutions throughout the state and are lagging behind on educational attainment.

**Figure 1**  
**Population Growth 1990-2000**



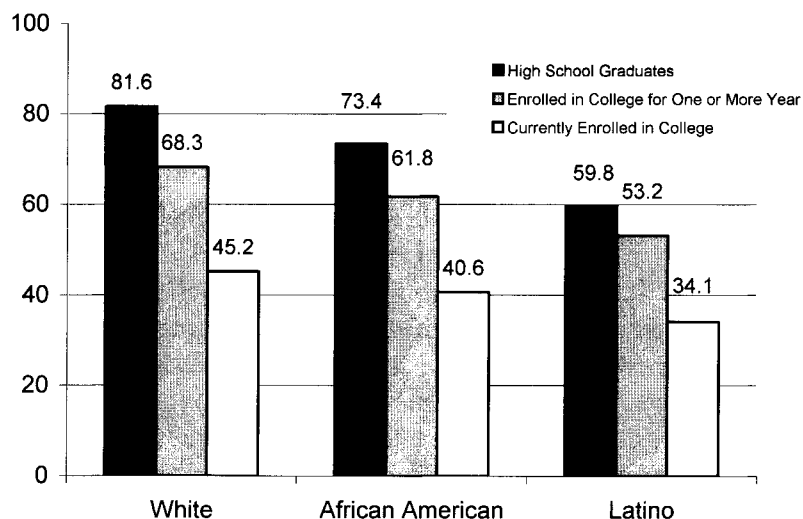
During the last two decades, the prices associated with attending postsecondary institutions have soared, while the purchasing power of need-based grant aid has declined. In addition, federal and private educational loans have replaced grants as the primary method that students and families use to pay for college (Lumina Foundation, Expanding College Access: The Impact of State Finance Strategies, 2004). Because of these changes, low-income Latino students find increasingly difficult to enroll and succeed in postsecondary education institutions. According to a study made by the United States General Account Office, an additional \$1000 grant reduces the probability of first-year, low-income students dropping out by 23 percent (Challenges in Promoting Higher Education, 1997) This situation is particularly critical in NH, which ranks 50<sup>th</sup> in the nation in state support to higher education, which results in NH's public higher education

tuition ranking as the second highest in the nation. NH's state grant support is only \$3 million. In Vermont the state grant support is \$12 million, while in Maine it is \$8 million. Additionally, NH does not currently offer any scholarship assistance specifically to minority students, which clearly limits access to young Latinos seeking postsecondary education.

Latinos are also one of the most economically disadvantaged groups. The Latino population accounts for only 12.5 percent of the nation's population but represent 24.7 percent of the poor. (U.S. Census Bureau) 62 percent of Latinos under 18-years old are at or below of 200 percent poverty line (Bureau of Labor Statistics and Bureau of the Census, 2003)

In part, the gap in college attendance rates is determined by socioeconomic status. According to the College Board, 15 percent of the students entering postsecondary education are from the lowest socioeconomic status quartile compared with 40 percent from the highest quartile (Swimming Against the Tide, The Poor in America Higher Education, College Board, 2001) Economic status is one of the most important reasons that explains why only one in every ten Latinos holds a college degree, compared to African Americans 18 percent, white Americans at 33 percent, and Asian Americans at 55 percent.

**Figure 2**  
**High School Completion and College Participation Rates**  
**for 18 to 24-Year Olds by Race and Ethnicity**



Source: American Council on Education. Minorities in Higher Education 2000-2001, Eighteen Annual Status Report.

If we combine demographic growth and socioeconomic status, it becomes evident the tremendous distress and need of this minority group, in particular in the cities of Manchester with 24 percent and Nashua with 26 percent of the state's Latino population. Latino students are more likely than white students to attend schools that have insufficient educational resources and

are segregated. In Manchester, Central High School has a cumulative drop out rate of 32 percent, the second highest in the state, and the highest among urban school districts. Nashua has a drop out rate of 17.5 percent, three points above the state's average. (New Hampshire Department of Education, 2003-2004 Drop Out Rates For Grades 9-12)

Clearly, sustained efforts must be made to reduce educational disparities and to expand access to higher education opportunities to Latino students. It is clear that there is a need for a more thoughtful, innovative, and result-oriented approach to enroll greater numbers of Latino students in higher education. Latinos are becoming a major influence on the state's culture, economics and political policies. Only through college education, will this group positively affect these areas, and acquire economic growth and intergenerational development.

Nonetheless, a large and growing gap in postsecondary education between Latinos and other population groups undermine the goal of equity delineated in the Higher Education Act of 1965. As a result, it is imperative to close the educational gap and promote social change in postsecondary access for young Latino students and thus promote the future prosperity of our state and our nation.

### **New Hampshire Funding for Need-based Student Support**

In 2002, New Hampshire provided \$2.96 per capita in total state funded grant aid, compared to a national average of \$19.89 and \$68.25 in need based aid per undergraduate enrollment, compared to a national average of \$354.32 (NH Postsecondary Commission) all of this at the very time when the cost of higher education is increasing faster than inflation. This situation is particularly dramatic for Latino students who are more than proportionally disadvantaged and usually lack access to information and traditionally disenfranchise with postsecondary education.

### **Federal Assistance**

Federal Financial Aid to students has declined substantially in recent years. In the 70s the maximum Pell Grant<sup>1</sup> for Low income and working families covered nearly 40 percent of the average cost of attending a four-year private college; now it covers 15 percent. (2005 Legislative Session, White Paper, Accessing Higher Education in New Hampshire, SB181: Making and Appropriation to the Postsecondary Education Commission for the purpose of the New Hampshire Incentive Program) Increasingly federal resources have shifted away from grants, to loans, which now make up the majority of available federal funding for students. Today a significant amount of students in the state are borrowing to the maximum limits (2005 Higher Education Economic Impact Report, NH Forum for Higher Education) Latino families are traditionally and culturally adverse to credit which dramatically reduce their postsecondary options. Many Latino students-households will never consider borrowing to go to college, thus not only increasing economic assistance is required but also an education process toward financial aid and borrowing.

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<sup>1</sup> Federal Pell Grants are only awarded to undergraduate students who have not earned a bachelor's or professional degree. Federal Pell Grants do not have to be repaid and are based on need. The need is determined by the Free Application for Federal Student Aid (FAFSA).

## **II. Problem Statement**

New Hampshire's Latino population represents the fastest growing segment of the population. However, the number of Latino students who graduate from high school is alarmingly low 60 percent, and less than 30 percent of them will take the standardized admission test SAT to enroll in a higher education institution. The most important factors that prevent Latinos to move into postsecondary education are: affordability, low expectations, and language barrier. Therefore, a college readiness program that combats the income barrier, raise educational expectations, and have a strong community connection to deliver the required services in the Spanish-language is required.

Education is the most important element for upward mobility (Oliver & Shapiro, 2000). A college degree can make a difference of as much as one million dollars over a work-life time period<sup>2</sup>. Education is fundamental to break the submission-poverty cycle. Clearly, a community economic project that addresses these issues and fully engage Latino students and families can mark the turnaround point for the community.

## **III. Problem Design**

### **Literature Review**

Literature research supports the conclusion that; there is a huge educational divide between Latinos and other population groups, and the gap seems to be widening. The literature available on this topic basically addresses four essential areas. (1) What are the causes of the educational gap between Latinos and other ethnic groups? (2) What are the various models and best practices that have been implemented to provide access to higher education opportunities to underprivileged students? (3) What are the outcomes of such initiatives? And (4) Successful youth IDA programs in the U.S.

The National Hispanic Scholarship Fund (HSF) in collaboration with Notre Dame University identified three factors that prevent Latinos to attain higher education: (a) Affordability, (b) language barrier, and (c) low expectations (Revelations and Recommendations, 2000) Local research by the NHCUC outlined additional obstacles in New Hampshire. These obstacles include, cultural isolation, lack of role models, weather, and affordability (Latino Initiative Assessment 2001)

There are various models developed throughout the nation to reduce the educational gap between disadvantage students and privileged students. The national Hispanic Scholarship Fund (HSF) focused their efforts on the income barrier as the cornerstone of their strategy. Every year the HSF awards nearly U.S. \$30 million dollars to deserving Latino students nationwide. This significant effort although important, cannot fix the problem alone. The U.S. Department of Education in an attempt to reduce disparities created the TRIO Program in 1965 as a part of the Higher Education Act of 1965 and the War on Poverty Initiative. The program was design to provide special services to disadvantage students who need assistance. The program focuses on

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<sup>2</sup> Postsecondary Education Opportunity, Work-life earnings estimates for full time, year round workers by educational attainment.

high school achievement and completion rates. Under this program, students can spend as much as three years preparing for college.

Information about best practices to increase the number of students who pursue education beyond high school was collected. These practices open the doors to postsecondary education by providing financial counseling, last dollar scholarships, college visits, career guidance, tutoring, and test preparation courses to traditionally underserved populations. Table 1 blends 12 college access practices based on a research made on 131 programs throughout the nation.

**Table 1: College Access Practices**

<b>Activity</b>	<b>Population Served</b>	<b>Method</b>
(1) Early Awareness	Elementary, middle and high school students and their parents	Create awareness about higher education opportunities and make students and parents plan for postsecondary education
(2) Parental Advising	Parents	Door-to-door, and one-to-one advising
(3) College Resource Center → Central Location	Community members	Assistance to identify colleges and programs, search for financial aid, offer a step-by-step help with the admissions and financial aid process
(4) Financial Aid Advising	High school students and their families	Confidential advising services to maximize students' financial aid opportunities.
(5) College Application Advising	High school students and their parents	Help students navigate the college application process. One-on-one paperwork counseling
(6) Career Advising	High school students	Expose students to a wide-range of career opportunities
(7) Mentoring	Students	Trained mentors provide emotional support, encourage academic efforts and portray themselves as positive role models
(8) Peer Tutors	Students	Academic assistance
(9) Community Workshops	Students and families	College planning and financial aid services for postsecondary education
(10) Services to College Students	College Students	Create a network of people on campus to help students with the transition from high school to college
(11) Adult Learning Advising	Adult learners	Advising services for students who don't begin higher education immediately after high school, but wish to return to school
(12) Scholarships	Students entering college (recruitment) and currently enrolled students (retention)	Need-based scholarships

Source: National College Access Network

Also, are the documents that specifically address the outcomes of such initiatives. These documents conclude that although some progress has been accomplished, there is still more work to be done to close the gap.

Finally, there is extensive information about IDAs programs, however there is little information about Youth IDAs and most of the information available is still related to asset accumulation and small business. According to the literature research, Individual Development Accounts (IDAs) are emerging as one of the most promising tools to enable low-income families to: buy a home, start a small business, and pay for postsecondary education. A total of 554 IDA programs are registered nationwide, 30 states have passed some form of IDA legislation, and four states have IDA legislation pending (IDA Network) IDAs are expected to reach between 10,000 to 20,000 disadvantaged new people every year.

Despite their effectiveness, IDA Programs are still incipient with regard to higher education. In New Hampshire, out of twenty-one organizations that offered IDAs throughout the state, only one has for purposes of pursuing higher education and covers exclusively the area of Manchester<sup>3</sup>. This community economic development project is intended to bridge this gap. It will make the NHCUC the first specialized state-partner providing youth IDAs for higher education in the City of Nashua.

### **Program Overview**

The program is design to provide access to higher education opportunities to underserved Latino students from Manchester High School Central and Nashua High School. The New Hampshire IDA College Readiness Program will provide individual development accounts to help low-income Latino students overcome the most important obstacle toward postsecondary education, the income barrier. The program is a collaborative effort between five organizations. The New Hampshire Community Loan Fund (NHCLF) has agreed to provide the matching money for the IDAs. NHCUC has agreed to coordinate the project and to provide the financial literacy and college readiness training for the students. The Latin American Center (LAC) has agreed to be the community connection and central location for the program in the city of Manchester, Manchester High School Central (MHSC) has agreed facilitate classroom presentations for representatives from the NHCUC about the IDA Program, and Nashua High School (NHS) has agreed to help identify students at greater need, arrange classroom presentations, coordinate college visits for their Latino students, and provide office space for one-on-one counseling.

The mission of the program is to provide educational IDAs for economically disadvantage Latino students from MHSC and NHS and to help them enter the financial mainstream rewarding their monthly savings with the use of matching funds. The project goals and objectives are:

- Number of Latino students who enroll in the program,
- Percentage of participants' seniors who graduate from high school,
- Percentage of participants' seniors who enrolls into postsecondary institutions, and
- Percentage of students who reach their saving goals and complete the program.

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<sup>3</sup> Manchester Community Resource Center (MCRC)



Ultimately, the program will connect students with higher education opportunities, provide the training and the motivation for change, and will introduce financial leverage through IDAs to make the dream of a college education possible.

In the longer term, it is hoped that the impacts of this project will result in a greater number of role models, and further community collaboration. Also, it will hope to be the catalyst for real change, to create awareness among other stakeholders and boost additional support and resources to expand the number of IDAs and the scope of the project. Latino families will be directly engaged during the process.

### **Organizations Backgrounds**

New Hampshire College & University Council (NHCUC) - Founded in 1966, the Council is a consortium of fourteen-higher education institutions in the state of New Hampshire. On 2002 the NHCUC launched the Latino Initiative, the first higher education program for traditionally underserved Latino students in the state. Today, under the direction of a board comprised of member college presidents, the NHCUC manages cooperative programs in student recruitment, professional development, student services, and resource sharing.

New Hampshire Community Loan Fund (NHCLF) - Is the first statewide community loan fund established in the United States. The Community Loan Fund offers IDAs to low and moderate-income people through the New Hampshire Statewide Individual Development Account Collaborative. The Collaborative is a statewide program that supports an organization's ability to offer individual matched savings programs for low and moderate-income individuals. The IDA is not a loan program, but a saving program designed to support the dream of low-income families to buy their own home, start or build a business, or pursue educational opportunities. If qualified to participate, IDA program participants will receive an additional \$3.00 for each \$1.00 deposited into her or his account. The NHCLF has raised \$1.5 million for the period 2004-2008. Currently the NHCLF has 20 community partners; however none of them provide IDAs for higher education. The NHCUC will join the IDA coalition in 2004 as the first partner providing IDAs for higher education.

Latin American Center (LAC) - Founded in 1970, the Latin American Center has a long story of involvement with the Latino community of Manchester. The LAC is the oldest Latino-community based organization in the city of Manchester, and it is also the only Latino organization that has a storefront facility. The two store colonial house, on 521 Maple Street is located on the heart of the inner city of Manchester where most Latino families live. Currently staffed by five people, the LAC will provide information about the program, register participants and promote the program in their quarterly newsletter.

Manchester High School Central (MHSC) - Manchester High School Central is the oldest secondary school in the State of New Hampshire. Founded in 1846 as Manchester High School. MHSC is located in the inner city of Manchester and serves a very diverse student population. In 2004, the student enrollment of 2,385 included students from over 60 different countries, most of them from Latin American countries. MHSC has the third highest drop out rate in the state and the highest among urban school districts. In the last 10 years the school has experienced an

explosive growth of its Latino student population. MHSC will help identify students at greater need, arrange classrooms presentations about the IDA Program, and coordinate college visits for their Latino students

Nashua High School South (NHS) - Nashua High School have the highest number of Latino students in New Hampshire. The city of Nashua alone comprises 26.3 percent of the state Latino population and NHS is the only K-12 high school in the city that serves this important minority group. In the last few years, Nashua has been the center of increasing Latino immigration, which has put tremendous pressure on educational services. NHS will also help identify students at greater need, arrange classroom presentations, coordinate college visits for their Latino students, and provide office space for one-on-one counseling.

### **Youth IDAs**

IDAs provide the training, the financial vehicle, and the incentive to help young people plan for the future, save, and pay for postsecondary education. Out of 554 IDA Programs in the nation, only 18 are reported to be for youth (IDA Network) these youth IDA programs have more than 354 accounts open nationwide. Most of the youth IDA programs are small, serving anywhere from 5 to 25 people

Poverty has been linked with a whole range of negative, capacity-depleting consequences including decreased academic performance and increased probability for all risk factors. These factors often result in low wages, a low earning potential and dead end jobs in adulthood and the continuation of the cycle of poverty from generation to generation.

Research indicates that one of the primary reasons for growing income inequality in America is the increase knowledge sector based skills in poorly based service jobs and the decline of unionized manufacturing jobs. Access to quality schools, higher education, and meaningful skills training is necessary for youth to achieve economic success and stability in adulthood. Many young people are denied access to these economic and career-enhancing opportunities due to lack of financial means.

While youth IDAs will not eradicate poverty, they provide the boost needed to attend a local community college or a four-year higher education institution. With the prospect of any one of these investments, youth have a stake in their own future and a sense of promise. In addition Youth IDAs programs provide:

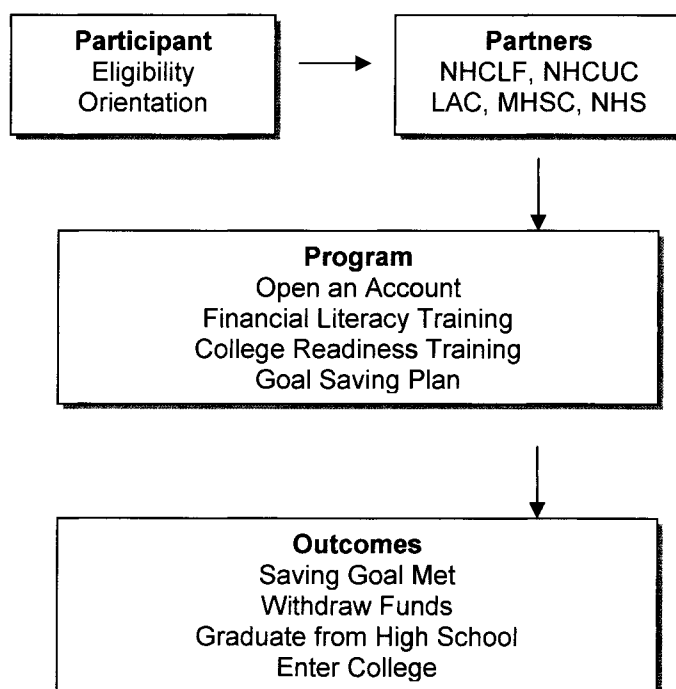
- Financial education;
- One-on-one IDA and financial counseling; and
- Discussion groups, and
- Post-training educational experiences.

IDAs savings programs are relevant to young students, since it allows them to reach immediate or short-term goals, and that include enjoyable social interactions.

## New Hampshire IDA Program for Higher Education

This program will provide matching savings accounts designed to help economically disadvantage Latino students from Manchester that falls below the 200 percent poverty line to accumulate a high return investment on education. Latino high school students will be offered the opportunity to open Individual Development Accounts to save for postsecondary education, while they obtain general financial literacy and college readiness training that include career exploration, scholarships opportunities, and academic achievement. To be eligible Latino students have to meet one of the following criteria (a) student/household who is welfare eligible, (b) student/household that is EITC (Earned Income Tax Credit) eligible, and (c) student/household that is 200 percent of poverty or below. The program will require that participants complete a minimum of twelve hours of economic literacy and college readiness training each year. The students will receive one-on-one counseling every month until their reach the saving goal and successfully move into a postsecondary education institution.

**Figure 3**  
**New Hampshire IDA College Readiness Program**



## Expected Outcomes

There will be three major expected outcomes. First, will be to enroll up to 20 Latino high school juniors and seniors from MHSC and NHS.

The second outcome of the project is to raise educational aspirations of Latino students and their families. Workshops at Manchester High School Central and Nashua High will promote the program and deliver a clear message of “college is possible” in particular for those traditionally disadvantaged.

The third intended outcome of the project is to have 90 percent of the program’s participants graduate from high school, 80 percent enroll into a postsecondary education institution, and 70 percent complete the program.

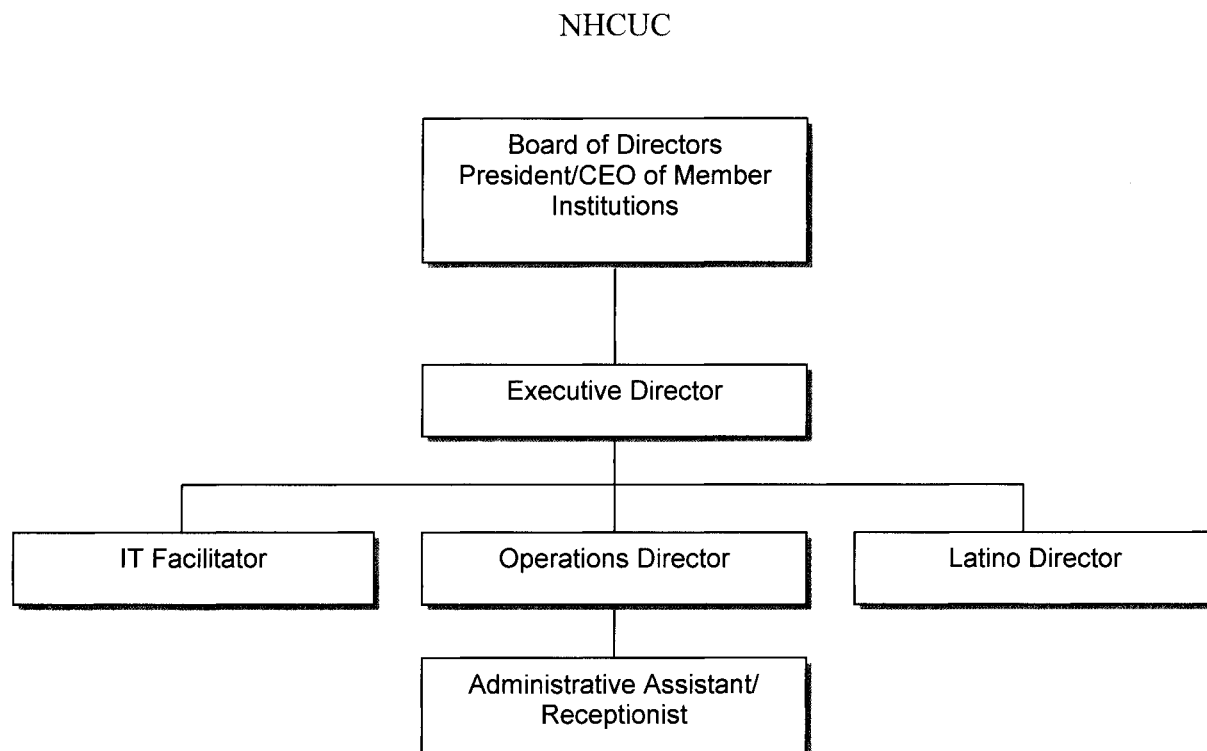
### Stakeholder Analysis

The following stakeholder analysis outlines the tremendous opportunities for collaboration between organizations directly and indirectly involved with the Latino community.

**Table 2: Stakeholder Analysis**

<b>Name of stakeholder group/organization</b>	<b>Potential benefits/costs</b>	<b>Project Design</b>
NHCUC Latino Initiative	<ul style="list-style-type: none"> <li>+ Advancement of Latinos in higher education</li> <li>+ Reduce the educational gap between Latinos and other groups</li> <li>- Operational cost</li> </ul>	<ul style="list-style-type: none"> <li>Secure Latin American Center and High School participation</li> <li>Long term sustainability ‘fundraising’</li> </ul>
NHCUC Member Institutions	<ul style="list-style-type: none"> <li>+ Develop welcoming communities for Latino students in NH</li> </ul>	Start with an small pilot program and then scale up
New Hampshire Community Loan Fund (NHCLF)	<ul style="list-style-type: none"> <li>+ Increase diversity on campus</li> <li>+ NHCUC will become the first partner on higher education</li> <li>+ Provide match money (3x1)</li> <li>- Limited number of IDAs for higher education</li> </ul>	<ul style="list-style-type: none"> <li>Fundraising</li> <li>Administration of IDA Accounts (including accounting and reports)</li> </ul>
Manchester and Nashua School Districts	<ul style="list-style-type: none"> <li>+ Reduce Latino drop out rates</li> <li>+ Collaborative partner to serve the community</li> </ul>	Open the program to other minority groups
Manchester High School Central, and Nashua High School	<ul style="list-style-type: none"> <li>+ Reduce Latino drop out rates</li> <li>+ Provide Latino students and families, with additional resources to successfully move into postsecondary education.</li> </ul>	Work on student achievement
Latin American Center	<ul style="list-style-type: none"> <li>+ Increase their array of services</li> <li>+ Better serve de the community</li> <li>+ Fulfill an important community need</li> <li>- Minor administrative cost</li> </ul>	Work on training calendars and capacity.

## NHCUC Organizational Structure



## Staff

NHCUC has three staff including the Executive Director and two grant-based positions IT Facilitator and the Latino Outreach Director. The Latino Outreach Director is responsible for the overall coordination of the IDA Program, his day-to-day tasks are: plans, develops, and administers programs to provide educational opportunities for Latino students in the state of New Hampshire; Cooperates with business, civic, and other organizations to develop projects, prepare budgets and determine allocation of funds to meet the needs and interest of students and the community, provides a bilingual and bicultural liaison between the consortium members and New Hampshire Latino population, and works with NHCUC Admission Directors and the Latino community to improve campus cultures and assist with the recruitment and retention of Latino students. Responsibilities include but are not limited to:

- Develop translations of current material and Spanish language web pages.
- Develop new literature in Spanish to target the Latino community.
- Develop effective partnerships, programs, and communication strategies to assist campus Admission Directors in the recruitment, retention of Latino students.
- Develop an IDA program for higher education.
- Organize a statewide committee of campus Latino student leaders.
- Create a network for consortium-wide Latino campus events.

The position requires a bi-lingual, bi-cultural person with excellent written and oral communications skills in English and Spanish. Strong commitment to value of higher education, a commitment to the Latino community

## Budget

**Table 3: IDA Project Budget 2004**

<u>Sources of Funds</u>	<u>Grant Proposals</u>	<u>Committed Funds</u>	<u>In-Kind Sources</u>	<u>TOTAL</u>
- College Board, Greenhouse Program	\$ 10,000	-	-	\$ 10,000
- NH Charitable Foundation	\$ 5,000	-	-	\$ 5,000
- NH College & University Council			\$ 5,000	\$ 5,000
- NH Community Loan Fund (20 IDAs)*		\$ 60,000		\$ 60,000
- NH Higher Education Assistance Foundation	\$ 18,000			\$ 18,000
- Public Service of New Hampshire		\$ 25,000		\$ 25,000
- LAC, MHSC, NHS			\$ 2,000	\$ 2,000
	\$ 33,000	\$ 85,000	\$ 7,000	\$125,000

\* Based on estimated average matching funds per IDA of \$3,000

<u>Expenses</u>	<u>Pending Sources</u>	<u>Committed Sources</u>	<u>In-Kind Sources</u>	<u>TOTAL</u>
Project Director (Salary & Benefits)	\$ 12,000	\$ 25,000		\$ 37,000
20 IDAs for Higher Education		\$ 60,000		\$ 60,000
Communications and Postage Expenses	\$ 5,500			\$ 5,500
Supplies	\$ 1,500			\$ 1,500
Travel	\$ 1,500			\$ 1,500
College Materials (Including Spanish-language)	\$ 4,000			\$ 4,000
Equipment	\$ 2,000			\$ 2,000
Website Up date and Maintenance	\$ 6,500			\$ 6,500
Rent & Utilities			\$ 7,000	\$ 7,000
	\$ 33,000	\$ 85,000	\$ 7,000	\$125,000

## IV. Program Implementation

### Implementation Plan

The NHCUC is responsible for the overall coordination and direction of the program, however there will be very important roles played by the NHCLF, LAC, MHSC, and NHS. Table 4, contains a timetable of activities and deliverables.

### Table 4: Project Gantt Chart

[illegible]

The staff of the LAC will undertake the work at the Center, whereas the NHCUC will provide the economic literacy training and college application process workshops. MHSC will actively participate referring potential eligible students to the LAC and NHS will provide office space for a representative from the NHCUC to meet with students and families.

Latino high school student from MHSC and NHS will be eligible to participate on the program. Students will be required to open an IDA and set up a saving goal based upon their educational expectations. The students will also be required to attend economic literacy training and to participate on a road to college workshop. Student will be given a check list of activities that include things such visiting the guidance counselor office, select the right courses, extracurricular activities, college essays, letters of recommendation, and more. Student will be guided throughout the college application process in both their financial objectives and college goals. MHSC and NHS will facilitate presentations at classrooms for Spanish-speaking students. Guidance counselors will reinforce the program goals and pursue educational achievement.

## **V. Monitoring and Evaluation**

In collaboration with the NHCLF, a comprehensive tracking system was implemented to monitor major indicators. As a result of the tracking system, the following reports are generated every month:

1. Demographics Report
2. Training Report
3. Match Report
4. Individual Accounts Statement Report

These reports are also linked to minor indicators such as:

- Percentage of students who received a presentation of the program
- Percentage of students that enrolled in the program
- Percentage of participant students that graduated from high school
- Percentage of participant students that enrolled in a higher education institutions
- Percentage of Participants students who graduate from the program
- Average dollar value of the financial aid package and scholarships opportunities that participant students received to go to college. (Includes: Federal Pell Grants, Perkins Loans, SEOG<sup>4</sup>, Stafford Loans, Work Study, State grants, and institutional grants and scholarships)

Finally, the project will be evaluated on timely bases; all the deliverables should go accordingly Table 4. The overall impact of the project in the targeted communities will be quantified through an exit poll to students and parents and a focus group for teachers and school representatives. This internal evaluation will measure the progress of the work and contrast the results with the outlined objectives of the program. This evaluation will provide the base line data for policy analysis and the continuing improvement of the project.

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<sup>4</sup> Supplemental Educational Opportunity Grant Program; grant funds made available through some schools to a limited number of undergraduate students with financial need.



## Demographics Report

This report summarizes the total number of participants in the IDA Program, at the same time it provides a break down by gender, ethnicity, age, residence, level of education, monthly income, assets, and liabilities. The report provides an overall picture of participants when they register for the Program and has not to be mistaken by their current status. Table 5 provides an overview of the IDA Program after its first year of implementation. A total of 5 students enrolled in the program between April 2004 and April 2005. All of them are women, 4 live in Nashua and 1 in Manchester. 100 percent enrolled in the program while in high school.

**Table 5: Demographics Report**

<b>As of April 2005</b>			
<b>Gender</b>	<b>% Total</b>	<b>Assets</b>	<b>% Total</b>
Males	0%	Vehicle	80%
Females	100%	Home	0%
		Business	0%
		Rental Property	0%
<b>Ethnicity</b>		Investments	20%
African American	0%	Checking Account	60%
Caucasian	0%	Savings Account	100%
Latino or Hispanic	100%	Value Assets	
Asian	0%	<b>Value Assets</b>	
Native American	0%	\$0	0%
Other	0%	\$1 to \$999	20%
<b>Age</b>		\$1,000 to \$9,999	80%
0 to 19	100%	\$9,999 to 100,000	0%
20 to 29	0%	Over \$100,000	0%
30 to 39	0%		
40 to 49	0%	<b>Liabilities</b>	
50 and over	0%	Vehicle Loan	0%
<b>Residence</b>		Home Loan	0%
Manchester	20%	Property Loan	0%
Nashua	80%	Business Loan	0%
		Personal Loan	0%
		Household Debt	40%
<b>Level of Education</b>		Credit Card Debt	0%
Attending High School	100%	Medical Debt	20%
Attending College	0%	Students Loan	0%
<b>Monthly Income</b>		<b>Total Liabilities</b>	
\$0 to \$99	0%	\$0	60%
\$ 100 to \$1,000	40%	\$1 to \$999	20%
\$1,001 to \$2,000	40%	\$1,000 to \$9,999	20%
Over \$2,000	20%	\$9,999 to 100,000	0%
		Over \$100,000	0%

## Training Report

This report summarizes the total number of training hours that each participant student has completed in Program. This important monitoring tool, allows the NHCUC to track the cumulative number of training hours per students and thus build training sessions to fulfill federal requirements<sup>5</sup> In addition, the report is broken down in financial fitness hours and asset training hours. Table 6 summarizes the cumulative number of training hours for five participant students<sup>6</sup> after the first year of implementation.

**Table 6: Training Report**

<b>As of April 2005</b>						
	<b>Location</b>	<b>Status at Date of Enrollment</b>	<b>Enrollment Date</b>	<b>Fin Fit Hours</b>	<b>Asset Hours</b>	<b>Total Hours</b>
Participant # 1	Nashua	HS Senior	4/12/2004	4.00	4.00	8.00
Participant # 2	Nashua	HS Senior	4/18/2004	8.00	2.00	10.00
Participant # 3	Nashua	HS Senior	1/11/2005	7.00	5.00	12.00
Participant # 4	Nashua	HS Senior	1/21/2005	6.00	4.00	10.00
Participant # 5	Manchester	HS Junior	5/11/2004	8.00	2.00	10.00
Total # participants = 5						

## Match Report

This report summarizes the saving pattern of the participant. Specifically the report is broken down in four categories: (1) deposits, (2) match set aside, (3) match paid, and (4) match returned. These four categories all presented by month, year-to-date, and by all time, which mirrors the total deposits made since the participant opened the IDA. Table 7 offers a glimpse picture of the saving patterns of the Program.

**Table 7: Match Report**

<b>As of April 2005</b>			
	<b>Month</b>	<b>Year-to-Date</b>	<b>All Time</b>
Deposits	\$177	\$347	\$562
Match Set Aside	\$525	\$1,035	\$1,650
Match Paid	\$0	\$0	\$0
Match Returned	\$0	\$0	\$0
Total # participants = 5			

<sup>5</sup> A minimum of 12-hours per year for the first two years and 8-hours thereafter is required for IDA Programs that use federal resources to match participant deposits.

<sup>6</sup> Participant identities are not disclosed in this paper.

## Individual Accounts Statement Report

Every IDA participant receives two separated statements per month. One from the financial institution where the IDA saving account was opened<sup>7</sup>, and a second statement from the NHCLF reflecting the matching funds put aside for postsecondary education. The report includes the account activity during the month, the account beginning balance, deposits, interest earned during the period, matched withdrawals, unmatched withdrawals, extra savings (not matched) and the closing balance. The statement also includes important information about the progress toward the IDA goal made by the participant for that period. This information includes the saving goal stated in the IDA application form, and how much remains to be saved to graduate from the program. A summary of total matched savings, total unmatched savings, total interest on savings, and total matched funds and interest earned on the matched funds is also provided.

A copy of this report is kept in file at the NHCUC to monitor the progress of the participant toward his/her higher education objective. This important report helps both the participant and the NHCUC to track the progress made month by month.

## Minor Indicators

The previous four major reports provide valuable information, but focus entirely on active participants and thus exclude those students who were reached by the program and have not yet enrolled in the program and/or applied to the program and got denied for too much income.

In its first year of implementation, a total of six presentations were made at both Manchester High School Central and Nashua High School to introduce the IDA Program. A total of 114 students attended these presentations, and 34 of them showed for the training sessions. From this cohort group, 11 students turned in their applications, 5 students were approved and enrolled into the program, 2 students were rejected for having a household income above the limit, and 4 students failed to provide all the required supporting documents and abandon the application process. For the other 23 students that have not turned in their applications, 14 never will since they dropped out from the training process, 9 students accumulated the minimum 6 hours of training to open an IDA and are currently filling their application forms. It is expected that the total number of IDA participants reach at least 10 students by the end of next month.

Percentage of participant students that graduated from high school -This project also measures the number of program participants who graduate from high school. As of April 2005, from a total of 5 participants 1 graduated from high school and is currently attending Northeastern University. From the remaining 4 students, 3 are high school seniors and are expected to complete their high school requirements in few weeks. The fifth student, currently a junior at Nashua High School will become a senior next year. No major problems or obstacles are foreseen in the future that might prevent this student from graduating from high school. By the time this paper was completed, it appears that 80 percent of the students graduated or will be graduating in few weeks from high school. The remaining student is still on track to graduate from high school and thus the program goal of 90 percent graduation rate from high school will be achieved.

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<sup>7</sup> Citizens Banks is the designated financial institution for the New Hampshire IDA Collaborative.

Percentage of participant students that enrolled into a higher education institutions - Perhaps this area presents the greater challenge for the program. Not all the students who graduate from high school go to college. A successful number in this area might be interpreted as a successful program. As of April 2005, only one participant student graduated from high school and is attending college. Thus the current rate is 100 percent, which is 80 percent above the program target goal. However, it is too early to call that single student a successful program. 3 program participants will be graduating in few weeks and another 9 high school senior are in the process of opening their IDAs. Therefore, the NHCUC will be measuring again how many of those students become college freshmen by September 2005 and a new assessment will be done in January since some students has expressed their intention to enroll on the winter term at a local community technical college. Only after this numbers are collected and benchmarked to the program goal of 80 percent it will be possible to infer further conclusions.

Percentage of participant students who graduate from the program - It is expected that the percentage of students who graduate from the program will be slightly lower (70 percent) than those participants who successfully enrolled into a postsecondary education institution. When students open an IDA they also fill a 'saving goal form' in which the student records the amount of money they intend to save to pay for college, once the students reach this goal they graduate from the program. Students are encouraged to save up to the maximum of the program, which is \$2,000 and thus receive the program counterpart of \$6,000. In many cases this happen months and even years after the students enrolled in college. The importance of this indicator relays on the retention factor, those students who save consistently to achieve their saving goals are more likely to stay in college and finish their postsecondary education. As of April 2005, none of the program participants have graduated from the program and might take another full year to have the first participant reaching her saving goal.

Overall financial aid package and scholarships obtained by participants students - This project also measures the average dollar value of the financial aid package and scholarships opportunities that participant students received to go to college. (Includes: Federal Pell Grants, Perkins Loans, SEOG, Stafford Loans, Work Study, State grants, and institutional grants and scholarships). As of April 2005, the only participant that has gone to college faced a total room and board ticket price of \$43,000 (Northeastern University). The participant received a financial aid award letter of \$27,000 and saved \$375 on her IDA account, which generated \$1,225 from the program counterpart. Finally, the participant was awarded a \$1,000 scholarship<sup>8</sup> through the program. Between all sources the participant received \$29,506.02<sup>9</sup> which represents 67 percent of her college expenses.

## **VI. Recommendations**

This IDA program constituted one of few additions to Youth IDAs in the country. The majority of IDAs programs not only in New Hampshire but throughout the nation are geared to

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<sup>8</sup> A 2-hour financial fitness training session about scholarship opportunities is part of the curricula for students. Students fill scholarships application forms in class. The program monitors the amount of scholarships awarded and the total dollar value.

<sup>9</sup> Includes interest earned on the IDA saving account

homeownership and small businesses, and therefore focus on adults. In New Hampshire, according to the latest numbers from the NHCLF out of a total number of 329 active IDAs in the state, only 25 of them are for postsecondary education or a mere 7.59 percent. The difference is made by homeownership and small business. Following are some recommendations after one year of implementation.

Collaborations Pays - It is fundamental to build strong partnerships with the targeted high schools, its principal, guidance counselors, and ESL teachers. They are in the best position to identify those with the greatest need, and also assume work that otherwise will rely on the IDA Program staff, such as coordinating presentations, student names, and office space for one-on-one counseling and group training.

Start Early - High school presentations about the program should be schedule early on the school year. That way the students and the IDA Program staff have several months to work with the students, their parents, guidance counselors, and teachers toward achieving the student goals. As opposed to what happen with adults, summer usually is not a good time of the year to work with students since school is closed and students are dispersed throughout the state.

Role Models - College role models have to be invited to talk to the students and present their testimonials. Ideally college students with similar cultural heritage and income profile have to be identified. For this project, a network of Latino students from various colleges around the state was used. In addition, the IDA program students who are already attending college have to be used to provide testimonials about how they did it and answer questions about their experiences.

Motivation - Because the nature of youth IDAs, youngsters need to be motivated and connected with each other in a peer support network. Workshops and training sessions have to be designed for young audiences. Student's accomplishments have to be rewarded. A pizza night for students who complete the training session and enrolled in the program works extremely well motivating students. A graduating ceremony for those go achieve the saving goals is also recommended. This helps students to visualize the final objective in a different way than just by the amount of money that they have in their accounts.

Financial Fitness Curricula Because of the massive concentration of IDAs in homeownership and business, most of the training available is geared to first time home buyers, credit history, and financial statements. Students seeking to further their education need to be trained in topics related to postsecondary education. Students should learn about the financial aid process, scholarship opportunities, student loans, state grants and the federal methodology to estimate financial need. These topics are far more appropriate for the intended saving goal of postsecondary education that topics related to enhance credit history to buy a home or to build balance sheets and/or financial statements for small businesses. This project developed an 8 hour college financial fitness curricula that includes the following topics:

- Unsubsidized and Subsidize Stafford Loans
- PLUS - Parent Loans for Undergraduate Students
- Pell Grant Program

- Perkins Loans
- Prepaid Tuition Plans
- Tree Consolidations Loans
- FFELP - Federal Family Education Loan Program
- SEOG - Supplemental Educational Opportunity Grant Program
- Scholarship Opportunities
- College Saving Plans (Plan 529)
- Financial Aid 101
- FAFSA - Free Application for Federal Student Aid
- EFC - Expected Family Contribution
- SAR - Student Aid Report
- Campus-Based Aid
- Budgeting for College
- Cooperative Work-Study Program
- Cost of Attendance
- FAT - Financial Aid Transcript

Asset Training Curricula - Along the lines with the financial fitness curricula, students seeking postsecondary education should be trained in topics related to the college application process, which starts in high school with class selection, advance placement and honor programs, and extracurricular activities. This project developed a 4 hour college financial fitness curricula that includes the following topics:

- Career Exploration
- Finding the Right College
- Campus Visits
- Writing the College Essay
- Taking the SAT
- Online College Planning Resources
- College Admission Information
- The Road to College

Strong partnerships with 2-year and 4-year higher education institutions must be pursued. For the asset-training piece, college visitations and one-on-one counseling to help students with the college application process is required. Workshops around standardized admission test and career exploration are required.

After School Training Session at the High School - Work with young students possess unique challenges. They don't have the same flexibility as adults to move around the city and receive the training. Most young students depend on others for transportation. Onsite training after school hours has proved to be the best approach for this Program. This project was adopted in the City of Nashua and yielded great results. 4 out of the 5 students currently enrolled in the program are from Nashua and only 1 is from Manchester where the training was held outside of the school. Furthermore 9 out of 9 students going through the training process are in the City of Nashua. High school locations eliminate the need of the students for transportation, which also

reduces the liability since the students stay at the school at all moments. Finally, schools provide adequate space for the learning experience that includes whiteboards, computers, and projectors to fully deploy presentations and workshops.

## **Conclusion**

It is evident that Youth IDAs programs have to be accommodating of their particular cohort group needs. Youngsters need further degrees of motivation and as opposed to adults require more coaching. One-on-one counseling is perhaps the most powerful tool to move potential students into postsecondary education. Adequate space and training session's gear to college are critical for the ultimate success of the project. In terms of resources, about 20 participants will require a part-time staff while 40 students will require a full time person. It is important to have geographical proximity to the served community, which make more flexible for the program staff and coordinator to meet with the students and their families.

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