



University Participation in Asset Building

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Adriana Kezar, Associate Professor of Higher Education
University of Southern California

Vikki Frank, Lanier Place Consulting



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Opportunity:

IDAs represent an important underutilized solution to the problems of access and financial aid for postsecondary education.

Research on college access among low income groups demonstrates that while cost is one of the greatest barriers, life skills and support are also critical.



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College is often a lot of financial firsts

- personal budget
- student loans
- student credit card offers



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Universities are Concerned

- Educational leaders are concerned that the most economically impoverished have the least opportunity to participate in higher education.
- State and federal policymakers have shifted their financial commitments from scholarships to loans over the past two decades.

These policies affect the economically challenged the most as they may have troubled credit histories, family obligations that make loans difficult to pay back, a hesitancy to take out heavy loan burdens given their existing financial struggles, or a lack of trust in financial institutions and debt instruments, especially among first-generation Americans.

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IDA Program Challenges:

- Universities have not been a stakeholder in IDA policy discussions and are, on the whole, unaware of IDAs
- Universities are vast multi-faceted bureaucracies with multiple points of entry; it is difficult to identify the appropriate decision makers to introduce IDAs
- IDAs comprise multiple components that cross over many university departments

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Post Secondary Educational Institutions can use IDAs

- As an outreach tool to attract low-income students to their university
- As an ongoing scholarship to encourage low-income students to stay in school
- To leverage available scholarship funds for low-income students with student savings and IDA match
- To help low-income students learn to effectively manage their finances, debt and credit

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Project Goals:

Increase IDA use for educational purposes and to increase post-secondary educational institutional involvement with IDAs.

- 1) understand the role IDAs currently play in creating access to college through asset development
- 2) examine the potential for IDA growth with respect to increasing access to education for low-income students
- 3) explore challenges and opportunities to the growth and expansion of IDAs within the post-secondary education sector

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Project activities:

- Interviews with IDA practitioners that currently have educationally-oriented IDA Initiatives aimed at understanding current models of post-secondary education institution participation
- Focus groups bringing together leaders in the IDA, higher education, and philanthropic communities.
- Develop detailed models for expanding University IDAs and for overcoming challenges

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Developing Common Language...

- IDA as University Scholarship
- IDA as High School Outreach Tool
- IDA as Adult Ed Outreach Tool

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Developing University Partners...

- Financial Aid Office
- Student Services
- Cooperative Extension Service
- Microenterprise Departments

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Developing Partnership Models...

- University-Community Partnership
- University-High School Partnership
(Education Trust, TRIO)
- University-based IDA

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Vikki Frank

Lanier Place Consulting
vikki@lanierplace.com
202-368-0500

Adriana Kezar

Associate Professor of Higher Education
University of Southern California
kezar@usc.edu
(213) 821-1519