



## **Using Scholarships to Increase College Enrollment and Graduation**

### **Our Blueprint for the Future**

Californians understand the benefits and challenges of obtaining a college education today. They view college as important to their personal success and critical to our state's economic health and quality of life generally.

They are also anxious about rising costs, more so as families face a challenging job climate, diminished savings and declining home values. Recent surveys find that more than seven in 10 parents with children nearing college age doubt that they will be able to afford college when the time comes. Equal numbers think young people have to borrow too much to attend school.

The evidence shows that parents' concerns are valid. While state financial aid for college has increased in recent years, California's proportion of aid to students relative to costs is low compared to many states. For middle-income families, college is a stretch: they will pay up to a quarter of their income for their child to attend a two- or four-year institution. Low-income families face an even bigger hurdle, as they will pay as much as half of their earnings to send their child to the same schools.

This coming spring, parents throughout the state will face the difficult choice of what college they can afford when their children graduate from high school. Thousands of young adults – who have the grades and talent to succeed in college – will not consider applying because they believe they cannot afford it. Others will enroll, but work full time or borrow money to pay for necessities like books, transportation and living expenses.

We at College Access Foundation of California understand these obstacles, and we strive to make a difference for thousands of students who would not otherwise consider college. We want to reinforce the message to every high school student that lack of money is not an excuse to turn away from college. We also want to show how awarding scholarships thoughtfully and purposefully can provide a major incentive for students to complete their degrees.

## **Our Blueprint for the Future**

In late 2008, we began to refine the thinking behind our grant making and other initiatives – defining more clearly what we want to accomplish and how we will do it, who and where to fund, and to what end. Our overarching goal is to have a greater impact on college enrollment and completion with our scholarship grants.

As we do our work, we want to learn what works and what doesn't for scholarship giving broadly as well as for particular groups who lack college access. We want to strengthen the growing network of community-based organizations that have used our grants to award scholarships and have leveraged other financial aid for students who might not otherwise be able to afford college.

Our work occurs at a critical time, as we and other public and private institutions face diminished budgets and an uncertain financial market. These conditions make it imperative that we set priorities, make prudent choices and spend our grant dollars wisely.

Three core strategies will guide our grant making:

1. Support programs that offer college advice and academic support to young adults with significant need, including first generation college-goers and groups that have historically low enrollment or completion rates.
2. Support and test new and innovative approaches to scholarship giving that have the potential to increase college enrollment and persistence in school.
3. Foster greater networking and sharing of best practices among scholarship programs in the state, and offer evidence that will increase scholarship giving and promote a more effective public financial aid system.

## **Supporting Scholarship Programs throughout California Communities**

One third of California's young adults age 18-24 are enrolled in college, with fewer minority and low-income students entering our university system. At community colleges, where more than two-thirds of California students enroll, fewer than three in 10 students go on to receive their certificate or associate degree, or transfer to a four-year institution.

Since we began four years ago, the Foundation has awarded grants to 100 organizations throughout California, many of which offer scholarship awards where few other private resources exist. In 2008 alone, 4,000 students received scholarships from our grant dollars.

At the same time, research shows that a scholarship alone is not a guarantee of student success. Programs that provide young adults with college preparation before they apply to school – and connect students to mentoring and other forms of support once they are enrolled in school – show a higher level of student persistence and levels of graduation.

Going forward, the Foundation will make scholarship grants to organizations that offer a minimum set of services to prospective students:

1. Provide information and guidance on college selection, college application(s) and obtaining financial aid.
2. Help eligible students complete their FAFSA so they can maximize public grants and other scholarship opportunities.
3. Ensure that all students meet college application and financial aid deadlines.
4. Connect scholarship recipients to on-campus student support services.

We believe that adding scholarships to college preparation and support services will increase the likelihood that a broader group of students, not just high achievers already on a college track, will enroll and graduate from college. We hope to show that awarding scholarships strategically can increase college enrollment and completion in all three segments of California's public higher education system. We will also reach out to partners in regions of California with low college-going rates.

We view our grant making as more than a collection of grantees awarding scholarships, but as a portfolio – that is, a deliberate mix of organizations with different services and levels of support that award scholarships to a broad and diverse set of students. Using this frame allows us to differentiate, for example, organizations that provide college preparation services to students who enroll in four-year institutions from those that serve students who, for a variety of reasons, enroll in community colleges.

We know the odds of students completing their college education are also different, depending on whether they enter a private college or university (where 90 percent of students graduate), the University of California system (where at least seven out of 10 students who enroll complete), or a state college (where at least four in 10 receive their degrees).

Understanding the enrollment patterns of various scholarship programs allows us to make grants that support a mix of students, while taking into account that some groups will have different rates of completion than others. Over time, we hope to show whether and how scholarship dollars increase college completion, and what the most effective scholarship strategies are for different segments of the student population.

### **Testing Innovative Approaches to Scholarship Giving**

One of the most valuable functions served by private foundations is the ability to take risks: to try new ideas and approaches, to test them, and to share the lessons of what works and what doesn't in ways that others in the field can learn from.

College Access Foundation has begun investing in programs that will try new approaches to increasing enrollment and persistence in school. Some of the questions we want to examine are:

- How groups and institutions working together in a specific community can promote college-going, using scholarship dollars as one tool to encourage enrollment.
- How the size or duration of scholarships affects student enrollment, persistence and academic achievement in college.

- How scholarships can create incentives for students to stay in school and complete their degrees, particularly among groups where college completion is low.

We want to evaluate and learn from new approaches to make scholarships more effective. We also want to share our findings in order to improve the public financial aid system as well as private scholarship giving.

### **Fostering Networking and Best Practices**

Many of the organizations supported by the Foundation want to learn from and partner with others in the college access field – to share ideas and lessons, discuss vexing issues, and think collaboratively about how to do more with fewer resources.

Encouraging more formal networking among scholarship programs in the state is a way to bring good minds together to address challenges facing the field, forge closer relationships and identify efficiencies that could lower the cost of doing business.

For example, nearly 90 percent of the recipients of scholarship aid initially provided by the Foundation attend public institutions. Because of the geographic concentration of some Foundation grantees, there are cohorts of student scholars attending the same campuses.

While each program differs in the way it provides on-campus support to its students, there are possibilities for economies of scale and better relationships with each campus to support our students. Meetings to explore how to do more with less, grantees say, would be nearly as valuable as the dollars they get for scholarships.

The Foundation has convened successful grantee forums to discuss such topics as collaborations and partnerships, and strategies to engage in effective policy advocacy. We will be working with our grantee partners in the coming weeks and months to determine ways to build upon these previous efforts.

## **The Importance of Data to Informing Our Work**

As we arrive at a clearer picture of the goals and desired impact of our grant making – seeking measurable improvements in the levels of college access and success in California as priority one – more rigorous use of data will be crucial to helping us and our partners know how well we are doing.

We want to follow student progress – where they are enrolling, whether they remain in school, and how many graduate – so that we can make informed judgments on the use and value of our grant dollars. We are developing specific reporting requirements so that we can document where students enroll, how long they attend college, and whether they finish their degree. Over time, we hope that knowing the enrollment and completion patterns of thousands of these students will add knowledge about what works to increase college access and completion for different populations of young adults.

Many scholarship organizations already collect data to guide their work and follow students. We want to utilize some of that data to advance smarter and better decisions on a broader scale, to help spend dollars wisely, and to improve our chances for success.

Equally important, clearer data on the impact of scholarship giving can benefit more than the decisions of our Foundation or our partners alone. We believe that greater evidence on how scholarships are used and how students benefit from them can strengthen the public's trust in the value of these investments, whether from public or private sources.

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