

THE NON-PROFIT FUNDING GAP:

Strengthening the Postsecondary Student Success Ecosystem

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INTRODUCTION

Our nation faces a dilemma: in contrast to major, persistent improvements in high school graduation rates and in college-going through the past two decades, growth in the college completion rate has stagnated. After significant progress in the early to mid-2000s, the national college completion rate is only 62 percent and has failed to increase over the past several years.¹ At the same time, Americans' discontent with the economic returns to higher education has steadily grown. Alongside anxiety over costs, students increasingly express concern about the value of postsecondary education and the need for more robust navigation assistance as they consider their options.²

One bright spot, however, is the postsecondary field's growing emphasis on innovation in student access and success that has contributed to better outcomes in communities, institutions, and systems despite slow progress at the national level. Innovative non-profit organizations and institutions have developed and grown an array of proven solutions to support postsecondary access and success. Across the country, the landscape of student success programs is diverse and varied, with programs offering tailored services to support different student populations, needs, and contexts, ranging from case management to financial support to helping students make informed decisions and choose the postsecondary pathways that are a best fit for them. Increasingly, these innovators have leveraged rigorous impact and qualitative evaluation to refine their strategies and build evidence of impact, ranging from persistence to completion to long-term economic benefits.

Several of these acclaimed programs, like Bottom Line, College Possible, College Advising Corps, College Success Foundation, One Million Degrees, and uAspire, have expanded to communities around the nation. Many other postsecondary student success programs, such as College AIM, College Now Greater Cleveland, Project QUEST, and Access Opportunity have demonstrated extensive track records of success in their states and local communities. As illustrated in a recent Brookings Institution review, non-profit providers – whether national or local in scope – account for a major proportion of the college access and success models supported by the most rigorous evidence.³

Unfortunately, these programs have not scaled nearly as quickly as the evidence warrants and students' and our nation's needs demand. And in many cases, highly-promising postsecondary student success models in the earlier stages of program development have lacked dedicated support to refine, test, adapt, and implement strategies that respond to the broad scope of student needs. On the whole, this diverse, expansive ecosystem of postsecondary success programs requires deeper, more intentional investment to scale programs with existing evidence bases and to uplift and grow those with early or mid-phase proofs-of-concept.

In particular, non-profit providers working in partnership with K-12 and postsecondary institutions are primed to expand their impact. These non-profit organizations are responsible for many of the most promising innovations in postsecondary success. They are uniquely positioned to bridge gaps between educational institutions – such as K-12, community colleges, and four-year institutions – and to scale strategies across geographies. But they face incredible challenges in accessing funding to expand their impact, especially government funding.

In 2024, the National College Attainment Network (NCAN) and America Forward launched a joint initiative to better understand the landscape of non-profit student success models across the country. Through a survey of more than 50 organizations nationwide and follow-up interviews, we assessed the services that leading non-profit organizations provide students, the barriers they encounter in building and scaling their programs, and what it would take to ensure that every student who could benefit receives access to evidence-based support.

Our findings make the case for government to direct more funding to non-profit student success models, as well as demonstrate the need for continued evidence-building and deeper support for the field as a whole.

HIGH-LEVEL FINDINGS

Our survey and interviews illustrated the diversity and tremendous impact of non-profit student success organizations around the country. Respondent organizations varied dramatically in size and scope, ranging from budgets of \$100,000 per year to around \$200 million, and from staff of one to 750. Our top findings include:

- **Most programs cut across secondary and postsecondary education – meaning these non-profit providers occupy a unique and critical space in the student success landscape.** Most student success programs begin working with students while they are in high school (87%) and continue to support their students at two-year (83%) and/or four-year institutions (83%). Fifteen percent of surveyed programs begin working with students while in middle school. A growing base of research demonstrates that early, continued engagement promotes student success. However, this model is very challenging to resource: many public and private funders focus discretely on either K-12 or postsecondary education, rather than bridging the gap between the two.
- **The cost of postsecondary education and mental health challenges were the two most frequently cited barriers to college completion.** Alongside tuition and living expenses, more than half of respondents cited mental health and well-being as major barriers. Regarding career success, most organizations named social capital, insufficient career navigation support, and access to internships as significant obstacles.
- **Organizations provide a diverse array of services, responding to diverse community needs across the nation.** The most common approach is the combination of student advising and financial support focused on a targeted population – such as a local community, public school district, or particular subset of students, like Native American or first-generation students – and to offer supports and programming starting in high school and continuing through college. But providers use many different interventions. At least half of surveyed providers offer services such as financial aid advising, college selection, success coaching, scholarship aid, emergency financial aid, and mentorships. Career advising is also a major, and growing, focus for many providers.
- **Providers actively pursue data use and evaluation to drive program improvement, but need more support.** Most organizations have participated in a formal evaluation to support their program improvement effort, including about a quarter that have engaged in an experimental study (e.g., a randomized controlled trial) and just under half have conducted formative evaluation (e.g., pilots, rapid-cycle evaluation). But while respondents prioritize data-driven strategies, fewer than half have access to K-12 schools or colleges' academic data and only about a quarter can leverage workforce outcomes data.

- **Public funding for non-profit postsecondary student success work remains limited, in spite of the tremendous need for such programs and interest among providers in expanding their reach.** The vast majority of providers seek to scale, whether by strengthening their existing services, adding new services, serving more students, or adding new sites. We also found that vast swaths of the country lack sufficient coverage, particularly rural areas. But most programs struggle to achieve the sufficient and sustained funding needed to scale, in large part because so few (24%) receive any public funding – about half of the national average for nonprofits, even though these organizations are some of the most innovative and impactful postsecondary success providers nationally.

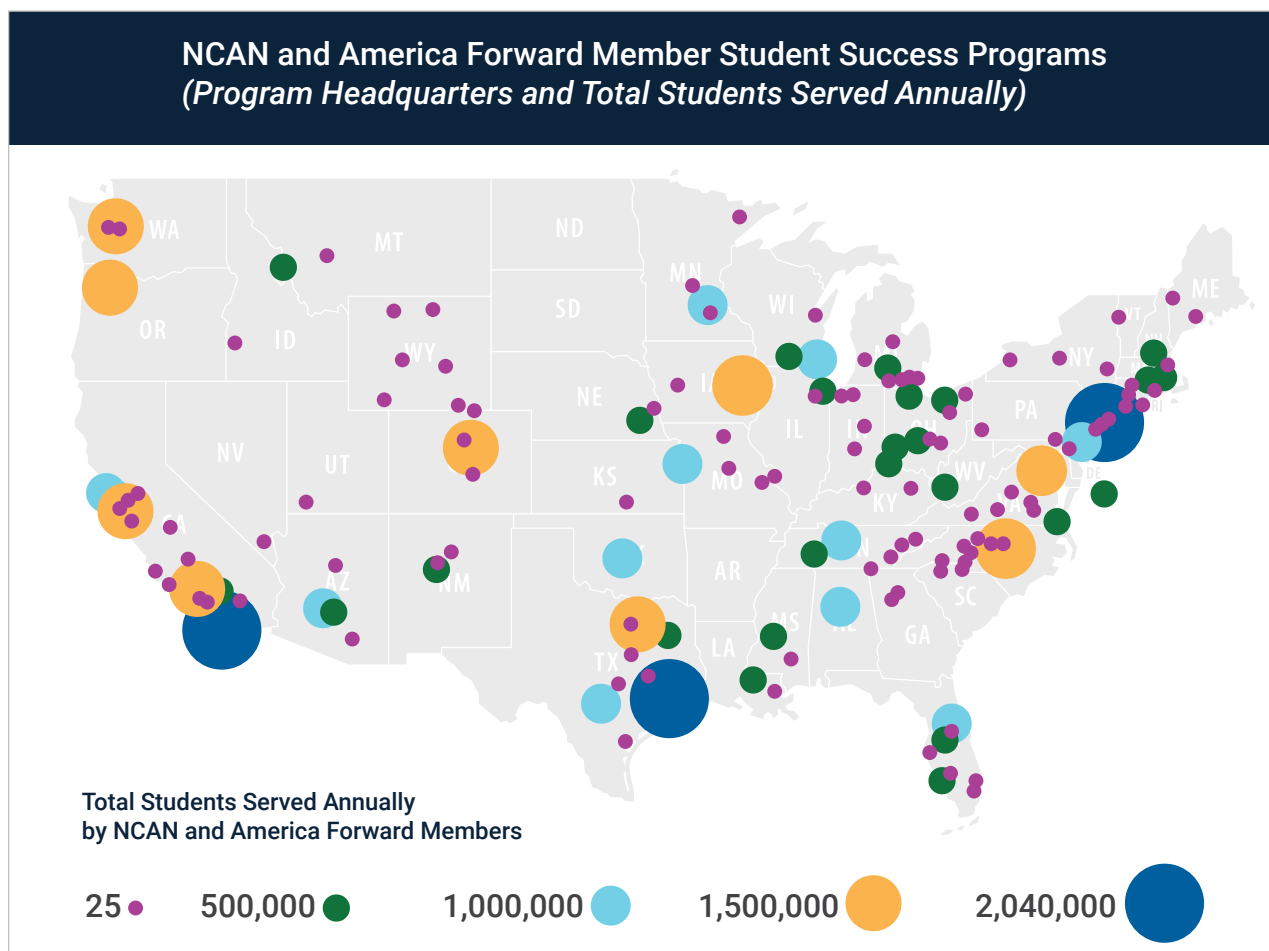
Policymakers should take note of these findings and take the following steps:

- **Invest federal, state, and local funding for student success initiatives.** Policymakers should invest funding for postsecondary student success work across the board to address the tremendous unmet need in access and success services. At the federal level, we urge policymakers to deepen investment in the Postsecondary Student Success Grants (PSSG) program to grow and scale high-impact programs, alongside key funding streams like TRIO, GEAR UP, and AmeriCorps. We also encourage state and local governments to build on a growing set of examples from Colorado to Maryland to Texas to support high-impact student success work.
- **Provide greater access to federal student success funding.** Today, most of the dedicated federal funding streams for student success work provide limited opportunities for non-profit providers. With greater flexibility, these programs could better support providers' ability to respond to local needs and implement innovative approaches. In addition, many non-profit providers lack the capacity to navigate the red tape that federal grant applications and reporting requirements impose.
- **Strengthen the infrastructure for student success.** Our survey respondents expressed deep interest in targeted support for program improvement and scaling, ranging from support for evaluation and research, dedicated communities of practice, financial and sustainability analysis, and data system and performance management assistance. Policymakers should invest in the infrastructure that makes stronger organizations, services, and ultimately outcomes possible.

SURVEY FINDINGS

The National College Attainment Network (NCAN) and America Forward are the largest national membership organizations of non-profit student-serving organizations working to increase college access and success, including the organizations most engaged in evidence-based innovation. The National College Attainment Network is a nonprofit, nonpartisan professional association with nearly 500 member organizations across the US that help students prepare for, apply to, and succeed in postsecondary education. America Forward partners with more than 100 social innovation organizations to advance more innovative and effective public policies across policy areas ranging from early learning to workforce development to postsecondary success.

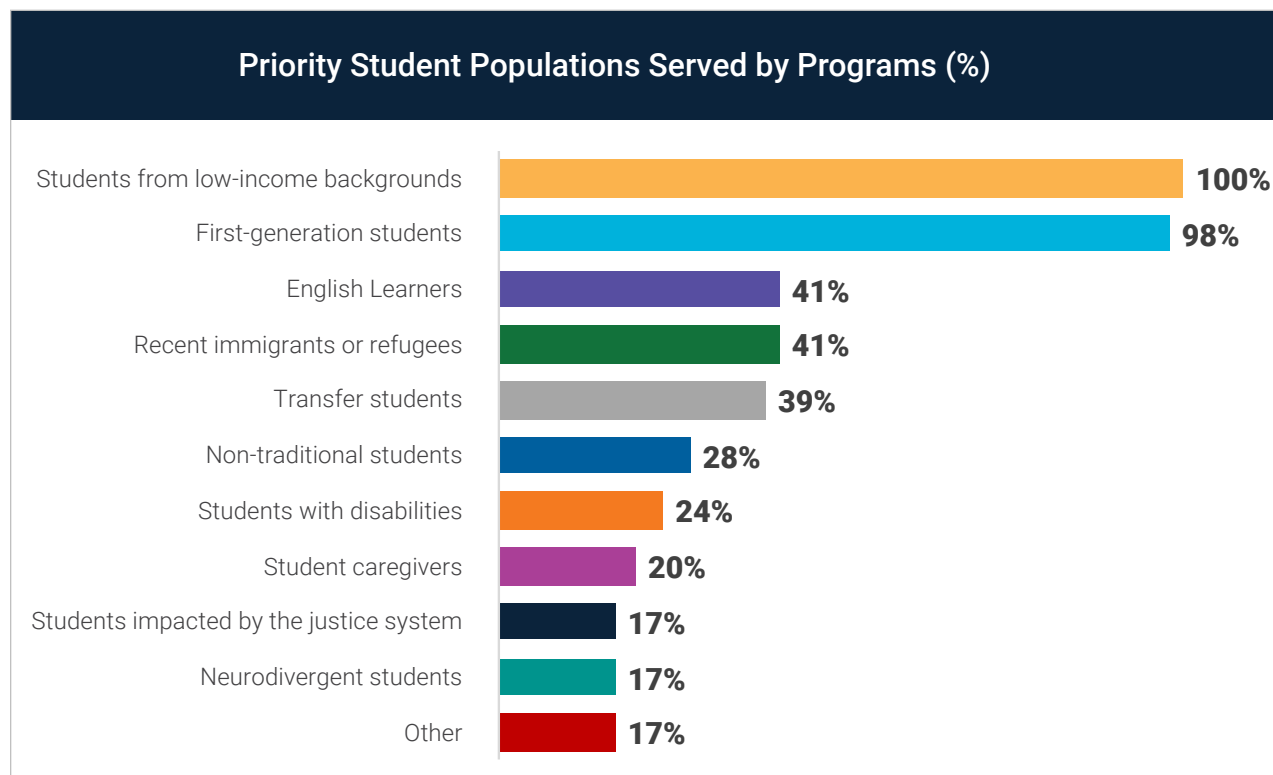
To better understand these groups' approaches, needs, and impacts, we conducted a survey of all 387 the non-profit postsecondary success organizations that are members of either NCAN, America Forward, or both and that provide support services to students currently enrolled in postsecondary education. The following map identifies the headquarters of these programs, painting a clear picture of the scope and impact of these non-profit organizations and the number of students they serve. The 54 organizations who responded to the survey are geographically representative of the larger sample.⁴



The survey analyzed a range of program details, from budget and funding to staff to the population of students served to programming approaches to recommendations for increasing postsecondary attainment rates. We supplemented the survey with follow-up interviews with a subset of programs, ranging from regional community-based organizations to national nonprofits supporting students in dozens of states.

DEMOGRAPHICS AND GEOGRAPHIES SERVED

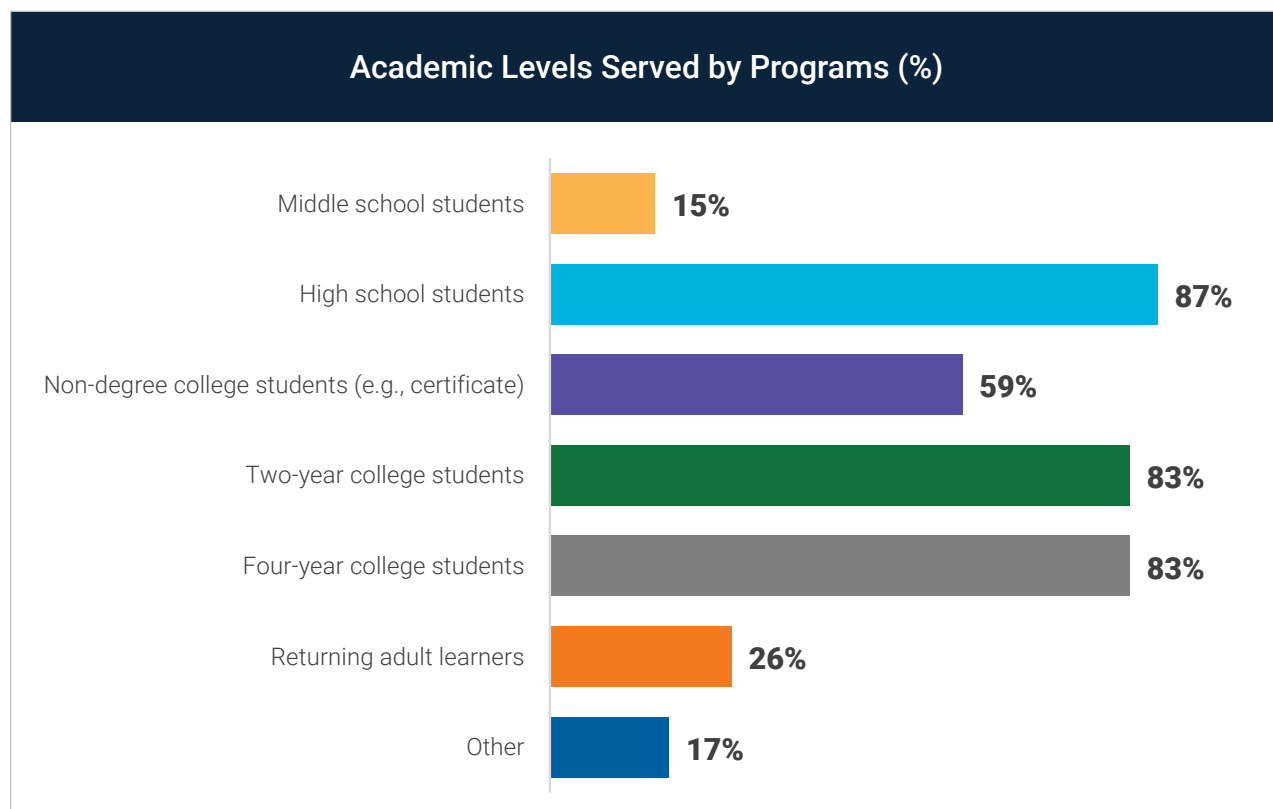
These programs serve students with diverse experiences and needs. All of the organizations we surveyed prioritize serving students from low-income backgrounds, and nearly all (98%) emphasize serving students who will be the first in their families to complete postsecondary education. Many organizations also serve English Learners (41%), recent immigrants or refugees (41%), transfer students (39%), nontraditional students (28%), students with disabilities (24%), student caregivers (20%), students impacted by the justice system (17%), and neurodivergent students (17%).



The organizations in our sample serve students with a range of academic needs, demonstrating the importance of supporting diverse models. For example, national organization Bottom Line targets students in the middle of the academic spectrum – college-ready students with a 2.5-3.2 GPA – because those students are often choosing between regional publics with varying degrees of quality and affordability. As Bottom Line Chief Executive Officer Steve Colón commented, “Bottom Line is really focused on helping students get through college in an affordable way, with less than \$31,000 of student debt. We’ll work with students who are bound for highly-selective colleges, but students choosing between Brandeis and Swarthmore, they’re going to be fine.”

Nearly all of these organizations (80%) serve both K-12 and college students, demonstrating the critical role of non-profit organizations in bridging the divide across educational institutions. Some programs more strongly emphasize K-12 education, while others focus more on students enrolled in higher education. Equal numbers work with students attending two-year (83%) and four-year (83%) institutions, while 59% work with non-degree students. We found that 26% of organizations serve returning adult learners – who may enroll across a range of institutions – demonstrating that the majority of programs focus on “traditional-age” students.

“College Possible is there for all the transitional moments and there are so many, such as summer, moments when they are considering stopping out or transferring. Often no one is there to help students. The home institution is often not positioned to help students as they’re not attached at that time.” - SCOTT DEL ROSSI, COLLEGE POSSIBLE, VICE PRESIDENT OF COLLEGE AND CAREER SUCCESS



The surveyed organizations work with students across the country, though programs in our sample are concentrated in certain areas. A disproportionate number of programs have sites or organizational headquarters in North Carolina, California, Texas, Massachusetts, and New York. Notable geographic gaps in student success programs include parts of the Midwestern, Western, and Southern regions of the US. Generally, program locations and headquarters are focused in urban centers, highlighting a need for increased in-person support for rural students.

Barriers to College Completion and Career Success

Across the board, issues related to costs were the most common barrier to college completion named by survey respondents. Seventy-one percent of respondents cited tuition and fees, while 55% said living expenses, and 47% said work responsibilities presented the biggest barrier to students getting a degree. When asked how policymakers could help address the issue of college completion, reducing the cost to students also rose to the top. “Increase financial aid, increase funding for public institutions,” said one respondent in the comments. “Double Pell, implement strong state financial aid policies, invest in affordable and strong public systems,” said another.

In addition, more than half (56%) of respondents mentioned mental health and well-being, and 50% of respondents cited a sense of belonging, or lack thereof, as a barrier to student success. Respondents placed significant emphasis on academic issues as well, including academic pathways (47%), academic preparation (39%), and administrative burdens (43%).

We also asked organizations about barriers to post-college career success. Social capital (85%) was the most-cited barrier, followed by insufficient career navigation support (75%) and access to internships (65%).

Services and Program Models

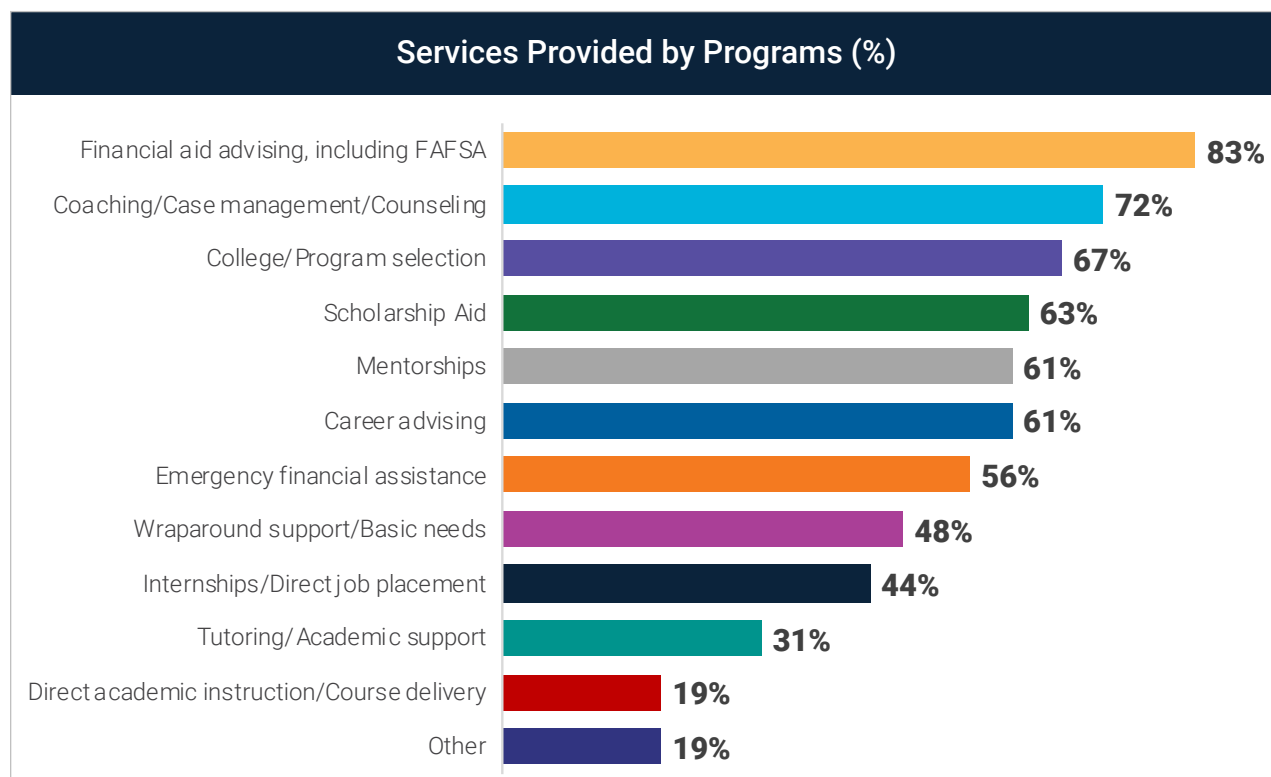
These organizations provide a wide variety of services, from counseling to career advising to scholarship aid. The most common service offered was financial aid advising (83%), followed by college/program selection (76%), coaching/case management/counseling (72%), scholarship aid (63%), mentorships (61%), career advising (61%), and/or emergency financial assistance (56%). Just under half of organizations wraparound supports/basic needs assistance (48%) or internships/direct job placement (44%).

Non-profit Organization Highlight: College Now Greater Cleveland

College Now Greater Cleveland, one of the nation’s oldest and largest postsecondary access and success programs, works across five districts and 80 schools in Northwest Ohio, and exemplifies the value of providing a multitude of student support services. The organization offers a broad range of programming to support 38,000 students annually, including middle schoolers, high school students, adult learners, dislocated workers, unemployed individuals, and veterans. College Now provides renewable scholarships for students who are academically qualified, manages scholarships for other organizations, and runs a mentoring program for all scholarship recipients, matching students with professionals in their community who are trained to coach students through graduation.

In recent years, the mentoring program has expanded to include support for access to basic needs, such as healthcare and mental health services. In addition to college advising, financial aid counseling, and the mentoring program, College Now has launched a success coaching program to serve students on campus at local colleges and universities and, particularly, to support them in transferring from community college to bachelor’s degree programs.

Non-profit providers are less likely to offer academic-related services, with 31% offering tutoring/academic support and just 19% providing direct academic instruction/course delivery, perhaps because these services are more often offered by educational institutions themselves. Some college access and success programs are “whole school models,” such as OneGoal, in Illinois and Kentucky, providing a core set of advising and support services to all students in a middle or high school. Others, such as College Success Foundation’s Washington, DC program, provide targeted, in-depth support to a subset of students, such as those from a particular geographic area, who fit certain academic or income criteria. Some augment counseling services provided by schools that lack capacity. As uAspire Chief Executive Officer Jaclyn Piñero put it, “We know there isn’t enough counseling support and that support varies based on the wealth of the school.”



Almost 80% of organizations offer their services using a hybrid delivery model. About a third offer their services primarily in-person (36%), and another third report primarily virtual services (36%).

Piñero
“We know there isn’t enough counseling support and that support varies based on the wealth of the school.” - JACLYN PINERO

A LOCAL MODEL FOR SUCCESS

College AIM in Atlanta, Georgia has a multi-tiered success program:

1 Baseline financial support for students

- Offers emergency funds that students can apply for
- Partners with grocery stores
- Sends a newsletter to all students who have completed the organization's high school program that informs students about ongoing opportunities for financial support

2 Skill-based coaching for first year college students

- Students meet individually every three weeks with their success coach
- Cohort meets in groups several times throughout the semester to strengthen relationships with their coaches and engage in skill development programming

3 Student initiated support

- All success coaches hold office hours where any student can have questions they need answered

4 Career entry supports for students transitioning from college to career

- AmeriCorps members help build out six career prep workshops hosted several times each year on topics such as LinkedIn resume building, interview prep, and networking
- Through a partnership with Careerspring, the organization is piloting an internship program where they place four college+ interns at College AIM while building out external internship opportunities with corporate partners

BUDGET, STAFF, AND PARTNERSHIPS

Our results demonstrate the breadth of the non-profit student success ecosystem, from grassroots organizations and start-ups to national programs with an array of regional and local sites that provide diverse approaches relevant to each community. There is a massive range in the annual budget of the organizations that completed our survey, from \$100,000 to around \$200 million per year. The median budget of the organizations surveyed is \$2.3 million, and 54% of responding organizations reported a budget of less than \$3 million. The number of full-time equivalent staff also varies widely, with a range of one to 750, and about half of the organizations surveyed reported a staff of less than 20.

Seventy-five percent of organizations reported that they formally partner with colleges and universities “all of the time” or “sometimes.” Even those who don’t generally engage in formal partnerships, like Fair Opportunity Project in Wisconsin or Community Bridges in Maryland, reported working with local colleges and universities on specific events or to help students receive fair and accurate financial aid offers. Partnerships are often put into place to help ensure access to data that will help programs tailor their student support services. Specific examples include:

“We focus on working directly with the students and following them from high school into college. Most often, we are building formal partnerships with high schools and/or other nonprofits to expand our direct student services.”

“1:1 support to alumni of our high school program with any college-related needs, cohort model support services, workshops on college-related topics, employment programs in the summer.”

“Full-time professional staff with expertise on college and career counseling as well as social-emotional learning/mental health.”



DATA AND EVALUATION

Strong data are a critical starting point for effective, evidence-based access and success services. Student success providers often rely on such data as students' demographic information, their academic records, and postsecondary interests and aspirations. As one leader attested, data on debt, earnings, completion, and employment is critical to strong performance management as their programs grow and evolve.

Our survey findings suggest that our education system has a long way to go to ensure that education institutions' non-profit partners have access to the data and resources they need to maximize their collective impact. Respondents disproportionately (74%) rely on their own administrative data collected from their staff and students. Fewer than half of surveyed organizations have access to administrative data from partner high schools (41%) or colleges (39%).

For example, even as students increasingly express concern around value in higher education and the need for strong career navigation support,⁵ less than a quarter of surveyed organizations have access to workforce outcomes data (24%), including only about a third of organizations that offer career advising services. Similarly, as students continue to face major basic needs challenges like food and housing, and only 9 percent of surveyed organizations have access to data on benefits participation (e.g., SNAP). In interviews, organization leaders described data as one of their greatest needs and biggest challenges. One leader attested that data access is one of the main reasons they enter into memoranda of understanding with institutions, and that those agreements can take years to finalize. And while a number of organizations told us they have worked with the National Student Clearinghouse to obtain persistence and completion data, it can be challenging for organizations to secure identifying information from students (such as birth dates) to create accurate reports.

Most organizations have participated in or completed a formal evaluation, with half having completed descriptive analyses and 44% some kind of formative evaluation (e.g., pilots, feasibility studies, rapid-cycle evaluation). About a quarter of organizations conducted an experimental study (e.g., a randomized controlled trial) to assess impacts – and about half of those organizations (15% of total) have conducted *both* a quasi-experimental and experimental study.

Organizations also recognized that evaluations can require significant effort and incur both financial and relational costs. One leader of a national program noted that randomized controlled trials, for example, can require recruiting twice as many participants as they would otherwise, which has a social capital cost in their work with partners. That said, that leader also emphasized the importance of rigorous evaluation in helping improve their program and securing belief in their model more broadly, though they noted that strong evaluation results were less helpful than anticipated in unlocking additional funding.

BARRIERS TO GROWING COLLEGE SUCCESS PROGRAMS

We asked organizations to identify which of four approaches to growing their programs, whether by scaling their reach or deepening their services, best described their short-term goals and found that organizations tend to take multiple scaling approaches.⁶ Most often, organizations focused on strengthening their present sites, reflecting many providers' place-based approaches rooted in their local communities: 72 percent plan to deepen their services ("serving the same target population in the same location, while providing enhanced/expanded services"), and 63 percent plan to expand the number of students served ("serving more people in the same target populations in the same locations"). But many did seek broader growth: 50 percent expressed a commitment to replicate their program in new sites ("serving more people in the same target populations, in new locations"), while 20 percent planned to adapt their model ("extending the program to serve a new target population").

We then asked organizations to assess the barriers they face in growing their programs. Sufficient and sustained funding ranked the highest – both 65 percent – when respondents were asked about the barriers to growing the number of students their organizations serve, followed by hiring and staffing (55%) and organizational infrastructure (35%) such as data systems or a national office. Recruitment and retention of program participants received fewer responses (30%), indicating that staff retention may be a bigger issue than finding students to serve.

Programs of different sizes face distinct trade-offs. One relatively small college success program, Access Opportunity, which works with first generation students in Colorado's Denver Metro area, sees a trade-off between program fidelity and growth. Access Opportunity welcomes a cohort of 20 new students each year starting with an initial home visit to each family as a triage point to determine the full scope of services that might benefit each student. Students participate in the program for six years, working with a support team that includes a college counselor, a social worker, and a career advisor. "The depth of services is important and impactful for a small, hyperlocal program. We wouldn't necessarily be looking to expand the exact same model we have now," shared Natalee Benzing, the Interim Executive Director, citing the goal of maintaining program quality. "More students in the program means less intimate support and relationships with counselors."



FUNDING SOURCES

We asked providers about the sources from which they receive “meaningful financial support” as a key consideration for scaling and sustainability. Ninety-five percent of organizations received funding from philanthropy and 50 percent received funding from corporations. Strikingly, only about a fifth receive funding from either K-12 school districts or colleges and universities: since 75% of respondents reported having partnerships with colleges and universities, it follows that most of those partnerships are uncompensated by institutions.

Critically, we found that relatively few respondents receive any public funding, and those that did received public funding at lower levels than nonprofits nationally, per the Urban Institute’s fall 2024 analysis of the National Survey of Nonprofit Trends and Impacts.⁷ The organizations we surveyed were less likely to receive public funding at each level of government than nonprofits more broadly: local/county (24% of our sample vs. 46% of all nonprofits); state (20% vs. 44%); and federal (20% vs. 47%).⁸ This seems especially notable given our sample represents the lion’s share of college success organizations interested in innovation and scale-up. In fact, of the organizations we surveyed, only 43% receive *any* public funding from governments – in comparison with 76% of overall education-focused nonprofits in the National Survey.

Our analysis of major federal postsecondary higher education student success funding sources indicates our respondents’ experience is not unique. A limited proportion of these dedicated dollars go to non-profit student success organizations:

- *TRIO Upward Bound*. The five Federal TRIO Programs constitute the largest federal investment in postsecondary access and success services, accounting for over \$1 billion annually, with about half going to the Upward Bound access programs.⁹ While many types of organizations are eligible, according to the Department of Education, in Fiscal Year 2023, 86 percent of Upward Bound funding went to higher education institutions themselves – as opposed to the K-12 districts and community-based partners that often college access work in local communities.¹⁰ By our analysis, fewer than 10 percent of FY2023 Upward Bound funds went to non-profit organizations.
- *TRIO Student Support Services*. TRIO Student Support Services, accounting for around \$350 million each year, funds a broad range of support services to support college completion among enrolled postsecondary students. Notably, increasing successful transfer rates is one of the program’s statutory focuses,¹¹ but the program directs essentially no funding to non-profit organizations.¹²
- *Postsecondary Student Success Grants (PSSG)*. The landmark Postsecondary Student Success Grants (PSSG) evidence fund invests in the development, testing, improvement, and scaling of evidence-based student success programs, with funding of \$45 million over the past two years. Despite Congress singling out evidence-based non-profit models One Million Degrees and Bottom Line in its appropriations legislation, only one out of the 22 PSSG grants to date have ever gone to a non-profit provider.¹³ PSSG’s track record

stands in stark contrast with the longstanding companion K-12 evidence fund Education Innovation and Research (EIR). For example, in the Fiscal Year 2023 cycle, 4 of 5 EIR Expansion grants, 9 of 12 Mid-phase grants, and 21 of 28 Early-phase grants were awarded to non-profit providers.¹⁴

- *GEAR UP*. The GEAR UP program provides about \$400 million annually for college access and “early intervention” services. It also provides scholarships to serve entire grades of students for six years beginning in middle school through States and through partnerships involving institutions of higher education and school districts. These projects can also involve community organizations or other stakeholders as secondary partners.

In fact, our survey and follow-up interviews indicated that AmeriCorps grants and AmeriCorps member placements are non-profit organizations’ most common source of federal support. AmeriCorps members provide critical staffing for many high-impact success organizations, and AmeriCorps support has often enabled these groups to add new resources like career services or serve additional sites. As Ekaterina Struett, Chief Executive Officer of College Advising Corps, attests:

AmeriCorps funding is essential to College Advising Corps’ ability to engage outstanding advisers and scale our student impact nationally. This support provides advisers with transformative opportunities to develop essential skills and gain hands-on experience. Through their work of guiding students in exploring postsecondary options and career pathways, advisers build leadership, mentorship, and communication skills, preparing them for diverse careers and empowering them to make a lasting impact in their communities. - EKATERINA STRUETT, COLLEGE ADVISING CORPS, CHIEF EXECUTIVE OFFICER

So why do the high-impact college success organizations in our survey receive such limited public funding? About four-fifths of organizations cited at least one significant barrier (aside from lack of interest). Logistics are a major challenge: 44 percent of respondents cited lack of awareness of government grant opportunities as a significant obstacle, while 43 percent cited lack of capacity for the application process and the same named lack of capacity for financial reporting. Many non-profits are would also struggle to meet the requirement that funding is provided a reimbursement basis, requiring them to have enough cash to operate before they can draw down their grants. In addition, 35 percent of organizations noted eligibility requirements as a barrier to public funding. Non-profit organizations simply are not eligible for many major grant programs as sole or lead applicants, as we discuss in more detail in our recommendations below.

One program director noted that when they launched the student success arm of the organization, they had hoped that partnering with higher education institutions would be another potential funding source – but that ultimately did not pan out. Higher education funding, particularly at the public universities that most students attended, was already tight. While the interest in student support was high, colleges were already operating on limited budgets and looking to make additional cuts to their spending.

More broadly, public and philanthropic funding streams typically focus on either pre-college efforts or support during college, not both, while most non-profit providers' programs bridge K-12 and higher education. Securing funds as students move between levels of education is challenging for many college success programs. One leader told us, "Where it breaks down is in the specific and siloed funding sources: individual school funding, district funding, state funding, government funding are so siloed. K-12 thinks their job is done when the students graduate, and higher education has to pick up the ball. There is hardly any funding that bridges the whole experience from K-12 to higher ed." Another organization that spans high school to college commented, "It's a long engagement with students and challenging to find appropriate funders for both ends of the program. Some funders are just interested in high school/K-12 while others are interested in the postsecondary programs. We are always piecemealing the program."



POLICY RAMIFICATIONS AND RECOMMENDATIONS

Non-profit providers play a crucial role driving college access and success across the nation but, as we found, receive scarce public funding – both compared to other nonprofits in general as well as nonprofits focused on education. In addition, policymakers’ investments in critical infrastructure like data systems and evaluation can support improvement across the entire field.

Informed by our survey, we offer four core recommendations: 1) Invest funding for student success initiatives, 2) provide greater access to federal funding for non-profit providers, 3) update federal student success program designs, and 4) strengthen the infrastructure for student success.

1 Invest federal, state, and local funding for student success initiatives

First, policymakers should invest funding for postsecondary student success work across the board. Our nation’s students have a tremendous unmet need for strong postsecondary navigation support from secondary education through their post-college career.

We face a national counselor student ratio of 376 to 1 among our nation’s public high schools. As the National College Attainment Network has written, today, advising is treated like an enrichment activity, not an entitlement that recognizes the importance of postsecondary education to achieving a living wage job.¹⁵ And on the other side, a recent report by the Strada Education Foundation found that only one in five recent graduates of four-year universities receive quality education-to-career coaching.¹⁶ Scaling up effective, responsive solutions to this gap will require tapping the flexible capacity of non-profit organizations, and as our survey showed, these organizations are eager to meet the need.

At the federal level, the PSSG evidence fund offers an invaluable vehicle to develop and scale evidence-based solutions. But the PSSG evidence fund’s annual appropriations are much lower than investment in the K-12 counterpart, Education Innovation and Research. While EIR is regularly funded at upwards of \$250 million per year, providing tremendous return on investment,¹⁷ PSSG has only received \$45 million over the past two years, up from its initial funding of \$5 million three years ago. Similarly, the TRIO and GEAR UP student success programs could support far more high-quality projects around the nation if funded at a higher level.

In addition, our research demonstrated the importance of the AmeriCorps program to implement and scale non-profit college success programs. Sustaining and growing AmeriCorps funding is critical to strengthening postsecondary outcomes. This support can be particularly important in underserved areas of the country, such as rural communities. For example, the AmeriCorps-supported Kentucky College Coaches program places recent college graduates as mentors who support college-going in high schools around the state.¹⁸

We also encourage state and local governments to invest directly in student success programs, whether through grant competitions or through direct contracts with proven providers. In particular, we encourage states and local governments to expand support for programs that support students in transitioning across levels of education – such as from high school to college, or from 2- to 4-year institutions – and to recognize the unique role of non-profit organizations in bridging the gap. Models for state and local investment include:

State grants. High-impact student access and success programs receive only a tiny portion of state postsecondary funding, despite the promise of evidence-based strategies to dramatically improve outcomes in a very cost-effective way.¹⁹ A few states, however, have demonstrated new ways to drive dollars to these models.

In 2022, Governor Polis launched the \$85 million Opportunity Now Colorado program to invest in “new and proven programs that connect Coloradans to in-demand, high-skill, high-wage occupations,” including postsecondary models.²⁰ Opportunity Now provides funding ranging from small planning grants, to seed funds to launch innovative programs, to scale grants for programs with demonstrated outcomes. Recent funding supported programs like Activate Work, the Colorado partner of national evidence-based training provider Per Scholas.²¹ In addition, since 2016, the Maryland Higher Education Outreach and College Access Program has funded proven non-profits including NCAN members CollegiateDirections, College Bound Foundation, and First Generation College Bound, to partner with local schools or colleges to support college access and completion among Maryland high school students with low incomes.²² In another example, the Michigan College Access Network (MCAN) receives a State of Michigan grant allocating funds to support college access and success programming for local organizations in the state, including student success program Detroit Regional Dollars for Scholars.

Local tax streams. Local governments have begun leveraging small sales taxes to support dedicated investments in postsecondary support. For example, the San Antonio Ready to Work program leverages voter-approved funding from a ¼-cent local sales tax to deliver accessible postsecondary and workforce opportunities facilitated by local nonprofits, training providers, and colleges.²³ The program demonstrates a bold commitment to postsecondary training and workforce development and includes such partners as nationally-recognized, evidence-based skills training organization Project QUEST, which works closely with colleges and leading employers.²⁴ As Francisco Martinez, President and CEO Project QUEST, says, “The City of San Antonio has become a trailblazer, demonstrating the transformative potential of local government in creating immediate and far-reaching economic impact. Informed and inspired by Project QUEST’s proven model, this initiative sets a new standard for how communities can empower individuals and drive sustainable economic growth in partnership with high-impact providers.”

Similarly, since its creation in 2018, Prosperity Denver has leveraged a 0.08 percent local sales tax to provide financial reimbursement to qualifying nonprofits that provide college scholarships and other support to Denver students.²⁵

Direct partnerships. States and local governments, including school districts, have long partnered with high-impact non-profit providers on an ad hoc basis. States and localities have increasingly leveraged these partnerships in an intentional, systemic way with an eye to scale. For example, in 2022 the Kentucky Department of Education and the Council on Postsecondary Education announced a statewide partnership with OneGoal to provide direct student and systems-level support for 13 districts across the state. OneGoal’s Leadership Network offered professional coaching, data analysis, and strategy refinement unique to each school district, aimed at advancing college enrollment and completion outcomes across Kentucky.²⁶ The two-year partnership was made possible through federal pandemic relief funding and demonstrates the massive potential value of sustaining these investments. Prior to OneGoal’s Kentucky partnership, the organization began a partnership with the Illinois State Board of Higher Education in 2021, providing leadership support for 17 districts and offering their core school-based model, which embeds a postsecondary student success and professional development program into the school day. While the first two years of this program were funded with Elementary and Secondary School Emergency Relief (ESSER) dollars, Illinois districts have continued to partner with OneGoal.

2 Provide greater access to federal student success funding

Congress and the U.S. Department of Education should ensure that non-profit providers have greater ability to compete for federal postsecondary access and success funding. As demonstrated above, a surprisingly limited proportion of those dollars go to non-profit organizations.

It will be very difficult to scale up innovative, evidence-based student success practices without addressing these barriers. Non-profit providers are particularly well-positioned to innovate and scale high-impact strategies across institutions, higher education systems, and states. Non-profit providers also play a unique role in supporting students *across* institutions and levels of education, such as the growing number of programs supporting students from high school through college graduation or students who return to school after stopping out. And while some funding opportunities allow providers to serve as subgrantees to educational institutions, the lead grantee designation matters. Serving as subgrantees limits non-profit providers’ reach, and we have heard from many organizations that it is difficult to “lead from the back” as a junior partner to institutions.

Policymakers should fix these technical limitations, including:

- *TRIO Student Support Services.* The TRIO statutory authorization provides that non-profit organizations should be eligible for TRIO grants across the five TRIO programs.²⁷ However, the U.S. Department of Education has restricted eligibility for Student Support Services funding to higher education institutions, and does not allow non-profit organizations to serve as formal partners in contrast to other TRIO programs.²⁸

- *GEAR UP*. The Higher Education Act limits lead applicant eligibility for partnership grants to school districts and institutions of higher education.²⁹ While community-based organizations can partner on applications, they cannot lead.
- *Postsecondary Student Success Grants*. The Department of Education has hamstrung the program’s potential by excluding non-profit providers from applying as lead applicants in contrast to Congress’s explicit directive to do so in the appropriations process.³⁰ When asked about applying to PSSG, one interviewee told us, “It is not easy. We are one of two organizations with an RCT demonstrating impact on postsecondary outcomes, and we are excluded from applying for this program. This is a constant frustration to me.” Moving forward, Congress should build on the strong model of EIR as it pursues long-term authorization of the PSSG program – including EIR’s emphasis on incorporating non-profit providers as core participants– and the Department should reverse their approach.

While institutions of higher education can and should play key roles in increasing college access and degree attainment, given the longstanding gaps in completion rates, non-profit organizations have a critical role to play and should be tapped as full partners for their reach and expertise.

3 Update federal student success program designs

We also encourage policymakers to allow for more flexibility in the student support services that can be offered under federal student success grants to allow programs to respond to local needs and opportunities and to be able to provide continuous support to serve students as they transition across levels of education.

Upward Bound, for instance, involves six core required services such as academic tutoring, financial aid assistance, and financial and economic literacy support, while most Upward Bound programs must provide direct instruction in academic subjects as well.³¹ Many organizations and institutions have developed evidence-based strategies proven to increase access and access that include different, and sometimes more streamlined, constellations of strategies.³² Many evidence-based programs are tailored to the unique needs of particular populations and the communities in which they are situated, as providers innovate to address the challenges they see on the ground.

In addition, the Department of Education’s scoring criteria for these programs have placed relatively limited emphasis on the evidence of proposed programs’ impacts – for instance, 3 points of 100 in the Fiscal Year 2025 GEAR UP Partnership application.³³ Increasing the emphasis on evidence – alongside ongoing evidence-building – could help make room for non-profits with effective models and deep roots in their communities, bolstering the impact of these federal programs and better helping students reach their goals.

As Congress considers reauthorization of the Higher Education Act, it should focus on serving populations with the highest needs and investing in the programs with the strongest promise to advance student success. Two possible models are the Maternal, Infant, and Early Childhood Home Visiting (MIECHV) and Teen Pregnancy Prevention programs, which support diverse approaches to home visiting and pregnancy prevention, respectively, so long as they meet a core evidence standard.

Application Complexities

As with many federal grants, complex federal application and reporting requirements for these programs are challenging for many community-based organizations to access. The organizations with the strongest potential impacts are often not the same as those best able to navigate the grants process. As one group told us, pursuing federal funding can require building new systems within an organization's finance department and imposes very real costs.

One possible solution is to empower intermediaries to make grants to community-based organizations as a way to identify high-impact organizations, matchmake between institutions and providers, and cut down on transaction costs. Sixty percent of respondents to our survey, for instance, noted their interest in support for identifying institutional partnerships. One strong model is the federal Reentry Employment Opportunities program, which leverages national and regional intermediaries to allocate a significant portion of funds for programs that improve employment outcomes for justice-involved youth and young adults.³⁴ In addition, the USAID Development Innovation Ventures program regularly supports intermediaries to offer pre-application assistance and broker connections between potential partners.³⁵

4 Strengthen the infrastructure for student success

As a foundation, we encourage policymakers to invest in strengthening the infrastructure for student success organizations, ranging from data systems to communities of practice, to accelerate the pace of improvement and support the effective scale-up of high-impact practices.

Data Systems

Less than half of the organizations we surveyed had ready access to institutions' administrative data on student participation and outcomes, and only about a quarter had access to administrative data on students' workforce outcomes. Nearly half (44%) expressed active interest in data system and performance management support. This is unsurprising, given that states around the country vary drastically in the quality of their education-to-employment data systems, as the Strada Education Foundation's State Opportunity Index reveals.³⁶

State and federal data system investments will enable student success organizations, educational institutions, policymakers, and other stakeholders to conduct stronger performance management, test new approaches, and ultimately strengthen outcomes for postsecondary students. As our partners at Data Quality Campaign have attested, policymakers should take actions like integrating workforce data into state systems, as, for instance, Kentucky has done in its KYSTATS statewide longitudinal data systems.³⁷ In addition, the recent Uniform Grants Guidance provides critical clarity on how federal grants can support grantees' investments in data infrastructure, analytics, and capacity, and the Department of Education and other agencies must prioritize conveying that flexibility to grantees.³⁸

Learning, Improvement, and Evaluation

We encourage policymakers to invest in ongoing learning, improvement, and evaluation that accelerates the field. In addition to expanding and strengthening the PSSG program, policymakers should take the following steps:

- *Leverage pooled evaluation dollars.* The Department of Education should leverage its full authority to use up to 0.5 percent of Higher Education Act funds for pooled evaluation, and should include non-profit student success organizations as key stakeholders when they develop, update, and implement their learning agenda.
- *Invest in postsecondary research.* Historically, the Institute of Education Sciences has dedicated only a small proportion of research dollars to postsecondary education in comparison to early learning of K-12: from IES' founding in 2002 through 2020, only 7 percent of IES funding supported "Postsecondary/Adult" projects.³⁹ Policymakers should ensure that postsecondary research is a focus moving forward.
- *Expand technical assistance.* The organizations we surveyed were interested in an array of assistance to help them improve their programs and move to scale, including support for evaluation and research (54%); communities of practice (46%); financial and sustainability analysis (40%); and program implementation and service delivery support (25%). This assistance should be a key part of federal student success programs moving forward, building on the model of strong assistance under parallel models like i3, as well as through the array of dedicated federal technical assistance centers in education. We are grateful, for example, by the recent announcement of the National Rural Higher Education Research Center under MDRC.⁴⁰

CONCLUSION

Non-profit postsecondary student success organizations demonstrate the tremendous potential of American innovation and community-driven approaches. We left our conversations with these incredible leaders deeply inspired by their dedication to serving their communities, as well as their commitment to continuously improving and expanding their programs. Leaders widely recognized the importance of systemic changes beyond their own organizations, with many citing the necessity of expanding Pell grants and investing in affordable, strong public higher education systems.

Federal, state, and local policymakers should prioritize leveraging these organizations' strengths as they seek to improve postsecondary and economic opportunity. Too often, postsecondary student success funding policies create obstacles for innovators when they should offer support and encouragement. But as this report illustrates, policymakers have clear options available to them to bolster non-profit providers' impact and reach. Partnering with innovators is essential to achieving a fairer, more inclusive, and ultimately more effective postsecondary system moving forward.

Endnotes

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2. EDGE Research & HCM Strategists (2024), *Continuing to Explore the Exodus from Higher Education*, <https://hcmstrategists.com/resources/hcm-edge-research-continuing-to-explore-the-exodus-from-higher-education>.
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11. *Id.*
12. The Department does note that in Fiscal Year 2023, 1.1 percent of Student Support Services funding went to organizations other than higher education institutions, though it is not clear how that relates to the Department's eligibility rules. See U.S. Department of Education (2024), "Higher Education."
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28. See U.S. Department of Education (May 1, 2024), "Application for New Awards; Student Support Services Program," 89 FR 35080, <https://www.federalregister.gov/d/2024-08328/p-70>. For reference, the Higher Education Act does imply in a couple of passages that the Student Support Services is oriented towards institutions (e.g., referring to "the institution which is the recipient of the grant or contract" at 20 U.S.C. 1070a-14(e)5)) but does not specify the program's eligibility should differ from TRIO programs as a whole.
29. 20 U.S.C. 1070a-21.
30. In House Report 117-403, Congress explicitly set the list of eligible applicants: "Eligible applicants may include institutions of higher education, a consortium of institutions of higher education, statewide systems of higher education, a nonprofit organization, or any of the preceding entities in partnership with a non-profit or business." U.S. House of Representatives Committee on Appropriations (2022). Compare with U.S. Department of Education (August 15, 2024), "Postsecondary Student Success Grant: Final priorities, requirements, definitions, and selection criterion," 89 FR 66225, at <https://www.federalregister.gov/d/2024-17709/p-116>.
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