Fresh Start Debt Forgiveness Program at City Colleges of Chicago

October 2021
City Colleges of Chicago

Fresh Start Program

Opens The Door to

Educational Opportunity, Financial Empowerment

and

Economic Mobility

for Former Students
Launched in Fall 2020, Fresh Start allowed former students to return and “learn off” their debt.

**Eligibility**
- Former City Colleges students who left within the last ten years
- Left in good academic standing

**Academics**
- Debt is forgiven as student progresses
- Half of their outstanding debt forgiven upon successful completion of first new term (in good standing).
- The remaining half of their balance forgiven upon completion of a credential (associate degree or certificate)

**Supports**
- **Academic Advising:** Student commits to academic advising to support their academic goals
- **Financial Empowerment:** Confidential financial counseling session provided by City Colleges’ non-profit partner, Working Credit NFP, to support financial goals

More information can be found at: [www.ccc.edu/freshstart](http://www.ccc.edu/freshstart)
The Fresh Start debt forgiveness program has served 910 students, overwhelmingly Black, Latinx, and female, in its first year.

- **88% of Fresh Start students are Black or Latinx**
  - 44% Black
  - 44% Latinx
  - 6% White
  - 2% Asian
  - 3% Multi-Racial Non-Latinx

- **70% of Fresh Start students are women**
  - 30% Female
  - 70% Male

- **Fresh Start students are attending every City College**
  - DA
  - HW
  - KK
  - MX
  - OH
  - TR
  - WR
  - 8% 10%
  - 18% 22%

- **More than half of students are aged 22-29**
  - 22%
  - 29%
  - 18%
  - 11%
  - 7%
  - 3%
  - 1%

- **69% of students attend part-time (less than 12 credits)**
  - 18-19
  - 20-21
  - 22-24
  - 25-29
  - 30-34
  - 35-39
  - 40-49
  - 50-64

- **88% of Fresh Start students are Black or Latinx**
  - Am. Ind
  - Asian
  - Black
  - Hawaii/Pac
  - Latinx
  - Multi-Racial Non-Hispanic
  - White
Fresh Start Student Retention Rates, Fall 2020 Cohort

- 62% of Fall Fresh Start students were retained to Spring with Truman College retaining 70% of Fresh Start students; **compared to a retention of comparable Stop-in students at CCC of 52%**

(Overall CCC retention rate is 68.5%).
Fresh Start One Year Completion Outcomes

**Fresh Start Student Completion Rates**
- **118 students** completed studies at CCC since the implementation of Fresh Start
- These students account for 12% of the student population participating in the Fresh Start program
- 79% of students earned an associate degree while 21% earned an advanced or basic certificate.

N=118
Fresh Start One Year Completer Demographics

Fresh Start Student Completers

- **86% of completers are Black or Latinx**
- **64% of completers are women**
- **62% of completers are 25-39 years old**

**Male**
- Black: 46%
- Male: 36%

**Female**
- Latinx: 40%
- White: 9%
- Female: 64%

**Age Distribution**
- 20-24: 25%
- 25-29: 31%
- 30-39: 31%
- 40-49: 9%
- 50+: 25%

86% of completers are Black or Latinx
64% of completers are women
62% of completers are 25-39 years old

N=118
CCC Student Financial Outcomes

- 350 students have had 50% of their debt waived
- 105 students have had 100% of their debt waived

= $318,000 in debt waived
Working Credit NFP provides Fresh Start Participants with the following three key supports:

- **Credit Building Education**
  A 45-minute online workshop on how the credit scoring systems work and the rules of credit building.

- **One-on-One Credit Building Appointment**
  Counselors work with students to
  - Discuss the student’s financial situation & goals
  - Build a budget that reflects the student’s current circumstances
  - Review the student’s credit report & FICO score
  - Build a personalized financial plan

- **Ongoing Support**
  (optional, as requested by student)
Financial Empowerment Impact

% with PRIME Credit Scores (>660)
- % at Start: 22%
- % at 6 Months: 37%
- % Point Change: 15%

% with at least $1,000 in Available Credit
- % at Start: 31%
- % at 6 Months: 45%
- % Point Change: 14%

% with Credit Utilization below 30%
- % at Start: 25%
- % at 6 Months: 40%
- % Point Change: 15%

N=130

Source: Working Credit NFP © 2021, Data as of 06/15/2021
Impacting Student Lives: Student Voice

Steven Bahena
Truman College

Maryam (Mari-am) Muhammad
Malcolm X & Harold Washington College

Abner Gutierrez-Herrera
Daley College

Tamika Powell
Harold Washington College