



2016.12.31 STATEWIDE PROGRAM UPDATE

Highlights of this report

- ✓ 1,300 students enrolled
- ✓ 100% Low to Moderate Income
- ✓ Freshman retention rate: 90%¹
- ✓ Overall student retention rate: greater than 90%²
- ✓ Overall student persistence rate: greater than 95%³
- ✓ Cumulative student savings now over \$1,000,000

Program overview

Earn to Learn has been in partnership with Arizona State University, Northern Arizona University and the University of Arizona since 2013. We have garnered nearly \$21 million in matched-savings scholarships; helped students succeed through financial capability education; provided success coaching and links to university services; and connected Earn to Learn students to a community of peers to encourage the connections needed to reach graduation. Best of all, as of December 31, 2016, we have enrolled 1,300 students.

Enlisting students as investors in their own education gives them “skin in the game.” Combining savings with financial literacy ensures they invest in their own education, helps them navigate their personal financial responsibility during college years, and increases their economic mobility in life. This groundbreaking approach is showing remarkable results.

To be eligible for Earn to Learn, students must:

- Meet the individual university admission requirements;
- Have household income less than 200% of the federal poverty level;
- Commit to a savings goal of \$500, with regular monthly deposits in a special Individual Development Account (IDA); and
- Complete financial education classes, participate in one-on-one and group financial coaching, and attend college and workforce readiness training.

Eligible students who meet these goals receive \$8 for every \$1 they save. The \$4,000 in matching funds (\$2,000 from the federal grant and \$2,000 from the university) can be used for tuition, books, fees, and other approved education-related expenses per academic year.

¹ Freshman Retention: Any student who successfully receives their freshman year’s scholarship and is eligible to re-enroll for the sophomore year, and moves forward.

² Overall retention rate: Cumulative average of students continuing year-to-year at the same institution.

³ Overall student persistence rate: Cumulative average of students continuing year-to-year at the same institution combined with students who continue, but at another institution of higher education.



Earn to Learn is proving that the matched-savings account concept can successfully help low-income individuals and families develop the financial and educational assets they need to escape the cycle of poverty and transform the economy around them.

Success metrics

A close collaboration between Earn to Learn and university staff is providing outstanding results. Together, we intend to closely monitor freshman retention, overall retention, persistence, graduation rates, cumulative GPA, student loan debt compared to Pell-eligible peers, and student utilization of university services. To date, Earn to Learn students have achieved the following:

- The fall freshman retention rate increased from 85% in 2013 to 87% in 2014, stabilized to 89% for 2015 and is on track to reach over 90% in 2016.
- The overall cumulative retention rate for the program is 92% (for students continuing at the current educational institution); and
- The persistence rate is 98% (continuing pursuit of higher education).

Successful outcomes as of 12/31/2016 include:

- 1,300 students have successfully saved \$1,042,911, which when matched 8:1, qualifies them to receive \$8,343,291 in scholarship funding for tuition, books, fees, and other approved education related expenses.
- 14,535 hours of financial education has been provided to 3,763 students, giving them the lifelong financial skills and knowledge to build the assets they need to be successful in college and beyond.
- 89.1% of participants are meeting their monthly savings goals.
- 32 community college transfer students have graduated from state universities.

Student demographics:

- 59.4% of Earn to Learn students are the first generation in their family to attend college.
- 87.54% are ethnic minorities.
- 66.46% are women.
- 57% pursue science, technology, engineering and math (STEM) and medical degrees.

Funding

Earn to Learn just secured an unprecedented fifth round of funding from the Assets for Independence program in the fall of 2016 which brings the total scholarship pool to nearly \$22 million providing more than 4,300 scholarship opportunities for low-income students in Arizona.

Key funders include Western Alliance Bank, Citi Foundation, Arizona Community Foundation, Community Foundation for Southern Arizona, and many additional businesses, private foundations



and individuals. The Arizona Community Foundation has awarded Earn to Learn a \$50,000 challenge grant in order to match funds from other sources.

Industry Partnerships

Earn to Learn is key for the development of qualified employees. The program resonates strongly with business, corporate, and industry partners. Citibank, Raytheon, Wells Fargo, Cox Communications, Western Alliance Bank, Hughes Federal Credit Union, Mutual of Omaha, and Vantage West Credit Union are supporting Earn to Learn as a way to identify and train future successful employees. In a unique partnership we hope to replicate statewide, Earn to Learn and the Tucson Metropolitan Chamber of Commerce with funding from the Community Foundation for Southern Arizona, the Wells Fargo Foundation, and others, is launching a workforce development program in 2017 that will engage the business community in funding scholarships and providing internships and employment readiness opportunities for Earn to Learn students.

National Attention

The innovative Earn to Learn model has become a recognized and proven game-changer that is attracting the attention of thought leaders, policy experts and lawmakers looking for ways to tackle poverty, improve access to education, and develop the workforce of the future.

Earn to Learn is regularly contacted by dozens of state and federal agencies, universities, community colleges, and other nonprofits looking to replicate this economic mobility model to higher education. Some key highlights include the following:

- Earn to Learn was invited by the **U. S. Treasury Department** to present the model at the Financial Literacy and Education Commission in Washington, DC in February of 2014.
- The program is highlighted as a best practice model in the book, *What's it Worth: Strengthening the Financial Future of Families, Communities and the Nation*, which features a contribution by **Martha Kanter**, former Undersecretary of the Department of Education in the first Obama administration.
- The **Federal Reserve Bank of Boston** invited Earn to Learn to Boston to meet **Urban Institute Fellow Greg Mills**, who has conducted multiple national evaluations of IDA programs, to discuss the scalability of matched savings in the national quest for meaningful financial aid reform.
- The **Corporation for Enterprise Development (CFED)** and the **Federal Reserve Bank** hosted a one-day convening of national thought leaders to learn more about the Earn to Learn model in Arizona, and Earn to Learn is also in the process of building a national advisory board for the organization.



What our students, parents and partners say about Earn to Learn

"The potential for this program to become a national best practice for other states and universities is significant." - **Dennis DeConcini, Former US Senator and Arizona Board of Regents**

"Alliance Bank is proud to continue our partnership with this innovative program. Our alliance with the Earn to Learn initiative underscores our commitment to investing in local education initiatives and the future economic development of Arizona's workforce." - **Alliance Bank of Arizona Chief Executive Officer, Jim Lundy**

"It is not often that the three universities in Arizona come together on initiatives. [Executive Director] Kate [Hoffman] worked hard to show them that by working together on this program they would not only benefit their own institutions, but could really create a national model that would bring positive recognition to our state and could really help change our country for the better." - **Rick Myers, Arizona Board of Regents**



"It is a tremendous honor to showcase this innovative scholarship program to federal policymakers who are focused on promoting savings and building the financial capability of young Americans. Arizona has a significant population of students with financial need and we need to increase college degree attainment to maintain our competitiveness as the need for educated employees in our state workforce continues to grow. It's imperative that we find new ways to empower students and families with tools to help achieve greater economic mobility. Earn to Learn does just that through essential financial training and increased access to higher education." - **Arizona Board of Regents President, Eileen Klein**

"After meeting with [my Earn to Learn Success Coach] I was so excited that I could save for college while in high school. The on-line course taught me a lot of information I had no idea about and the importance of financial planning. I cannot believe I am already saving for college and I am only a sophomore in high school. I recommend Earn to Learn." – **C. Serino, High School Sophomore and Earn to Learn Student Saver**

"I never thought I could afford to send my children to college, but thanks to you, they'll all have the opportunity to go." – **Parent of Earn to Learn Student Savers**