

Abt Associates Inc.

**Update: Center for
Working Families
Cost Profile of Central
New Mexico
Community College**

From Insight to Impact

– worldwide

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Introduction

Cost assessments of three Centers for Working Families (CWF) completed in 2009 provided insights into the costs that organizations are likely to incur in implementing the CWF approach.¹ These assessments profiled a CWF based at a community college; at a neighborhood-focused, community-based organization; and at a CWF based at a one-stop comprehensive program center serving a broad geographic area. Each of the sites selected to represent these intervention types are also sites that have been included in a broader evaluation of outcomes achieved by participants in the program. In addition, all three organizations were within three years of having first implemented the CWF approach.

This report provides an updated cost assessment for the CWF site at Central New Mexico Community College (CNM), now five years after having launched CWF operation. It reports on costs incurred in 2008 and 2009, and compares these costs to 2005 through 2007, which were already covered in the previous cost assessment report. Since the period covered by the last cost assessment, CNM has nearly doubled the number of participants being served each year, and is therefore an interesting case study of a site experiencing rapid expansion.

This updated cost assessment seeks to answer three specific research questions:

- What are the total costs of the CWF service approach? Average costs per participant each year? Lifetime cost per participant (the cost to serve a participant over their entire period of enrollment)?
- How are costs funded – through cash expenditures or in-kind donations of time and resources from other organizations?
- Do costs increase or decrease as a program evolves?

To answer these questions, the report first describes the CWF program that has been implemented at CNM since January 2005 and some of the program changes over time, and then presents a discussion of program costs. The cost discussion summarizes the program's total costs, its costs per year, and its costs by type of core services delivered. It also presents findings related to the average cost, per participant, to deliver CWF services at CNM. Costs reported during 2008-2009 are compared with costs from 2005-2007 reported in the previous cost assessment.

Cost data were collected in late 2007 from CNM staff for the period from January 2005 through December 2007; and in late 2010 for January 2008 through December 2009.

¹ Minzner, Amy, and Anne St. George, "Center for Working Families Cost Profile: Central New Mexico Community College," Abt Associates, Cambridge, MA, January 2009; Burnett, Kimberly, and Anne St. George, "Center for Working Families Cost Profile: Bon Secours of Maryland Foundation," Abt Associates, Cambridge, MA, July 2009; Burnett, Kimberly, and Anne St. George, "Center for Working Families Cost Profile: MET Center," Abt Associates, Cambridge, MA, July 2009.

CNM Profile

Central New Mexico Community College (CNM), formerly Albuquerque Technical Vocational Institute, has five campus locations in Albuquerque. It recently surpassed the University of New Mexico in enrollment, and is now the largest institution of higher education in New Mexico, serving roughly 28,000 students annually.² Over half of CNM students (57 percent) are members of a minority race/ethnicity, primarily Hispanic. CWF participants at CNM also have the lowest incomes of the participants at the three CWF sites we evaluated, at \$800 per month of earned income.³

As a community college, the site's clients are primarily low-income students, and it offers services specifically tailored for this population. CNM's Center for Working Families offers clients access to academic services like academic coaching, studying and test-taking skills, and assistance applying for scholarships and financial aid. CNM's CWF program also offers services such as tax preparation, financial education courses, and career placement and counseling.

CWF staff has developed partnerships inside and outside the college community to provide an array of services. Current partners include community-based partners, the CNM Foundation (which also raises funding for the CWF program), CNM deans, educational directors, and development directors. Like at other CWF sites, the CWF program at CNM provides multiple support services to its participants in three core areas: education, employment, and training, financial coaching, education, and services, and access to benefits. Additional CWF services offered at CNM are designed to help students stay in school to complete a certificate or degree, which research demonstrates improves participants' future incomes. These services offered by CWF staff are tailored to participants' specific needs, such as assistance in obtaining financial aid.

The Center for Working Families at CNM is located within the college's Assistance Centers for Education (ACE). ACE houses all of the college's tutoring, CNM Connect coaches, computer labs, and study groups. Prior to fall 2010, CWF was part of the School of Adult and General Education (SAGE), which offers a variety of introductory courses to help students develop skills necessary to succeed in college (accounting, computer basics, biology, chemistry, English, health, mathematics, reading) as well as GED preparation courses and English as a second language (ESL) courses. The move from SAGE to ACE was intended to broaden the reach of the CWF approach to students across the college, and to avoid limiting services to students enrolled in SAGE. In practice, many CWF participants have come from outside of SAGE. Upon enrollment in CWF, about two-thirds (67 percent) of participants were taking one or more developmental courses at SAGE; the remaining third were taking only courses for college-level credit, which are offered outside of SAGE.

CWF was implemented in an environment where many core services were already in place. CWF relies on the college's existing programs to provide education and vocational training, tutoring, financial aid, work-study employment, and career assistance (e.g., resume building, interview skills, and job search). This assessment does not include the costs of providing these pre-existing

² Enrollment information from www.cnm.edu, accessed April 4, 2011.

³ Kaul, Bulbul, Kimberly Burnett, and Anne St. George, "Pathways to Success: Service Pathways Analysis for the Center for Working Families Participants," Abt Associates, Cambridge, MA, October 2010, draft;

educational and vocational training programs, but focuses on the services that were added to support students already attending the college. The services that needed to be further developed in addition to the college community were the access to benefits and financial coaching, education, and services.⁴ Specific new service offerings include CWF scholarships and financial coaching.

To understand the relative cost of providing CWF services in a community college environment, it is important to keep in mind the specific services that have been provided by CNM staff and consultants. For example, this cost assessment does not include the costs of the career/technical training provided at the community college, some of which is paid by participants themselves. The following section describes the services offered in each of the core service areas and the number of students that have accessed them.

Increasing Numbers of CWF Participants at CNM

A total of 910 people were participants in the Center for Working Families at CNM from January 2005 through December 2009. Most of these participants are recent additions to the program, enrolling in 2008 and 2009. As shown in Exhibit 1, the number of participants receiving CWF services at CNM has increased dramatically from 2005-2009, increasing in scale more than tenfold from 61 participants receiving services in 2005 to 711 participants receiving services in 2009 (many participants received at least one service in more than one year). In both 2006 and 2008, the number of participants served more than doubled from the previous year.

Exhibit 1. Increase in Number of Participants Receiving CWF Services

	<i>Participants Receiving CWF Services</i>	<i>Percentage Increase from Prior Year</i>
2005	61	N/A
2006	134	120%
2007	187	40%
2008	438	134%
2009	711	62%

The number of students receiving services has increased because of intentional efforts to serve more people, for example by hiring additional coaches. The number of coaches available to meet with participants increased from one in 2005-2007 to two in 2008, and then four in 2009. In addition, changes in the definition of a CWF participant may have affected the number of CWF participants. In general, CWF services are available to all CNM students. Initially, only students served by coaches designated specifically as CWF coaches were counted as CWF participants. Over time, however, as the concepts of the CWF approach have been infused throughout the services offered to all students by all coaches, students are more likely to be considered CWF participants, resulting in increasing numbers of participants.

Education, Employment, and Training Services

The primary goal of the CWF initiative at CNM is to assist low-income, working families to achieve a family-supporting job by supporting them while they pursue associate's degrees or a career technical certificate. In CNM's CWF approach, education is considered a core component of the employment services provided to participants. Most participants are students and are working toward

⁴ While financial aid assistance was in place at CNM prior to CWF, the CWF program added a consistent, single point of contact to help students learn how to navigate the existing system of financial aid.

some sort of professional employment goal. Additionally, CWF employment-related activities include one-on-one coaching by achievement coaches about students' career goals, assisting students in the process of applying for work-study assignments on campus, and job search resources available through the on-campus Job Connection Center. The Center is a full-service career center where all CNM students enrolled in classes can receive assistance with resumes, interviewing skills, and access to job postings.

Exhibit 2 shows the number of participants receiving services in each core service area in each year of CWF operation at CNM. Numbers do not add up to the total number of participants shown at the bottom because many participants receive more than one service in a year (such as enrolling in a course as well as receiving financial coaching).

Employment and other non-academic types of services are also provided at CNM Connect, which currently has seven achievement coaches who provide non-academic coaching to any student. All of these coaching positions are designated specifically as CNM Connect coaches. The achievement coach's role is to help students succeed at CNM by problem solving to eliminate barriers to their education and build on their strengths. The coach draws on all available college resources and partners' services to provide academic and social supports to CNM Connect participants and other CNM students.

As CNM is an educational institution, it is not surprising that a large share of CWF participants have received education, employment, and training services. Of 910 total CWF participants from 2005-2009, 829 participants (91 percent) received education, employment, and training services in at least one of the five years.

Exhibit 2. Participants Receiving CWF Services

	2005	2006	2007	2008	2009	Total
Employment, education & training	58	120	175	390	607	829
Financial coaching, education & services	43	88	126	278	369	694
Access to benefits	52	62	123	266	467	726
Total	61	134	187	438	711	910

Note: There is duplication between categories and between years. For example, a participant that received assistance related to employment in 2005 and 2007 will be included in each year as an employment participant. If that same individual also used access to benefits services in 2007, they would be counted again as an access to benefits participant.

Financial Coaching, Education, and Services

The CWF program at CNM offers access to one-on-one financial coaching with certified planners as well as financial literacy workshops and bankruptcy workshops. The program previously offered a 10-week financial literacy course that was transitioned into a 40-hour financial literacy course offered by the college. Individual Development Accounts (IDAs) that match participants' savings toward education, homeownership, or to capitalize a small business are available. Other services available through CWF are budget workshops focused on managing school expenses and financial aid resources, assistance related to applying for financial aid assistance, and assistance with opening checking and/or savings accounts. CWF has partnerships with the New Mexico Assets Consortium at Prosperity Works to provide IDAs and the New Mexico Project for Financial Literacy to provide bankruptcy workshops and one-on-one financial coaching.

Seventy-six percent of all CWF participants (694 students) have received at least one financial coaching or education service since the CWF began in 2005. The percentage of participants receiving a financial coaching or education service in any particular year has declined over the five years of CWF operation, from about 70 percent of all participants in 2005 to 52 percent of all participants in 2009.

Access to Benefits Services

CNM's access to benefits services are designed to connect students with resources that will assist them financially and will thus maximize the number of individuals who stay enrolled. Services include access to free tax preparation services through TAX HELP New Mexico, public benefits screenings, and assistance applying for state and federal public benefits, such as childcare, Medicaid, and housing. Local supports available to students include public transportation assistance and emergency scholarships through the CNM Foundation.

Since inception, 80 percent of all participants (726 students) have used CNM's access to benefits services. A high percentage of participants received access to benefits services in 2005 – 85 percent – and the share has stabilized to roughly two-thirds since then.

CNM Costs

CNM's program director worked with Abt staff to estimate the cost of all CWF services provided to participants since program implementation (the five-year period between January 1, 2005 and December 31, 2009). The cost calculations include actual operational expenditures as well as in-kind services and resources provided. The cost calculations also do not include common "community college" costs that are assumed to be present in a community college setting. Under this definition, costs to be excluded include cost of tuition, classroom instruction, financial aid assistance, the Job Connection Center, and academic tutoring.

Annual cost data were reported in the following five categories:

- Enrollment—recruitment, application, and assessment

- Education, employment, and training—all group and one-on-one education-oriented, employment activities provided to enhance a participant’s employability
- Financial coaching, education, and services—all group and one-on-one asset and financial activities provided to enhance a participant’s financial well-being
- Access to benefits—all stipends, subsidies, financial aid, and coaching activities provided to help gain income or work supports
- Overhead—administrative, MIS, project development costs, etc.

Summary of Total Costs

The total implementation cost for the CWF approach at CNM over the first five years was \$1,384,881 or an average annual cost of \$276,976. This total includes in-kind and cash expenses. Exhibit 3 documents the total costs by type – in-kind and cash – and by core service area. Costs in Year 1 are shown separately because, as a start-up year, costs are not comparable in this year to other years. It is clear that CNM has successfully leveraged a significant level of in-kind resources, with 74 percent of all costs being donated through in-kind partnerships, similar to the share reported in the 2009 cost assessment of 76 percent.

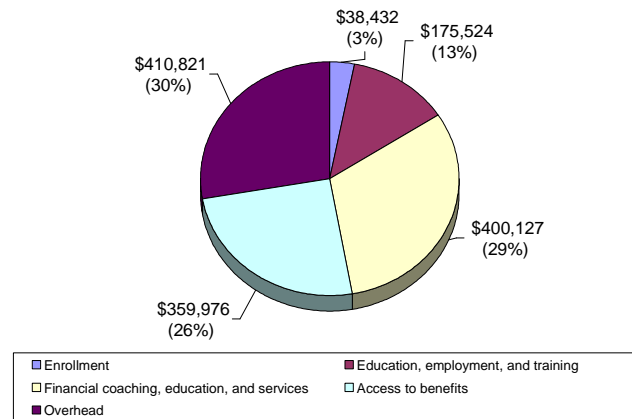
Exhibit 3 illustrates that education, employment, and training services have much lower costs than those for financial

Exhibit 3. Cost of CWF Services, Years 1 and 2-5 combined					
	Year 1		Years 2-5		Total
	<i>In-kind</i>	<i>Actual/Cash</i>	<i>In-kind</i>	<i>Actual/Cash</i>	
Enrollment	\$ -	\$2,209	\$30,000	\$6,332	\$38,432
Education, employment, & training	\$11,432	\$2,945	\$121,378	\$39,769	\$175,524
Financial coaching, education & services	\$8,592	\$2,945	\$250,758	\$107,832	\$400,127
Access to benefits	\$27,592	\$21,667	\$176,018	\$134,699	\$359,976
Overhead	\$66,277	\$1,518	\$308,925	\$34,101	\$410,821
Total	\$113,893	\$31,284	\$917,079	\$322,625	\$1,384,881

coaching, education, and services and access to benefits services. As shown, education, employment, and training services are the least expensive at \$175,524, representing 13 percent of the cost of providing core services. Financial coaching, education, and services represents about 30 percent of the cost of providing core services, and access to benefits 26 percent, at roughly \$400,000 and \$360,000, respectively. Exhibit 4 shows the percentage breakdown of CWF costs by service Area in Years 2-5.

The CWF's location at a community college means that education, employment, and training costs do not include any direct workforce training costs, so these costs are lower than they might otherwise be. The costs of the education provided by the community college are not directly attributable to the CWF program. The education, employment, and training costs reported are primarily for one coach in 2008 and 2009 whose role is to assist students with setting and achieving employment and educational goals.

Exhibit 4. Percentage Breakdown of CWF Costs by Service Area, Years 2-5



The proportionally high cost of overhead at CNM is driven by the donated time of CNM staff and CNM Foundation staff to design, implement, and oversee the CWF program. The cash cost of CWF overhead was about \$35,600 over the first five years (see Exhibit 3).

CNM Funding Sources

Almost half of CNM's funding comes from the state of New Mexico, private or corporate foundations make up just over half of total funding, and funding from the federal government makes up the small remainder. Exhibit 5 shows funding by source for the first five years of CWF. The state and private or corporate foundations contributed roughly equal amounts during the first two years. Since the third year, however, private or corporate foundations have contributed larger shares of funding to the CWF than the state. Relatively small amounts of Federal funding were obtained over the five-year period, primarily for matches to IDA accounts in 2006 and 2007 and for one coaching staff member in 2009. As shown in Exhibit 6, private or corporate foundations contribute the greatest share of funding for CWF at 52 percent of the total. The state of New Mexico, primarily via the CNM general operating fund, contributed 41 percent of total funding, and federal contributions accounted for the remaining 7 percent of total funding over the five years primarily in in-kind costs.

Exhibit 5. Funding Source, by Year

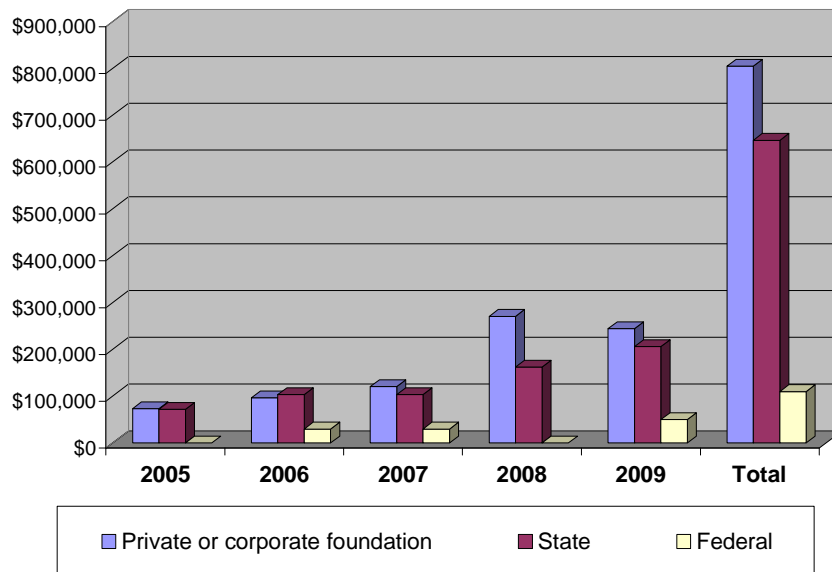
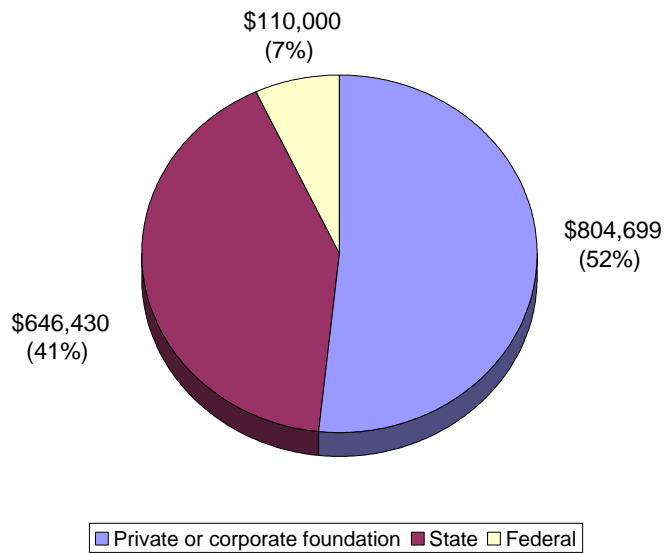


Exhibit 6. Funding Source, Overall



Evolution of Services

Overall, program costs were fairly steady from 2006-2008, and increased substantially in 2009 as the CWF increased the number of coaches available and the number of participants being served (see Exhibit 7). Despite a sizeable increase in the number of participants in 2008, increases in costs were modest in that year. This is in part because of changes in the definition of a CWF participant over time. As described earlier, initially only students served by a specifically designated CWF coach were considered CWF participants. Over time, however, students served by all coaches have begun receiving CWF services and been counted as CWF participants.

	2005	2006	2007	2008	2009	Total
Total	\$145,177	\$229,914	\$253,469	\$285,059	\$471,262	\$1,384,881

Exhibit 8 illustrates that the change in financial coaching, education, and services costs was the driving factor behind the cost increases between 2005 and 2006, but that since then increases have been related to access to benefits services. Staffing for providing these services increased in 2008 and again in 2009. Exhibit 9 shows a breakdown of CWF costs by dollar value and category.

In addition to increases in staffing levels, greater spending on scholarships or cash supports to students also contributed to the substantial rise in access to benefits costs. Scholarships to students rose from about \$13,000 total in 2007 to \$18,000 in 2008 and more than \$51,000 in 2009. These cash grants and small incentive scholarships are provided to students to assist them in staying in school. The other cash cost is salary and benefits for a portion of a coach's time to do one-on-one coaching. In-kind costs for access to benefits include staff time (one full-time coach in 2009), services provided by Tax-Help New Mexico and the benefits screening tool.

Exhibit 8. Annual Allocation of Costs

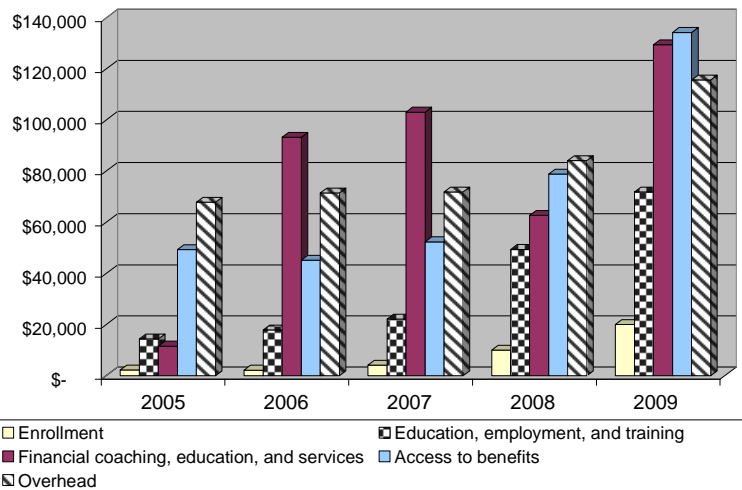


Exhibit 9. Breakdown of CWF Costs

	2005		2006		2007		2008		2009		Total		Total
	<i>In-Kind</i>	<i>Actual</i>	<i>In-Kind</i>	<i>Actual</i>	<i>In-Kind</i>	<i>Actual</i>	<i>In-Kind</i>	<i>Actual</i>	<i>In-Kind</i>	<i>Actual</i>	<i>In-Kind</i>	<i>Actual</i>	
Enrollment	\$ —	\$2,209	\$ —	\$2,140	\$ —	\$4,083	\$10,000	\$ —	\$20,000	\$ —	\$30,000	\$8,432	\$38,432
Education, employment & training	\$11,432	\$2,945	\$11,432	\$6,421	\$11,432	\$10,691	\$33,407	\$15,930	\$65,107	\$6,728	\$132,810	\$42,714	\$175,524
Financial coaching, education & services	\$8,592	\$2,945	\$74,727	\$18,528	\$79,727	\$23,350	\$44,502	\$18,250	\$81,802	\$47,704	\$289,350	\$110,777	\$400,127
Access to benefits	\$27,592	\$21,667	\$27,592	\$17,616	\$27,592	\$24,793	\$44,567	\$34,309	\$76,267	\$57,981	\$203,610	\$156,366	\$359,976
Overhead	\$66,277	\$1,518	\$66,277	\$5,181	\$66,277	\$5,524	\$70,047	\$14,047	\$106,324	\$9,349	\$375,202	\$35,619	\$410,821
Total	\$113,893	\$31,284	\$180,028	\$49,886	\$185,028	\$68,441	\$202,523	\$82,536	\$349,500	\$121,762	\$1,030,972	\$353,909	\$1,384,881

Costs for financial coaching, education, and services have fluctuated significantly over the five years. New financial services, including IDAs and financial literacy workshops, were introduced in 2006, increasing costs in that year. No matching payments were made to IDA accounts in 2008, but \$26,000 was contributed in 2009. Cash investments for financial training classes also increased in 2009 over 2008, from about \$2,000 to about \$15,000. In-kind contributions also increased with the rise in staffing from one half-time coach to one full-time coach for access to benefits services.

Costs per Participant

Excluding 2005, a start-up year in which costs were particularly high, CNM spent an average of \$843 per CWF participant each year to provide services over this period (2006-2009). Exhibit 10 shows that costs per participant were highest by far in the first year – a start-up year – and then declined until stabilizing in 2008 and 2009.

The low annual average costs in 2008 and 2009 are probably a function of the high enrollment levels in these years (see Exhibit 2), as well as the fact that some coaches who provide CWF services are funded through other sources.

Exhibit 10 also shows that the total cost per participant for the period 2006-2009 (“lifetime cost”) is \$1,387. Lifetime costs include the cost of serving individuals in multiple years; by design, it is common for students to participate in more than one year. However, they exclude the unusually high costs in 2005, as these start-up costs are not comparable to costs in later years. The annual cost per participant indicates the average cost of serving a participant in a single year, ignoring the fact that a student might also have been served in a previous year.

Exhibit 11 illustrates the average cost per participant for each of the three core areas. In each cost-per-participant calculation we included all participants who received a particular service in any year. This allowed us to accurately estimate the per-participant costs for delivering a particular type of core service.

Exhibit 10. CWF Cost per Participant—Total and Annual Average

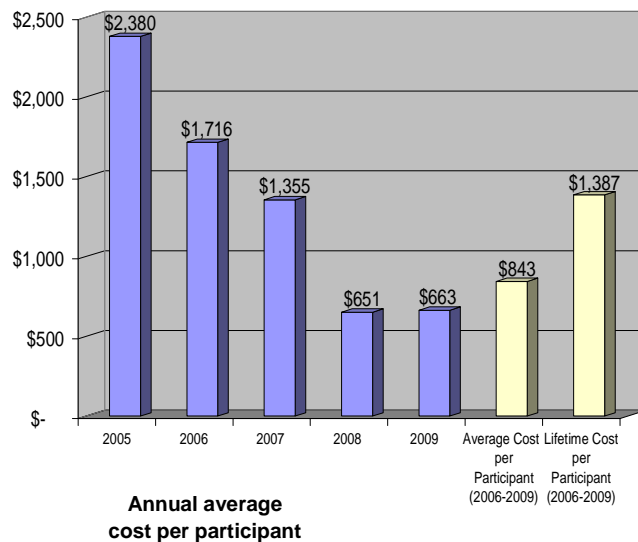


Exhibit 11. Total Cost of the Core CWF Service Areas and Number of Participants Served, 2005-2009

CWF Core Service Areas	Total Cost	Number of Participants Served*	Cost per Participant
Education, employment & training	\$175,524	829	\$212
Financial coaching, education & services	\$400,127	694	\$577
Access to benefits	\$359,976	726	\$496

Note: An individual is counted for each core service received. As a result, the total number of participants receiving services in each of the core services categories cannot be summed up as this would lead to double counting.

Among the core service areas, the cost per participant for education, employment, and training costs was the lowest at \$212 per student on average. This level of spending is similar to findings from the 2009 cost assessment of \$254 per participant. As noted above, the CWF’s spending on education, employment, and training is low because of the pre-existing services provided by the community college, including hard-skills courses and the Job Connection Center. If these costs had been included, the average cost per participant for those accessing education, employment, and training services would have been much higher.

Costs for financial coaching, education, and services per participant were the highest at \$577, followed by costs for access to benefits services at \$496. Both of these levels of spending are far lower than costs reported in the 2009 cost assessment of \$1,174 and \$901 per participant, respectively. As noted above, the numbers of participants being served increased substantially in 2008 and 2009, which probably contributes to lower per-participant costs.

The lifetime per-participant cost of \$1,387 accounts for participants accessing multiple services and includes overhead and enrollment costs. The total cost per CWF participant, including any and all services received, is higher than the sum of costs per participant across the three core areas because many individuals received more than one service (see Exhibit 12).

By definition, the cost per participant calculation is affected by incurred costs and the number of participants that chose to access particular services over a given period of time. Exhibit 12 shows how costs have evolved over the three years of operation. Program costs increased each year but the number of participants increased at a much higher rate, particularly between 2007 and 2008. At least partly because of this, the cost per participant decreased on an annual basis.

Exhibit 12. Annual Cost per Participant Served

	<i>Total Cost</i>	<i>Participants Receiving Services *</i>	<i>Cost per Participant</i>
2005	\$145,177	61	\$2,380
2006	\$229,914	134	\$1,716
2007	\$253,469	187	\$1,355
2008	\$285,059	438	\$651
2009	\$471,262	711	\$663

*The number of participants equals the number of unique individuals receiving at least one service in a given year; there is duplication between years.

Conclusion

Central New Mexico Community College’s Center for Working Families served a total of 910 participants in its first five years of operation. These students received one-on-one coaching and group training focused on helping them stay in school and attain degrees or certifications, as well as cash assistance. The total cost of providing the CWF services from 2005-2009 was \$1,384,881, three quarters of which was provided through in-kind donations of services. The lifetime cost per participant from 2006-2009 was \$1,387.