RESEARCH STUDY OF AUSTIN COMMUNITY COLLEGE'S RAINY DAY SAVINGS PROGRAM: YEAR ONE REPORT

RAY MARSHALL CENTER FOR THE STUDY OF HUMAN RESOURCES

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INTRODUCTION

BACKGROUND

Austin Community College's (ACC) Student Money Management Office (SMMO), established in 2016, supports Austin Community College student success by providing accessible and relevant money management education, enabling students to make informed financial decisions. In fall 2018, SMMO piloted the Rainy Day Savings Program[1], modeled after the successes of Individual Development Accounts (IDAs) which have helped low-income people save and attain assets.

In the Rainy Day Savings program pilot, students earned up to $100 in cash incentives for completing certain tasks and meeting milestones. These tasks and milestones were chosen because of their potential impact on future financial wellness, such as setting up direct deposit, completing the Free Application for Federal Student Aid (FAFSA), and meeting with a financial coach. Savings accounts were opened for students at University Federal Credit Union (UFCU) exclusively for the Rainy Day Savings Program, and students worked towards amassing at least $500 in total savings.

Based on the initial results, ACC believed that this program could help students address a financial emergency before it escalates to a financial crisis while also providing students with practical experience interacting with a financial institution, applying financial literacy skills, and experience managing a bank account. ACC sought to expand and refine the program and received funding from Trellis Foundation in January 2020 to support this effort.

ACC partnered with the Ray Marshall Center (RMC) at The University of Texas at Austin to study the effectiveness of the Rainy Day Savings program. This research study aimed to provide actionable information about the success of the intervention allowing for ACC and Trellis to make decisions about program modifications and sustainability.

METHODOLOGY

The research study focused on three components: (1) program participation, (2) program outcomes, and (3) program impacts.

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[1] Serna, K. L., Eguiluz, L., & Taylor, Z. W. (2021). For When It Rains: How One Community College Established an Incentivized Student Savings Account. *Community College Journal of Research and Practice*, *45*(4), 238-244.

Program participation

RMC studied program participation using data on participant characteristics from the program intake forms, data on account openings from University Federal Credit Union (UFCU), and self-reported data on account balances collected by SMMO. A key focus of this analysis was to understand how program participation patterns varied by student characteristics.

Program outcomes

RMC studied program outcomes by gathering institutional data from ACC on student academic and enrollment outcomes as well as gathering data on financial wellness and program satisfaction by surveying participants. Outcomes to be studied include financial well-being, emergency savings, fall-to-spring retention, fall-to-fall retention, and credential attainment. A key focus of this analysis was to understand how program outcomes varied by student characteristics and program participation.

Program impacts

RMC examined program impacts by conducting a quasi-experimental impact analysis using propensity score matching to find a statistically similar comparison group and comparing the outcomes between those who received treatment and those who did not. A key focus of this analysis was to understand how program impacts varied by student characteristics and program participation.

DATA SOURCES

Table 1 describes the data sources and data types used for the study.

Table 1. Data sources for the research study

Data source	Data types
Rainy Day Savings Program's Apricot database	• Student-level demographic data from the program applications • Student-level program participation data • Student-level case notes • Student-level financial well-being survey data
UFCU database	• Anonymous student-level monthly account balance data
SMMO survey	• Financial Well-Being Scale developed by the Consumer Financial Protection Bureau (CFPB)
RMC's survey	• Financial wellness

	• Emergency savings behaviors • Program satisfaction
ACC’s institution research database	• Student-level data on academic enrollment, academic outcomes, retention, and credential attainment

PROGRAM IMPLEMENTATION

OVERVIEW

ACC's Rainy Day Savings program incentivized students to establish emergency savings of at least $500. This savings goal was selected because Trellis Company's national Student Financial Wellness Survey found that 63 percent of college students would struggle to raise $500 in funds for an emergency.[2] UFCU supported the program by holding savings accounts and funding incentives. The Trellis Foundation supported the program by funding support staff and student incentives.

ELIGIBILITY

Students had to meet the following requirements to participate in the Rainy Day Savings Program:

- Be 18 years old or older
- Have a valid driver's license, state ID, or passport
- Be enrolled in at least six credit hours at Austin Community College (ACC) during the fall semester
- Plan to enroll in at least six credit hours at ACC in the following spring semester.
- Be seeking a degree or certificate at ACC.
- Not have participated previously in the Rainy Day Savings Program at ACC.

APPLICATION PROCESS

Students could apply for the program through an online application that took less than 20 minutes to complete. Students needed their ACCeID, and their driver's license, state ID, or passport.

Program requirements

Students accepted into the program were required to:

- Attend a one-on-one 30-minute virtual welcome session
- Make the first deposit into their new University Federal Credit Union (UFCU) account within one month of opening their account.
- Continue to meet the eligibility requirements listed above.
- Claim all incentives by the end of the following May.

[2] Trellis Company. (2018). Student financial wellness survey: Fall 2018 semester results. Retrieved from https://www.trelliscompany.org/wp-content/uploads/2019/06/Fall-2018-SFWS-Report.pdf

PROGRAM DESCRIPTION

Participating students met with ACC staff who provided the students with guidance on the account opening process at University Federal Credit Union.[3] The savings account was opened in the student's name and only the student had access to this account. There were no monthly fees and the accounts earn interest. Students had to maintain a balance of at least $5 in their account to keep it open.

Students could make deposits into their UFCU account in person at any UFCU branch, at shared-branch credit unions, or online. ACC's financial coaches could help students set up a savings plan so they reached their savings goals.

To encourage students to reach their savings goals, ACC offered students up to $100 in cash incentives. The cash was deposited directly into their UFCU savings account. Students did not need to claim the incentives in any order. The four incentives were:

- $25 incentive to meet at least once with a financial coach.
- $25 incentive to set up a recurring direct deposit into the UFCU savings account OR direct a portion of their income tax refund into the account.
- $25 incentive to complete the 2021/2022 FAFSA (Free Application for Federal Student Aid/Texas Application for State Financial Aid).
- $25 incentive to maintain a balance of $475 or more for 30 or more days.

Each month, ACC announced a special task that students could choose to complete. If students completed that task, they were entered into a drawing for a $250 deposit into their UFCU Rainy Day Savings account.

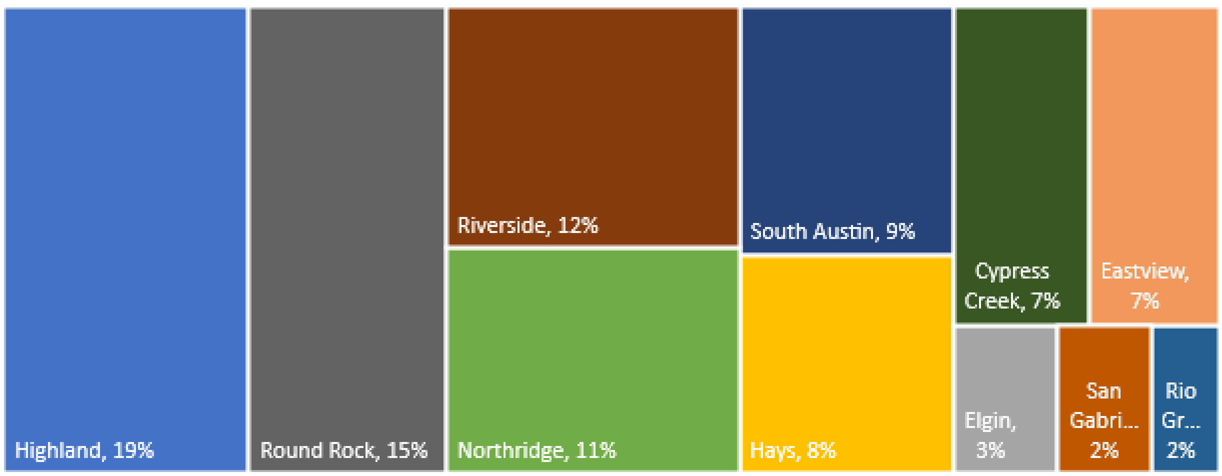
The money in the account, including money deposited by students and cash incentives earned by students, was intended to be used when students had a financial emergency. Students could withdraw and use their funds at any time during the program.

[3] After meeting virtually with the accepted participant, SMMO staff shared a Docusign packet with the student that contained account opening documents. SMMO staff assisted students in completing the documents. The student electronically signed the documents and submitted them to UFCU. Documents contained a code that alerted UFCU staff that the submission was from a Rainy Day Savings program participant.

STUDY POPULATION

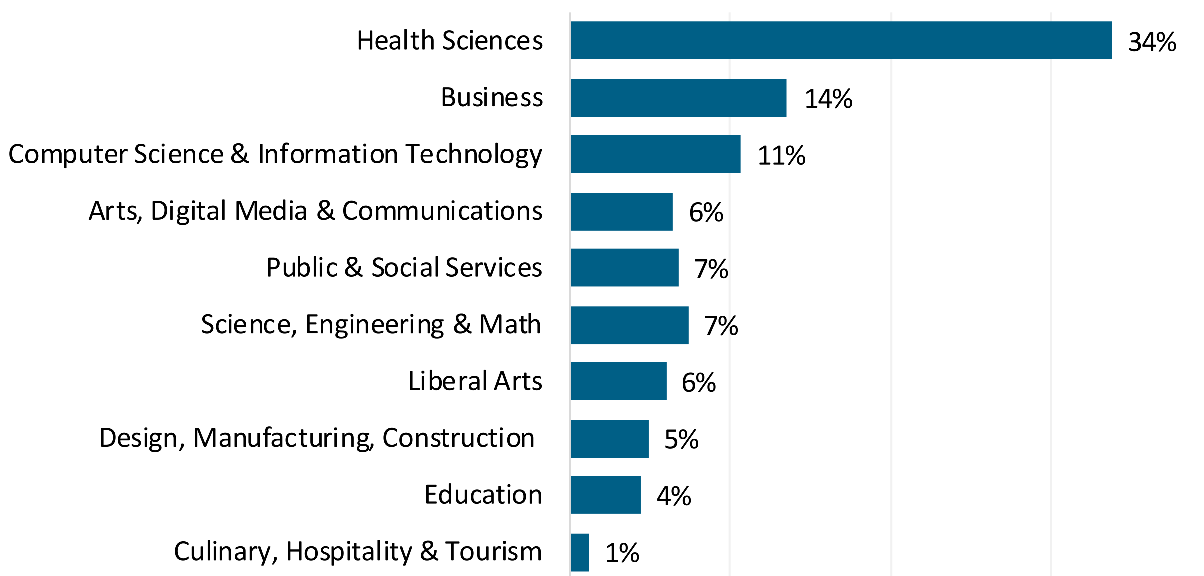
The Fall 2020 cohort of the ACC Rainy Day Savings Program included a total of 650 students. The program included participants from all eleven ACC campuses spanning Central Texas (see Figure 1). About a fifth of participants attended the Highland campus, which is ACC's largest campus and is located in central Austin.

Figure 1. Home campus of program participants



The Rainy Day Savings Program included students from a wide variety of programs of study. Notably, a little over a third of students were enrolled in the Health Sciences program.

Figure 2. Area of study of program participants



Only a quarter of participants expected to graduate later that academic year (Spring 2021 or Summer 2021) while nearly two-thirds expected to graduate more than a year later (later than Fall 2021). Nearly half of students planned to transfer to a 4-year school after graduation while over a third planned to enter the workforce.

Figure 3. Expected completion semester of program participants

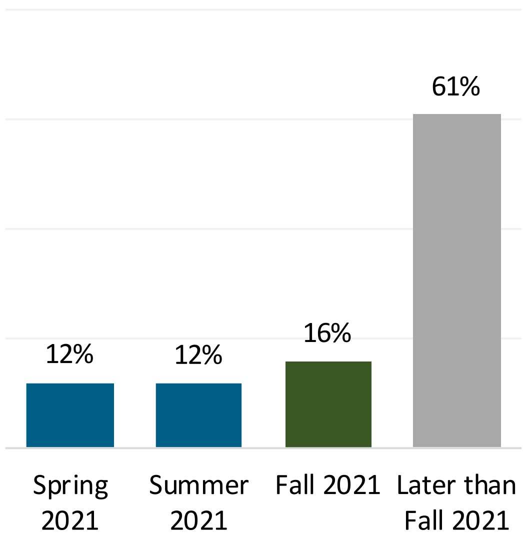
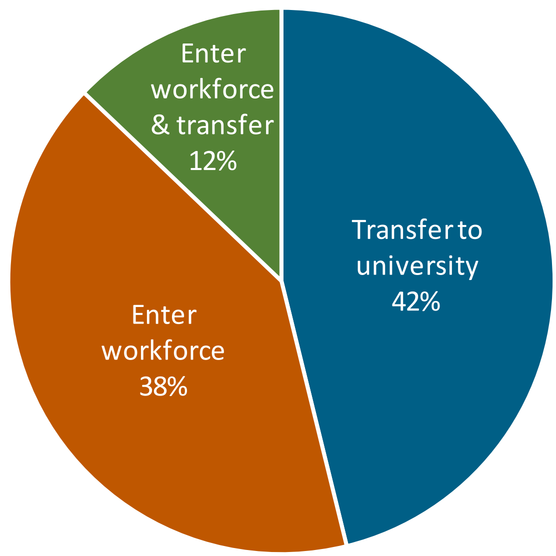


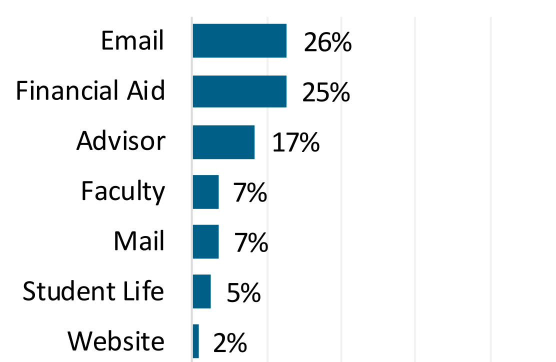
Figure 4. Post-graduation plans of program participants



RECRUITMENT

About a quarter of study participants reported learning about the Rainy Day Savings Program through email, while a quarter reported hearing about it from the Financial Aid Office. About a fifth also reported hearing about it from an advisor.

Figure 5. Outreach method



DEMOGRAPHIC CHARACTERISTICS

Figure 6 describes the demographic characteristics of study participants and compares them to the ACC student population.[4] More than half of all participants were aged 26 or older. Nearly three-quarters of all participants were female. Over a third of participants were Hispanic, over a quarter were White and about a fifth were Black. Notably, compared to the ACC student population in Fall 2020, the study population had a greater proportion of students aged 26 and older, female students, and black students.

Figure 6. Demographic characteristics

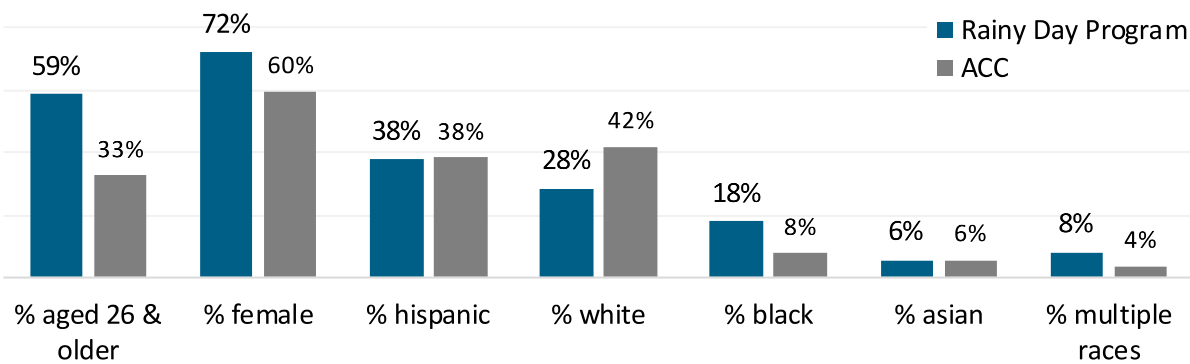
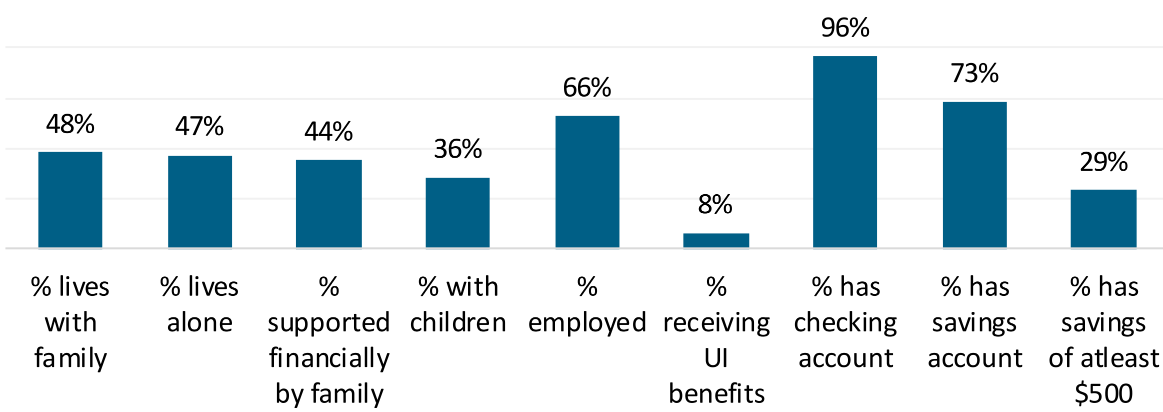


Figure 7 examines other participant characteristics for the study population. Study participants were about evenly split between those who lived with family and those who lived alone. Less than half of all participants reported being financially supported by their families. Over a third of all participants reported having children under the age of 18.

Figure 7. Participant characteristics



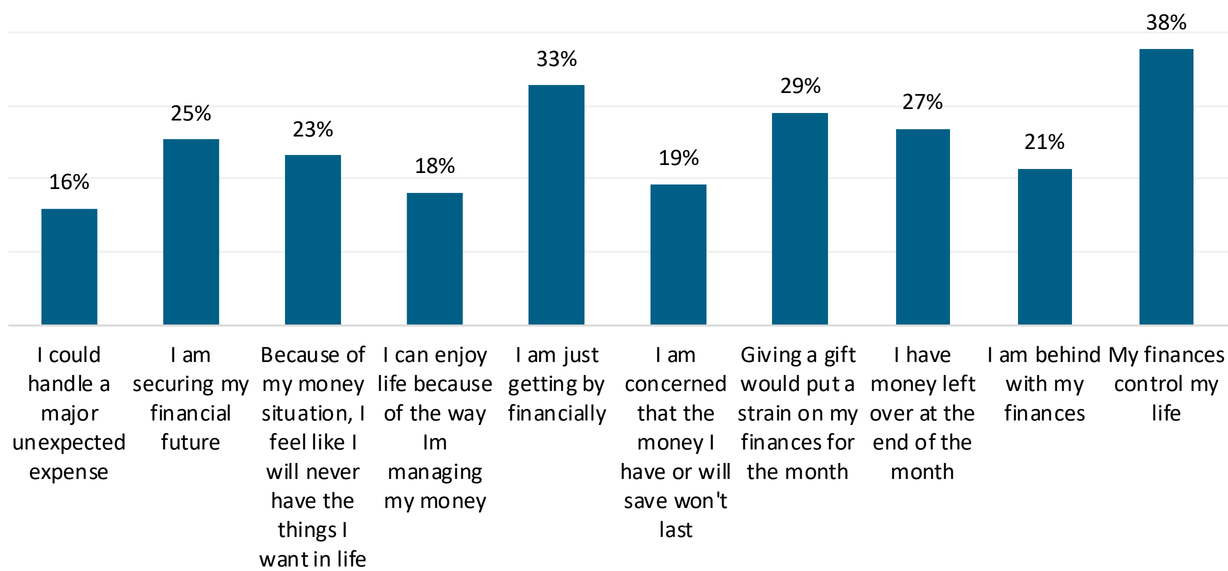
[4] ACC Fact Book 2020-21, available at https://www.austincc.edu/oira/pubs/factbook/2020-21/index.html.

Two-thirds of all study participants were employed and less than a tenth of participants were receiving unemployment benefits. Study participants who were employed worked 30 hours per week on average and earned $14/hour on average. The vast majority of all participants had a checking account but only three-quarters had a savings account. Notably, the median savings account balance was only $174. Less than a third of all participants (29 percent) reported having a savings account balance of at least $500.

FINANCIAL WELL-BEING

All participants were invited to participate in a short survey that included questions from the Financial Well-Being Scale developed by the Consumer Financial Protection Bureau (CFPB).[5] The CFPB Financial Well-Being Scale scores are whole numbers between 0 and 100.[6] A total of 457 program participants responded to the survey at baseline. Overall, survey respondents had a median score of 44 at baseline; in comparison, a nationwide survey fielded by the CFPB in 2016 found that the average (and median) financial well-being score for all U.S. adults was 54.[7]

Figure 8. Financial well-being survey responses of study participants.



[5] Bureau, Consumer Financial Protection (2017). *CFPB Financial Well-Being Scale: Scale development technical report*. Available at: consumerfinance.gov/data-research/research-reports/financial-well-being-technical-report/

[6] To get to the CFPB Financial Well-Being Scale metric from a raw IRT score, the value is multiplied by 15, added to 50, and then rounded to the nearest whole number. This provides a score distribution that ranges from approximately 0 to 100 and is centered at 50.

[7] Bureau, Consumer Financial Protection. (2017). *Financial well-being in America*. Available at https://www.consumerfinance.gov/data-research/research-reports/financial-well-being-america/

Figure 8 illustrates the responses of study participants to the individual questions in the CFPB financial wellness scale. Only a quarter of survey respondents reported that they always or often had money left over at the end of the month and that they were securing their future. Only 16 percent reported that they could handle a major unexpected expense. A third of survey respondents reported that they were just getting by financially and more than a third felt that their finances controlled their lives.

PROGRAM PARTICIPATION

OVERALL PARTICIPATION

Account openings

Of the 650 students who applied to participate, the vast majority were accepted into the program (97 percent). Of the 633 accepted participants, nearly three-quarters opened a savings account with UFCU (N=453). Among those who opened a savings account, a little less than a third of students opened their account within a week of applying, while half opened their account within a month.

Figure 9. Account status of program participants

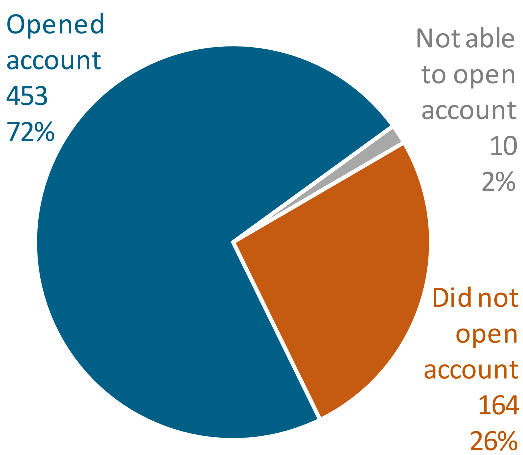
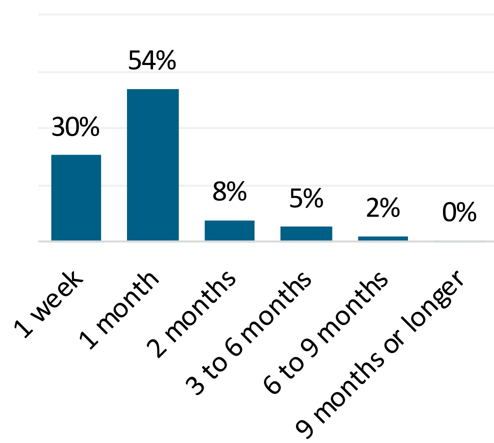


Figure 10. Time taken to open savings accounts



A small proportion of accepted participants (N=10) were unable to have a savings account opened on their behalf because UFCU did not approve their account application. The most common reasons why UFCU was not able to open an account included: lack of proper identification (ex. lack of government-issued ID or passport), the student owed UFCU funds from a negative account or charged-off loan, or a negative record on the Chex Systems consumer report (that included charge off accounts at other financial institutions).

Students with a negative Chex Systems record received a letter from UFCU notifying them about the negative record and providing them with contact information so that they could obtain a free copy of their Chex Systems consumer report and dispute the completeness or accuracy of any information contained in the report by notifying Chex Systems directly. UFCU also referred these students back to SMMO for support. SMMO's financial coaches met with students who had a debt to identify the debt and make plans to repay the debt.

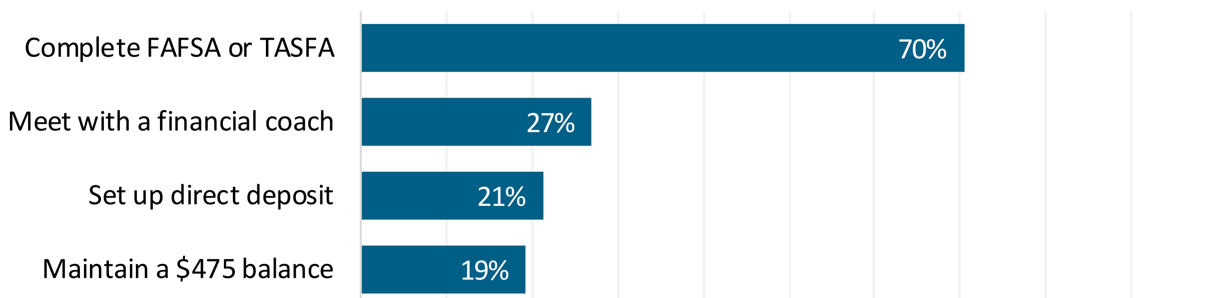
Incentives

To encourage students to reach their savings goal, ACC offered students up to $100 in cash incentives. The four incentives were:

- $25 incentive to meet at least once with a financial coach.
- $25 incentive to set up a recurring direct deposit into the UFCU savings account OR direct a portion of their income tax refund into the account.
- $25 incentive to complete the 2021/2022 FAFSA/TASFA.
- $25 incentive to maintain a balance of $475 or more for 30 or more days.

Figure 11 illustrates the incentives claimed by active participants over the program period. Of the 453 active participants who opened a bank account, nearly three-quarters claimed the incentive for FAFSA/TASFA completion and over a quarter claimed the incentive for meeting a financial coach. Only a fifth claimed the incentives for setting up direct deposit and maintaining a $475 balance.[8] About a quarter of active participants (n=119) did not claim any of the four incentives while a little over a tenth (n=53) claimed all four incentives.

Figure 11. Incentives claimed

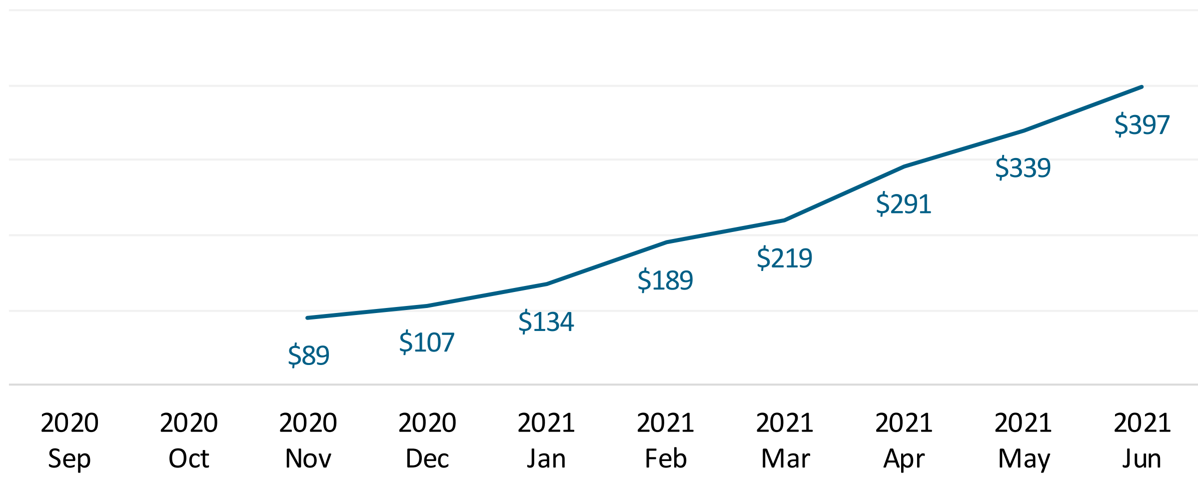


Account balances

UFCU shared de-identified monthly account balances with Rainy Day Savings program staff. Figure 12 illustrates the average savings account balance for program participants over the program period. Savings account balances grew from an average of $89 in November 2020 to an average of $397 in June 2021.

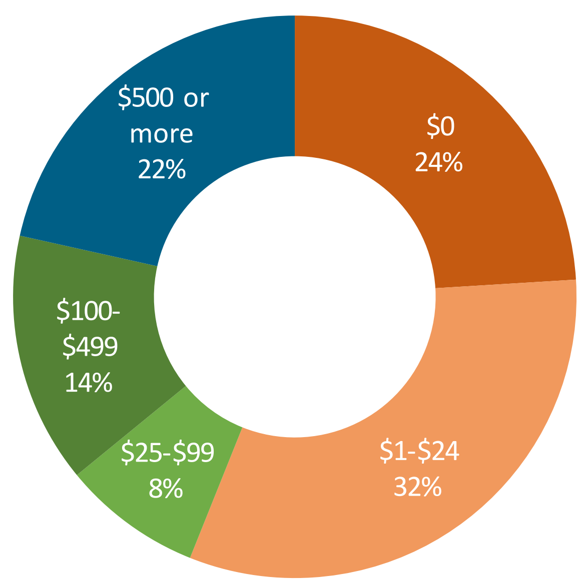
[8] Notably, a third of active participants (n=129) reported having a savings account balance of $500 before joining the program, but only a quarter of these 129 participants claimed the incentive for achieving a $475 balance. It is possible that their prior savings were intended for a specific goal (such as tuition, buying a car, or paying off a debt) and hence they chose not to transfer those savings to their Rainy Day savings account.

Figure 12. Account balances of program participants



We also examined growth in savings by comparing a student's minimum account balance to the maximum account balance during the program period; we found that program participants grew their savings by $449 on average. Notably, the median growth in savings was only $25. About a quarter of participants had $0 growth in saving, while about a third had a growth of $25 or less. However, over a fifth of participants had growths in savings of $500 or more. The highest growth in savings reported was $14,915.

Figure 13. Growth in savings



Account closings

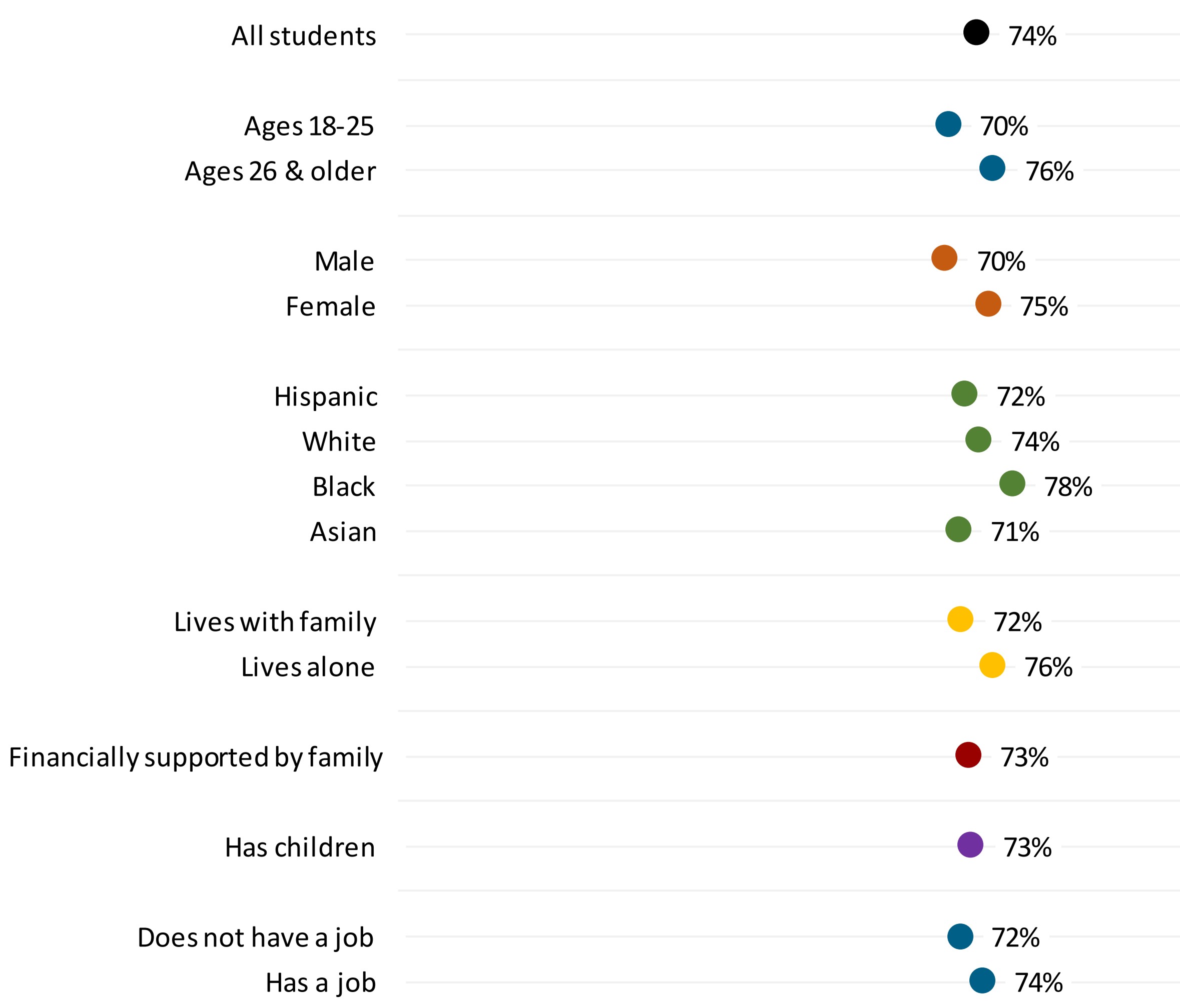
As of June 2021, only a very small proportion (2 percent) of students had closed their savings accounts (N=10). Reasons for account closings included dropping out of the program and having insufficient funds to maintain the savings account.

PARTICIPATION PATTERNS

Account openings

Figure 14 reports the proportions of approved program participants who opened an account, broken down by demographic characteristics. Most demographic groups opened their savings account at a similar rate, with a few small differences. A slightly higher proportion of students aged 26 and older opened an account, compared to students aged 18 to 25. A slightly higher proportion of female students opened an account, compared to male students. A slightly higher proportion of Black students opened an account, compared to students of other races. A slightly higher proportion of students who lived alone opened an account, compared to students who lived with their families.

Figure 14. Account openings by demographic characteristics



Incentives

Figure 15 illustrates FAFSA completion incentive take up among active program participants who opened a bank account, broken down by demographic characteristics. The proportion of students receiving the incentive for FAFSA/TASFA completion is similar across most demographic groups, with one notable exception: a much higher proportion of White students claimed this incentive, compared to students of other races. We also observe small gaps by gender and living alone status.

Figure 15. FAFSA completion incentive take-up, by demographic characteristics

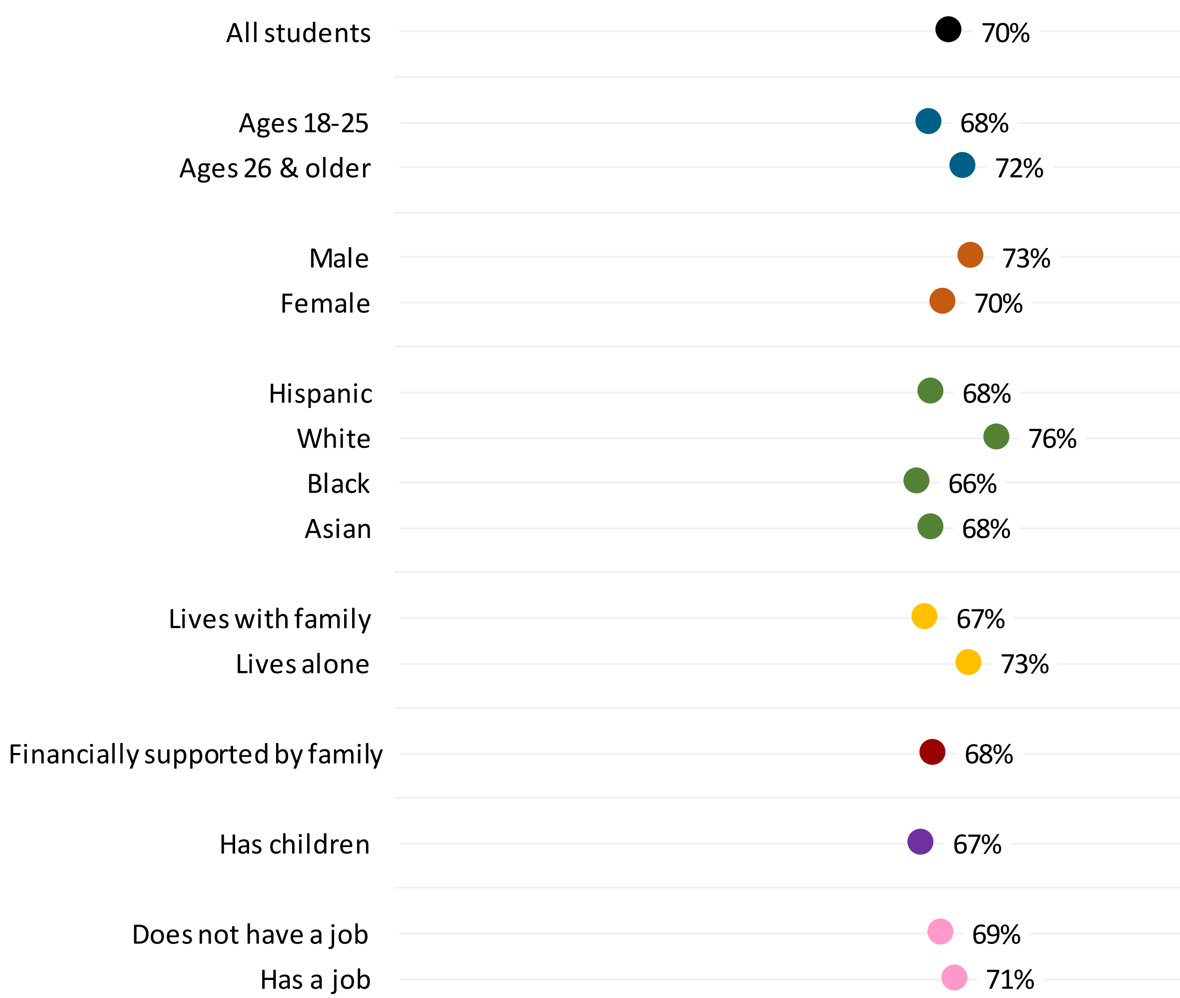


Figure 16 illustrates financial coach incentive take up among active program participants who opened a bank account, broken down by demographic characteristics. Compared to the FAFSA incentive, we observe more variation across the demographic groups. Notably, there are large gaps by race/ethnicity: a third of White participants claimed this incentive compared to only a fifth of Hispanic participants. There is also a large gap by age: a third of participants aged 26 and older claimed this incentive compared to only a fifth of participants aged 18 to 25. We also observe small gaps by gender and employment status.

Figure 16. Financial coach incentive take-up, by demographic characteristics

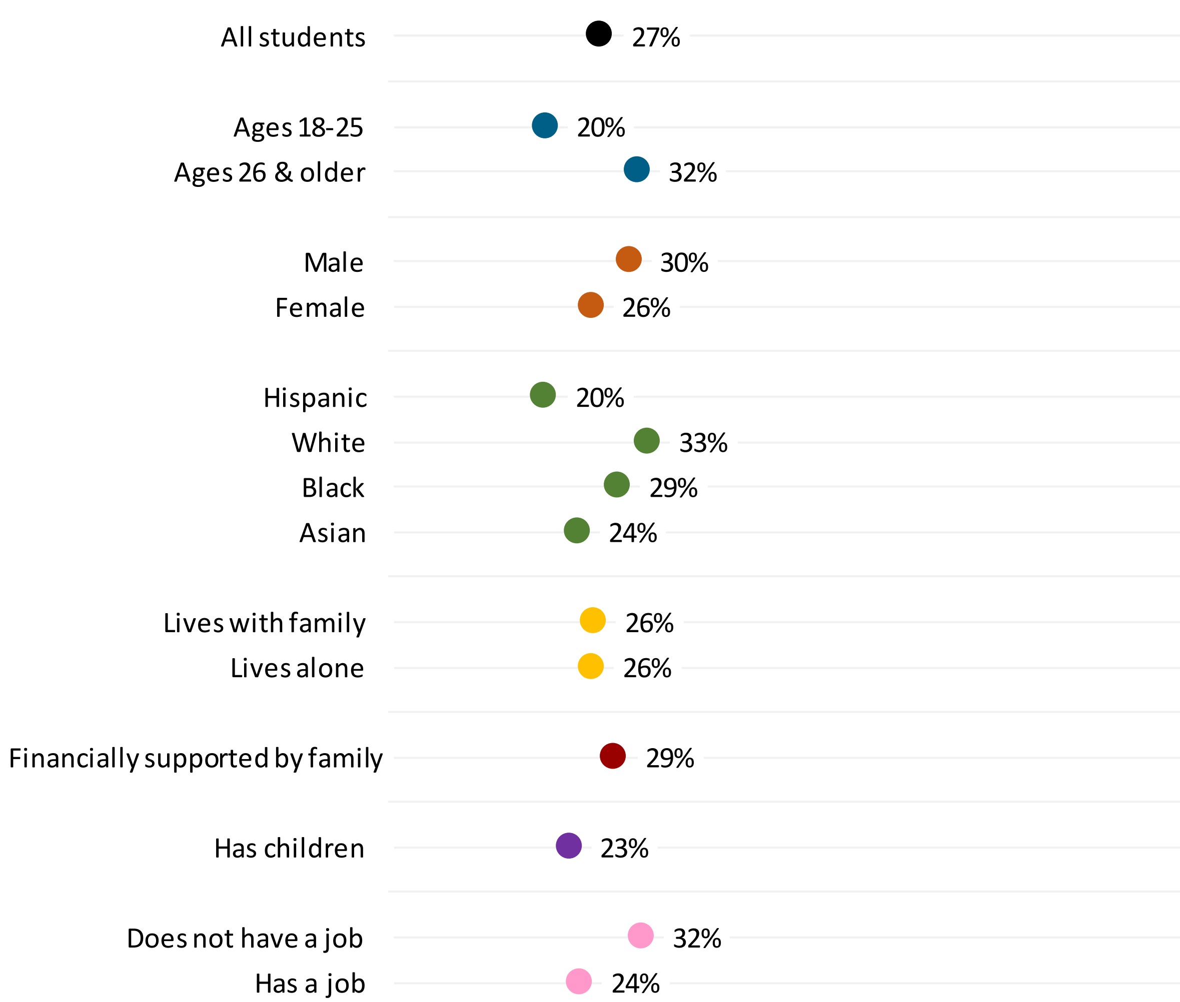


Figure 17 illustrates direct deposit completion incentive take up among active program participants who opened a bank account, broken down by demographic characteristics. Notably, there are large gaps by race/ethnicity: nearly a third of White participants claimed this incentive compared to less than a fifth of Hispanic participants. There is also a large gap by age: more than a quarter of participants aged 26 and older claimed this incentive compared to only a tenth of participants aged 18 to 25. We also observe a small gap by living alone status.

Figure 17. Direct deposit completion incentive take-up, by demographic characteristics

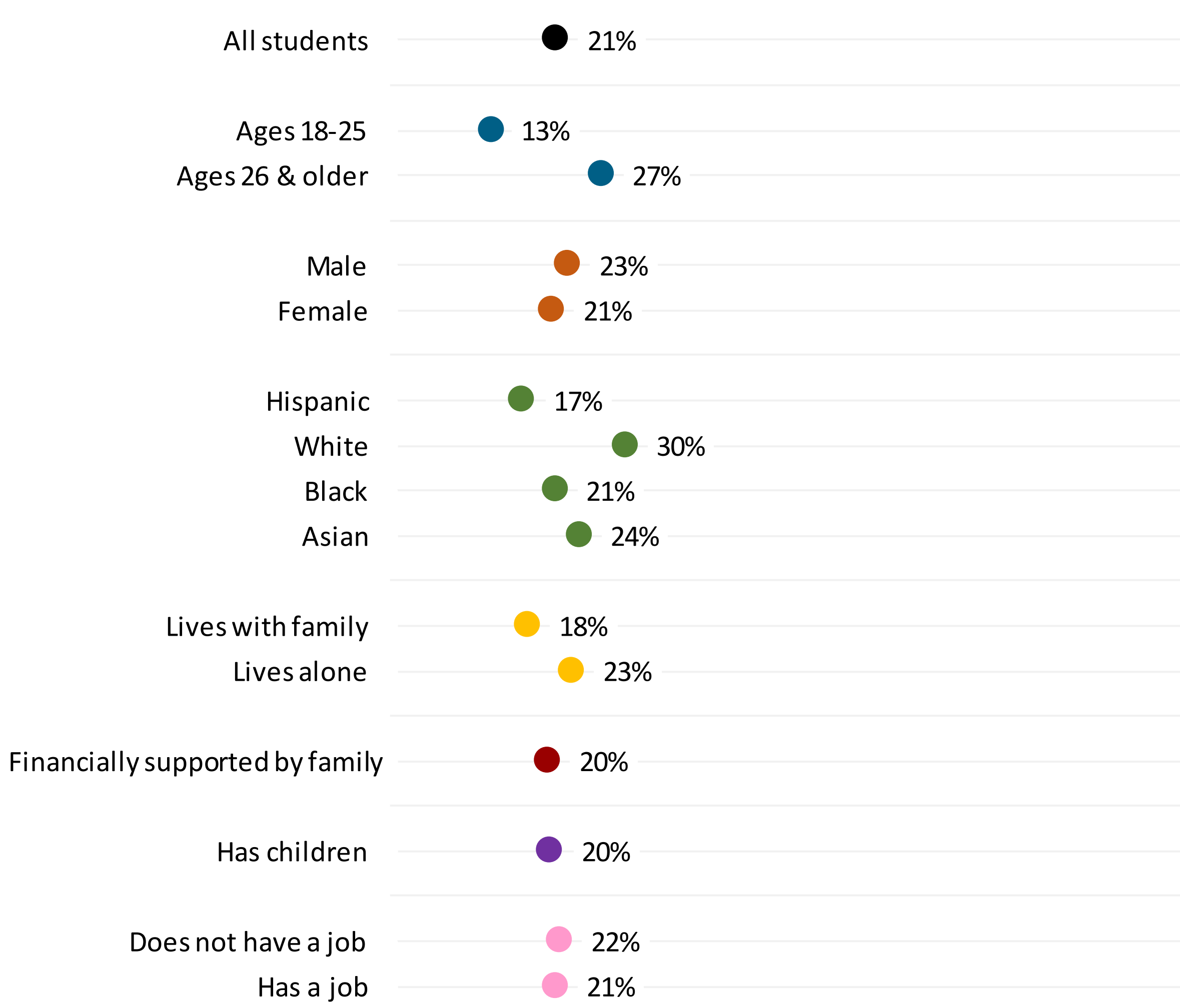
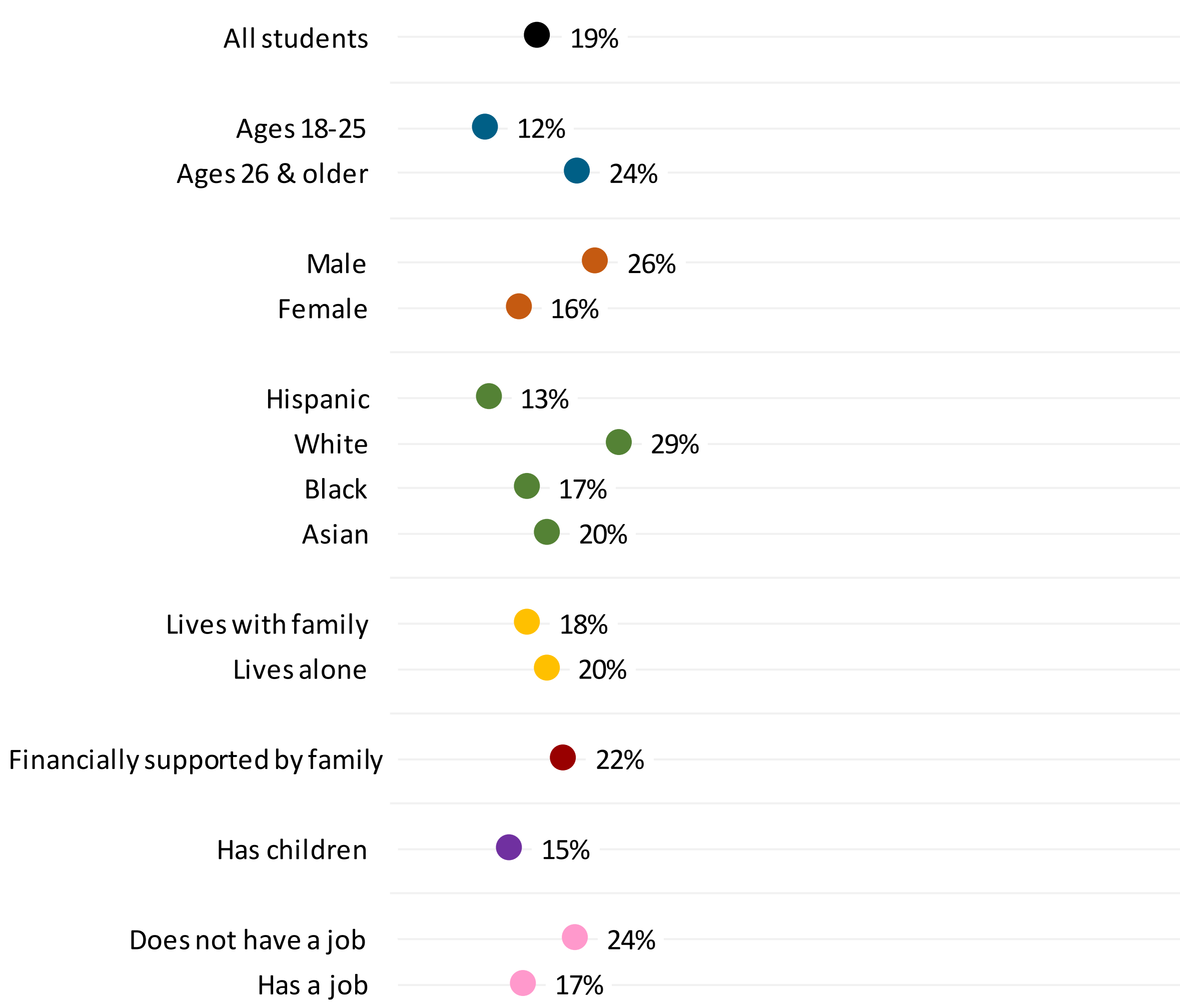


Figure 18 illustrates the $475 balance incentive take up among active program participants who opened a bank account, broken down by demographic characteristics. Notably, there is a large difference by age: a quarter of participants aged 26 and older saved $475 and claimed this incentive, compared to only 12 percent of participants aged 18 to 25. There is also a large difference by gender: more than a quarter of male participants saved $475 and claimed this incentive, compared to only 16 percent of female participants. There are also large gaps by race/ethnicity: nearly a third of White participants claimed this incentive compared to only 13 percent of Hispanic participants. Only 15 percent of students with children were able to claim this incentive.

Figure 18. $475 balance completion incentive take-up, by demographic characteristics



Account balances

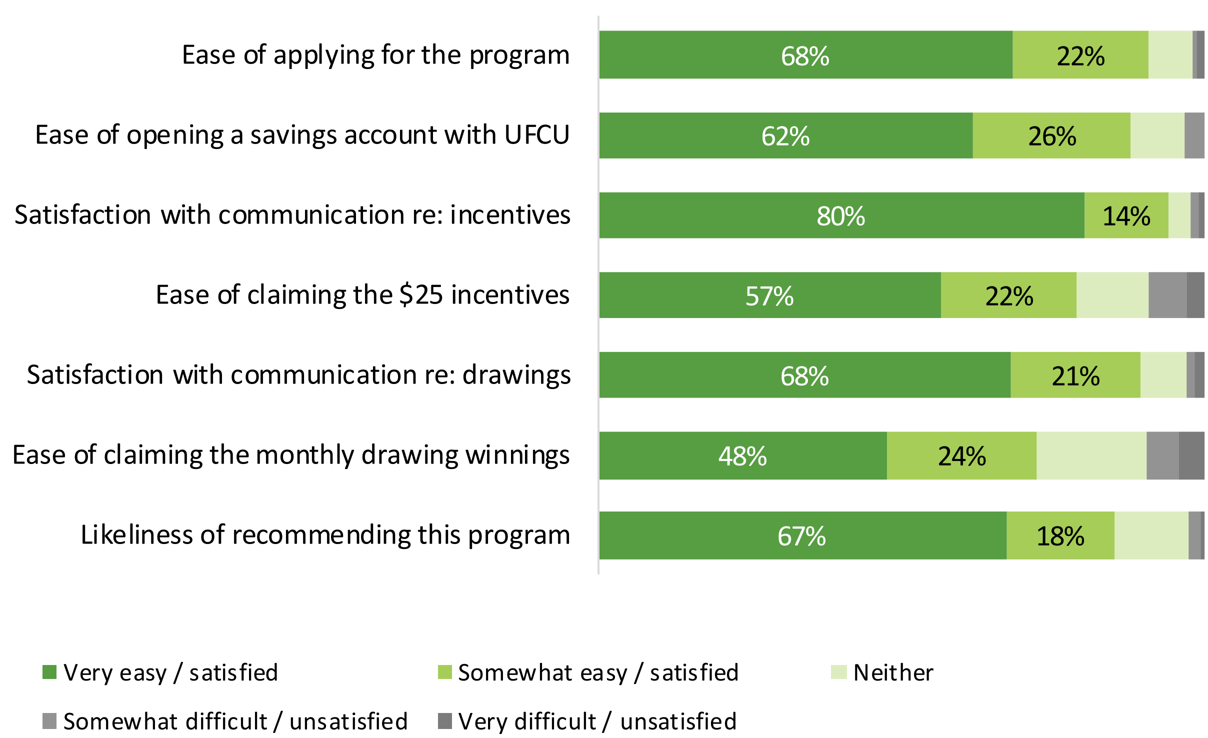
The monthly account balance data provided by UFCU is de-identified and cannot be linked to the program data. Hence, we were unable to examine savings patterns by demographic characteristics. Participating students were also asked to self-report monthly account balances. However, this data is only available for some months of the implementation period and is only available for 163 students. Hence, we were unable to use this data to examine savings patterns by demographic characteristics.

PROGRAM SATISFACTION

The Ray Marshall Center conducted a survey of all program participants at the beginning of the Fall semester in 2021. Our survey included several questions that asked respondents about their experience with the Rainy Day Savings program. We received a total of 165 responses and Figure 19 summarizes the student feedback. Overall, survey respondents were largely satisfied with various elements of the program. Notably, 85 percent of respondents were likely to recommend the program.

"This program has opened my eyes to so much. And it help me realize how easy it is to save money when you have a budget and stick to it." – Survey respondent

Figure 19. Student satisfaction with program components



"I'm so happy with this program. This is the first time I've saved money in a savings account." – Survey respondent

"I love all the communication and reminders, it is very helpful since I am so busy with school and work. I appreciate you guys!" – Survey respondent

However, students did seem to indicate some relative difficulty in claiming the incentives and monthly drawings. A little over half (57 percent) of participants reported that claiming the incentives was easy or somewhat easy while only half (48 percent) of participants reported that claiming the monthly drawing winnings was easy or somewhat easy. Following this feedback, SMMO is currently working on improving the incentive and monthly drawing claim process.

PROGRAM OUTCOMES

FINANCIAL WELL-BEING

In summer 2021, all participants were invited to participate in another short survey that included questions from the Financial Well-Being Scale developed by the Consumer Financial Protection Bureau (CFPB). The CFPB Financial Well-Being Scale scores are whole numbers between 0 and 100. The CFPB's nationwide survey in 2016 found that disparities in financial well-being were greatest between subgroups that had different levels of liquid savings. The average financial well-being for adults with the lowest level of savings (less than $250) was 41, compared to 68 for adults with the highest level of liquid savings ($75,000 or more). These findings suggest that building up savings and financial cushions may help people feel financially secure. Hence, the Rainy Day Savings Program implementation team hoped to see the program's impacts reflected in participants' Financial Well-Being Scale scores.

A total of 166 participants responded to the follow-up survey. Of these, 156 respondents were from the treatment group while 10 students were from the comparison group. The small sample size of the comparison group prevented us from comparing outcomes for the two groups. Examining only the treatment group, we found that the median Financial Well-Being Scale score increased significantly by 4 points, from 49 at baseline to 53 at follow-up. These findings should be interpreted with caution - there is likely a self-selection bias as the more active program participants eager to save more money were more likely to take the post-survey.

Error! Reference source not found. examines the increase in scale scores, broken down by demographic characteristics. Male students and students who lived alone reported the highest increase in scale scores (approximately six-point increases) while black students reported the lowest increase in scale scores (approximately a two-point increase). Notably, younger students (i.e., participants aged 18 to 25) also reported a relatively higher increase in scale scores (approximately a six-point increase).

Figure 21 illustrates the change in the responses of the treatment group to the individual questions in the CFPB financial wellness scale. Notably, the proportion of students reporting that they always or often had money left over at the end of the month nearly doubled, from about a quarter at baseline to about half at follow-up.

Figure 20. Change in CFPB financial wellness scale, by demographic characteristics

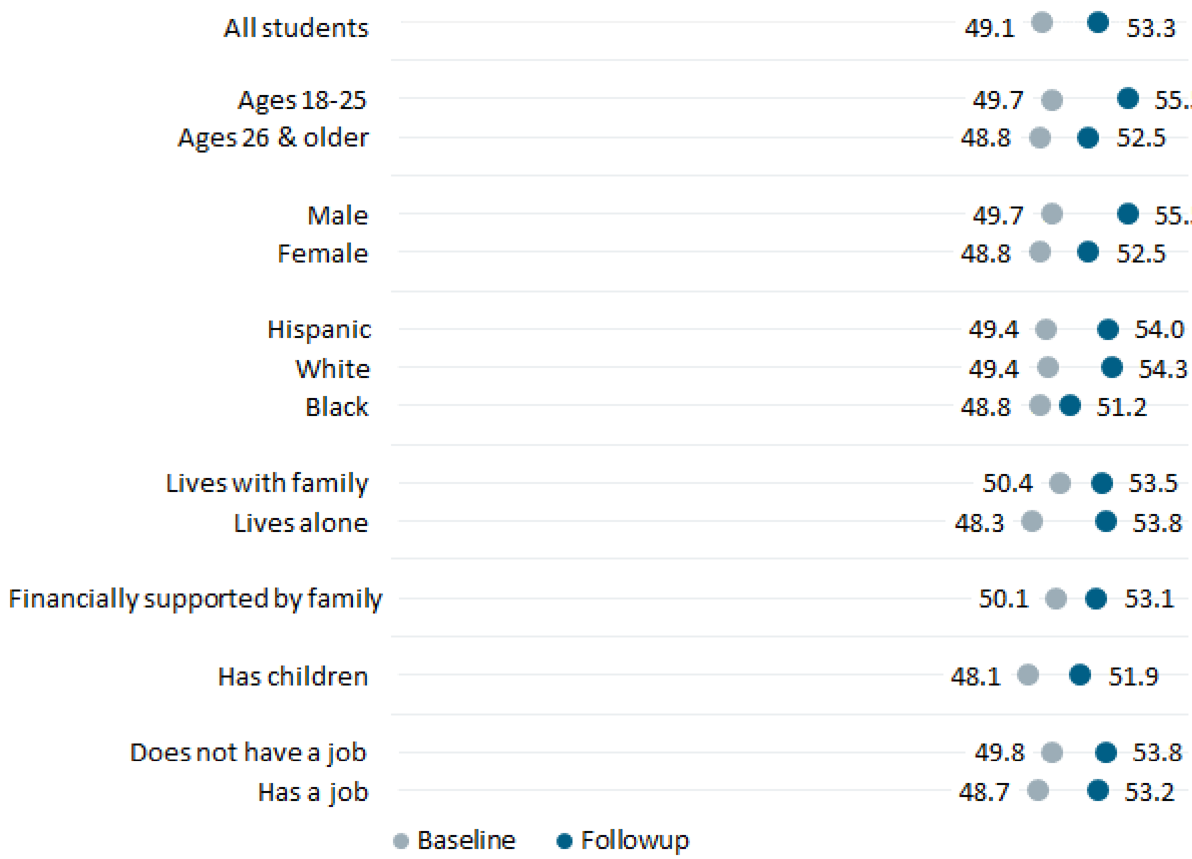
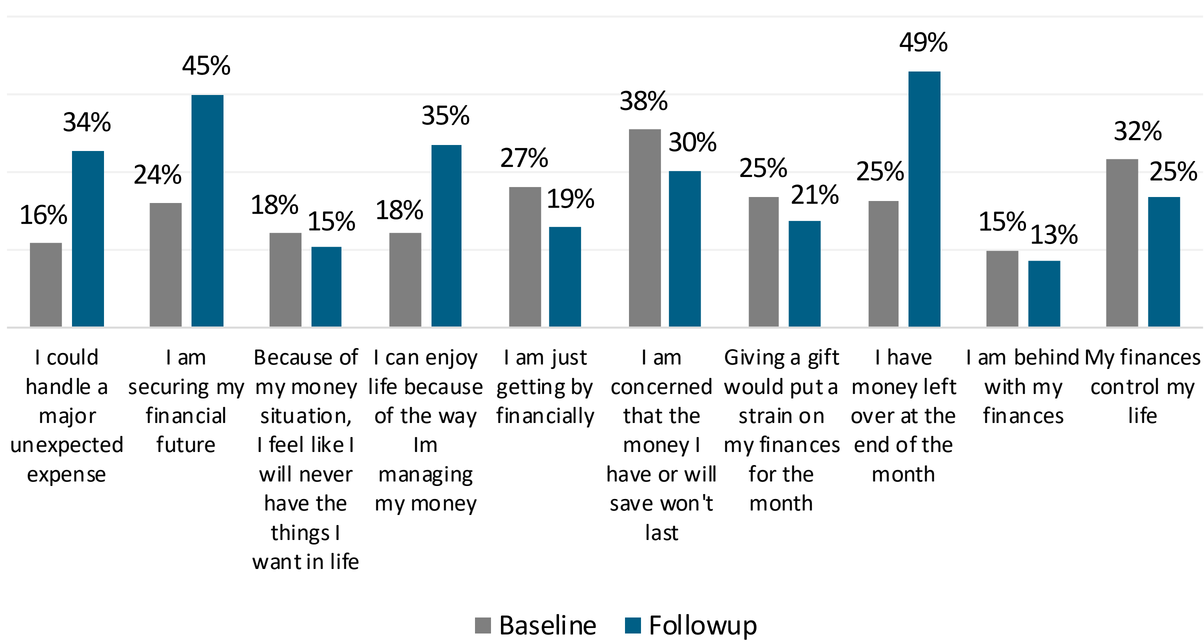


Figure 21. Change in CFPB financial wellness scale indicators



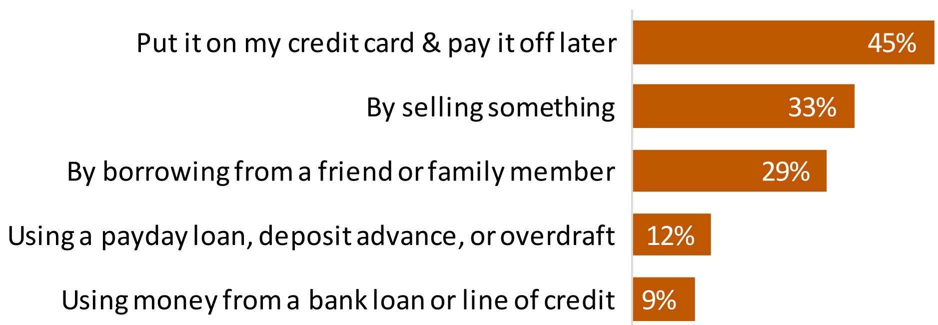
EMERGENCY SAVINGS

In Fall 2021, the Ray Marshall Center conducted a survey of all program participants that included questions on financial well-being and emergency savings adapted from the Federal Reserve Board's Survey of Household Economics and Decision-making (SHED). We received a total of 165 responses (including 163 responses from the treatment group).

Dealing with small, unexpected expenses

Relatively small, unexpected expenses, such as a car repair or a modest medical bill, can be a hardship for many students. When faced with a hypothetical expense of $400, just over half of respondents (54 percent) said they would cover it exclusively using cash, savings, or a credit card paid off at the next statement (referred to, altogether, as "cash or its equivalent”). For the remaining 46 percent of students who would not have paid completely with cash or equivalent, the most common approach was to pay for the expense using a credit card and then carry a balance (Figure 22). Only 7 percent of students said they would be unable to pay the expense by any means.

Figure 22. Other ways students would cover a $400 emergency expense



Note: Respondents could select multiple answers.

Ability to pay bills

The survey also asked about students' ability to pay their monthly bills. Nearly 4 in 10 students were either unable to pay their monthly bills or were one modest financial setback away from failing to pay monthly bills in full. Twenty-one percent of students did not expect to pay all of their bills in full in the month of the survey. An additional 22 percent said they could cover their current bills, but would not have been able to do so if they faced a $400 unexpected expense on top of their current bills.

Figure 23. Ability to pay bills

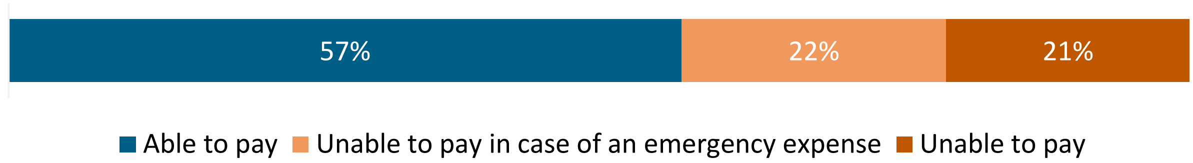
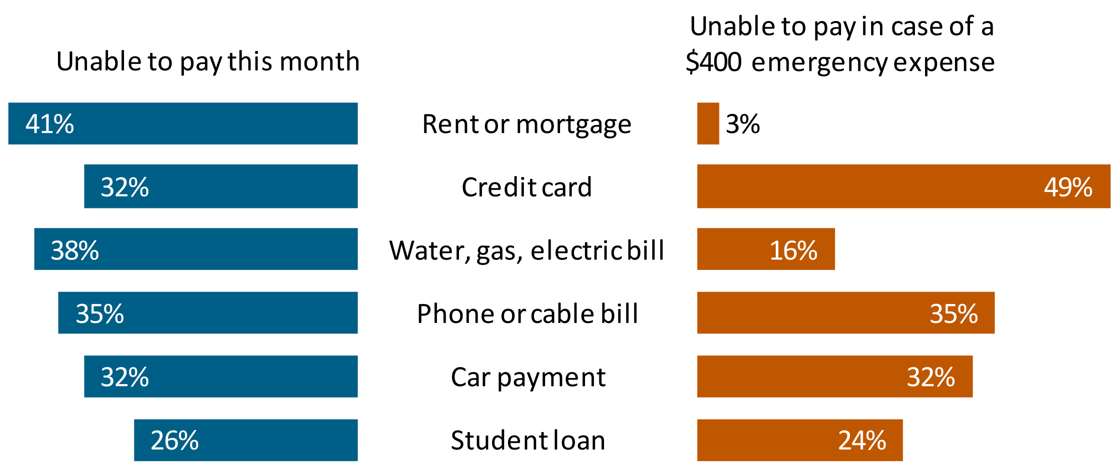


Figure 24 summarizes the bills that students have difficulty paying. Notably, among students who could not fully cover their monthly bills, 41 percent said they would skip paying or make only a partial payment on their rent or mortgage. However, among the students who said they would have difficulty paying their bills in full only if they had an emergency expense, only 3 percent said they would skip paying or make only a partial payment on their rent or mortgage; these students most commonly said they would skip or partially pay credit card bills.

Figure 24. Ability to pay bills by bill type



Financial preparation

One common measure of financial preparation is whether people have savings sufficient to cover three months of expenses if they lost their primary source of income. Just over half of all respondents had set aside money specifically as emergency savings or "rainy day" funds. For those who did not, some would have covered three months of expenses by borrowing or selling assets or drawing on other sources of savings. Sixteen percent said that they could have covered three months of expenses in this way. Overall, a third of students said they could not cover three months of expenses by any means.

Figure 25. Emergency savings

PROGRAM IMPACTS

IMPACT ANALYSIS DESIGN

The impact analysis was designed to address the question: what impact did the Rainy Day Savings Program have on key student outcomes? The main goal of the impact analysis was attribution – isolating the effect of the program from other factors and potential selection bias. The main challenge of any impact analysis is to determine what would have happened to program participants if the program had not existed (i.e., the counterfactual). While a program's impact can truly be assessed only by comparing the actual and counterfactual outcomes, the counterfactual is not observed. Without information on the counterfactual, the next best alternative is to compare outcomes of program participants with those of a comparison group of non-participants. Successful impact analyses hinge on finding a good comparison group.[9]

The Ray Marshall Center used a quasi-experimental evaluation methodology to estimate the impacts of the Rainy Day Savings Program on key outcomes. Using this methodology, we compared outcomes for the treatment group that received the intervention to outcomes for a matched comparison group that did not receive the intervention. The treatment group comprised of ACC students who were accepted into the Rainy day Savings program and opened an account while the comparison group pool comprised of ACC students who were accepted into the Rainy day Savings program but did not open an account. We also used propensity score matching (PSM) to identify statistically similar matches from the comparison group pool. Differences in outcomes between the two groups can be understood as the effect of the treatment.

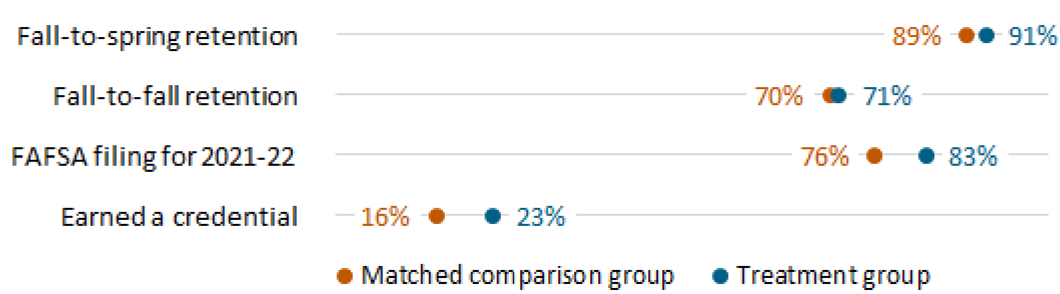
[9] Khandker, S. R., Koolwal, G. B., & Samad, H. A. (2009). *Handbook on impact evaluation: quantitative methods and practices*. World Bank Publications.

IMPACT FINDINGS

Overall program impacts

We used administrative data from ACC to examine program impacts on fall-to-spring retention, fall-to-fall retention, FAFSA re-filing, and credential attainment for all participants. Overall, we observed that the treatment group appeared to have slightly higher fall-to-spring and fall-to-fall retention rates and much higher FAFSA refiling and credential attainment rates than the matched comparison group. However, the impact analysis found no statistically significant program impacts on these outcomes.

Figure 26. Overall program impacts



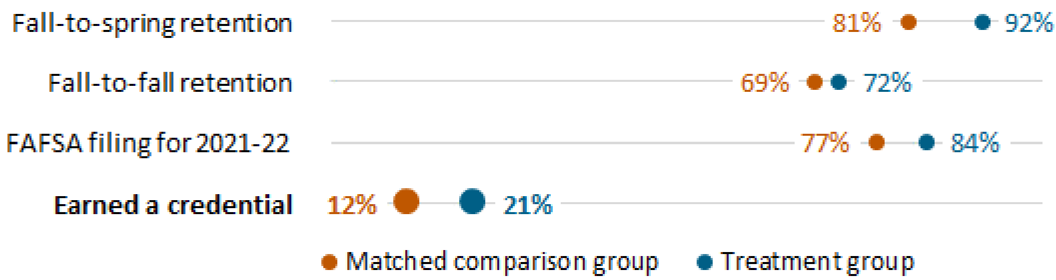
Disaggregated program impacts

We also studied whether program impacts varied by demographic characteristics. Due to small sample sizes for some demographic groups, we were only able to examine program impacts for female students, Hispanic students, students with children, and students with a job. The relatively moderate sample sizes for the demographic groups we examined likely limited our ability to detect statistically significant impacts.

Female students

Our PSM models identified a statistically significant program impact on credential attainment for female students: 21 percent of female students who participated in the program had earned a credential by Spring 2022, compared to only 12 percent of the matched comparison group. We found no evidence of statistically significant program impacts on fall-to-spring retention, fall-to-fall retention, and FAFSA refiling for female students.

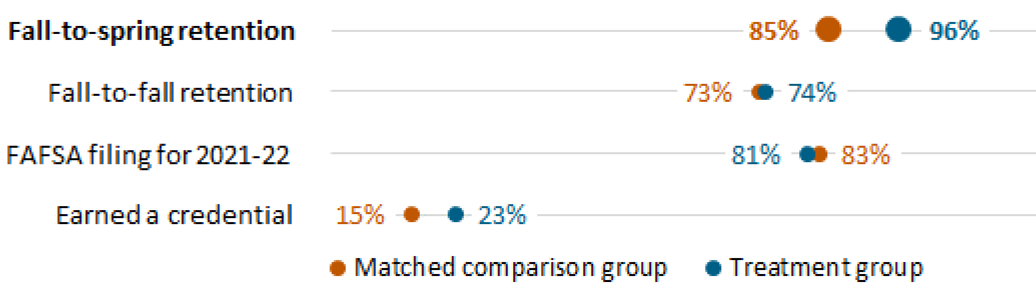
Figure 27. Program impacts for female students



Hispanic students

Our PSM models also identified a statistically significant program impact on fall-to-spring retention for Hispanic students: 96 percent of Hispanic students who participated in the program were retained from fall to spring, compared to only 85 percent of the matched comparison group. We found no evidence of statistically significant program impacts on fall-to-fall retention, FAFSA refiling, and credential attainment for Hispanic students.

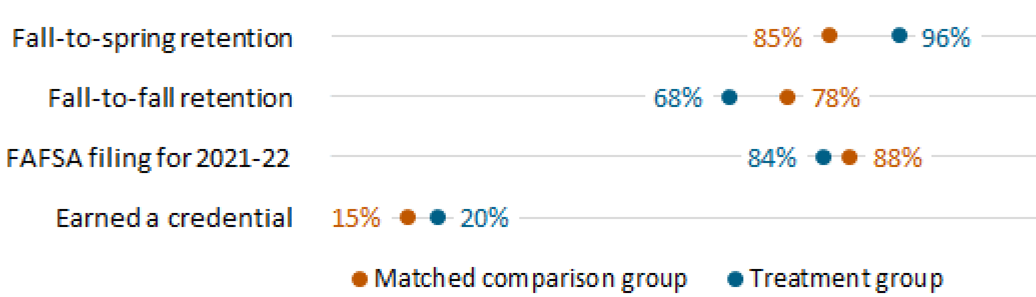
Figure 28. Program impacts for Hispanic students



Students with children

We found no evidence of statistically significant program impacts on the key outcomes for students with children.

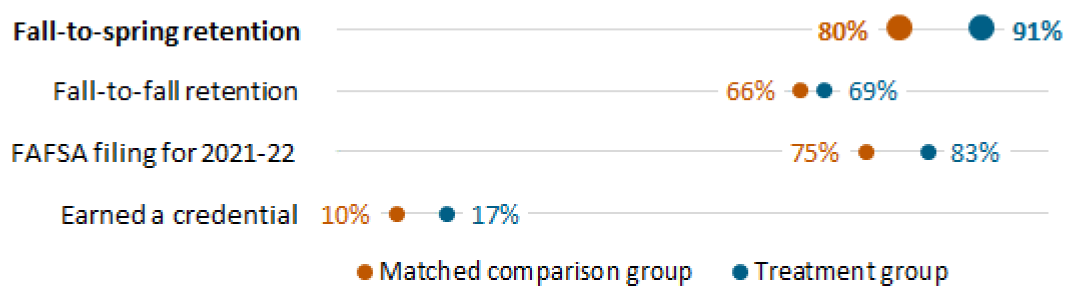
Figure 29. Program impacts for students with children



Students with jobs

Our PSM models also identified a statistically significant program impact on fall-to-spring retention for employed students: 91percent of employed students who participated in the program were retained from fall to spring, compared to only 80 percent of the matched comparison group. We found no evidence of statistically significant program impacts on fall-to-fall retention, FAFSA refiling, and credential attainment for employed students.

Figure 30. Program impacts for students with jobs



DISCUSSION

KEY FINDINGS

ACC's Rainy Day Savings program helped students build their savings and financial cushions and helped increase students' perceived financial well-being. Among the students who were accepted into the program, three-quarters opened a savings account and actively participated in the program. Three-quarters of active participants completed and claimed at least one incentive, with a tenth of participants completing and claiming all four incentives. Program participants grew their savings by an average of $449. The proportion of participants reporting that they always or often had money left over at the end of the month and that they could handle a major unexpected expense nearly doubled. Program participants' CFPB financial well-being scores increased significantly from baseline to follow-up. Participants were largely satisfied with the program, with the vast majority likely to recommend the program to other students.

Our study did not detect any program impacts overall on outcomes such as retention, FAFSA filing, and credential attainment. However, our analysis of program impacts disaggregated by demographic characteristics suggests significant program impacts on fall-to-spring retention for Hispanic students and students with jobs and credential attainment for female students.

RECOMMENDATIONS

In this Year One report, we examined program participation patterns, program outcomes, and program impacts. We also examined how participation patterns, program outcomes, and program impacts varied by student characteristics. While the program overall has been successful in helping students build up savings and improve their financial well-being, we noted some variations and disparities that suggest there are opportunities for ACC to enhance this program as it is scaled and expanded. Our key findings and recommendations are summarized in Table 2 below.

Table 2. Recommendations

FINDING	RECOMMENDATION
About a quarter of students accepted into the program did not open a bank account and participate in the program.	Conduct targeted follow-up with students who did not open an account to better understand and address challenges to participating.

FINDING	RECOMMENDATION
A quarter of active participants did not claim any of the four incentives.	Conduct targeted follow-up with participants who have not claimed any incentive and encourage them to complete a popular incentive such as completing the FAFSA/TAFSA.
While nearly three-quarters of active participants took up the FAFSA/TASFA completion incentive, only a quarter took up the incentive to meet with a financial coach and only a fifth took up the incentive to set up direct deposit.	Conduct focus groups and interviews with students to better understand the challenges students are facing in completing the tasks of meeting with a financial coach and setting up direct deposit.
The incentive take-up patterns suggest that women, underrepresented minorities, and students with children appear less likely to complete the tasks necessary to earn the incentives.	Provide additional customized prompts and assistance to these student groups.
Account balance data from UFCU indicates considerable variation in the amount that students are saving. Notably, the median growth in savings over these eight months was only $25 with about a quarter of participants having $0 growth in saving while about a third had a growth of $25 or less.	Due to privacy concerns, UFCU cannot share identified data with ACC, thus limiting ACC's ability to conduct outreach and follow up with students. However, ACC program staff could provide communication material that UFCU could then directly send to targeted students with little to no growth in savings.
Survey respondents were largely satisfied with various elements of the program. However, students indicated some relative difficulty in claiming the incentives and monthly drawings.	Program staff should examine the claim processes and identify areas for improvement.