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Executive Summary

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Care Forward Colorado and Career Advance Colorado

Financial Aid Programs to Support Workforce Credentialing in High-Demand Fields



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About This Executive Summary

This executive summary documents an evaluation of the implementation and impacts of two Colorado financial aid programs: Care Forward and Career Advance. This publication reproduces the summary of the full report, *Care Forward Colorado and Career Advance Colorado: Financial Aid Programs to Support Workforce Credentialing in High-Demand Fields*, which is available at www.rand.org/t/RRA4747-1.

State legislatures across the United States have been offering financial aid programs to encourage individuals to pursue short-term occupational credentials in high-demand fields. However, relatively little is known about how these programs are being implemented and their impacts on student outcomes. The Colorado General Assembly created the Care Forward Colorado program in 2022 through Senate Bill 22-226 and the Career Advance Colorado program in 2023 through House Bill 23-1246 to support individuals pursuing credentials in such fields as health care, education, and criminal justice. The funding was available to students enrolling in the state's 13 community colleges, three district colleges, and three area technical colleges. The report was legislatively mandated by the Colorado General Assembly, and the Colorado Community College System (CCCS) asked RAND to evaluate the two financial aid programs. In the report, we describe (1) how the programs were implemented, (2) how funding was distributed, (3) the relationship between the programs and student academic outcomes, and (4) the estimated return on investment for the Care Forward program. The aim is to provide Colorado legislators, CCCS, state agency staff, and college administrators in Colorado with actionable guidance to inform implementation and improve effectiveness of future financial aid programs. These findings may be relevant to other states that currently offer or are developing financial aid programs for short-term occupational credentials.

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Executive Summary

Issue

Between 2021 and 2023, the Colorado General Assembly established several temporary financial aid programs aimed at supporting individuals who pursue short-term occupational credentials in high-demand fields. In this report, we focus on two of these financial aid programs:

- Care Forward Colorado (Care Forward) was established in 2022 through Senate Bill 22-226, allocating $26 million in funding for high-demand health certificate programs (Colorado General Assembly, 2022). Care Forward allowed funding to students through the spring 2026 semester.
- Career Advance Colorado (Career Advance) was established in 2023 through House Bill 23-1246, providing $38.6 million in funding for credit-bearing credentials in such high-demand occupations as nursing, early childhood education, and criminal justice (Colorado General Assembly, 2023). Career Advance allowed funding to students through the spring 2027 semester.

The Colorado Community College System (CCCS) oversaw the two financial aid programs, which were closely aligned with the CCCS's mission by putting learners first, supporting students financially, and contributing to community advancement by supporting workforce development in high-demand fields.

Colorado is one of many U.S. states providing funding to colleges and students for short-term occupational credentials. As of 2025, 34 states had invested $4.5 billion in funding initiatives for short-term occupational credentials (Murphy, 2025). Yet, relatively little is known about financial aid programs for short-term occupational credentials, including how institutions implement them, how the funding is distributed across instructional programs and students, and the impacts of funding on students' education and employment outcomes. Evidence on Colorado's financial aid programs (and programs in other states) can help inform state legislators, state agency staff, and college administrators who are involved in developing and overseeing financial aid programs for short-term occupational credentials.

Approach

CCCS contracted with RAND to conduct the legislatively mandated studies of Care Forward and Career Advance. In the report, we describe (1) how the programs were implemented, (2) how funding was distributed, (3) the relationship between the programs and student academic outcomes, and (4) the estimated return on investment for one program.

To describe implementation, we reviewed legislation and CCCS documentation, interviewed CCCS staff, and interviewed 35 administrators overseeing the programs across 17 of the 19 participating institutions. We also gathered perspectives on perceived program outcomes from these administrator interviews. To describe how funding was distributed and to estimate its impacts on students' educational outcomes, we leveraged CCCS data files, which included student-level records for all students enrolled at the 13 community colleges overseen by CCCS. Our quantitative analyses do not cover students who received funding at the six institutions outside CCCS (three district colleges and three area technical colleges). In addition, we excluded concurrent enrollees and students under the age of 18. Finally, we calculated an approximate measure of return on investment based on CCCS enrollees in one program by combining costs with an estimate of benefits.

Key Findings

The following highlights our key findings for Care Forward and Career Advance according to the four research questions we outlined above.

How Care Forward and Career Advance Were Implemented

The legislation and CCCS leadership provided some explicit guidance to institutions on which credential and instructional programs were eligible, the student paperwork that had to be completed (i.e., attestation forms, financial aid applications), and reporting requirements. Other than these stipulations, institutions had considerable flexibility in how they could administer Care Forward and Career Advance. The legislation did not set caps on the amount of funding that students could receive or specify student eligibility requirements (e.g., income). Institutions had the flexibility to add student eligibility criteria, but most did not. Care Forward and Career Advance both allowed institutions to cover tuition and fees and books and material costs. Career Advance also allowed institutions to cover certification exam costs and living expenses. Most institutions attempted to cover the main instructional program costs for eligible students (i.e., allow students to attend for free) and cover common materials and assessment costs, but fewer institutions reported allocating funding for living expenses. Institutions directed funding to varied instructional programs to meet specific regional workforce needs and students' funding needs.

Interviewees who oversaw Care Forward and Career Advance at institutions described the steps that they took to implement the financial aid programs. College leadership, financial aid directors, academic deans, faculty, and advisers all played a role in supporting program implementation. Institutions emphasized at least seven areas in which they had to devote substantial time and effort to implementation, including

- requesting institutional funding allocations from CCCS
- working internally and with CCCS to refine eligible instructional programs
- determining how funds would be used and calculating costs across programs
- establishing student eligibility and application requirements
- providing outreach to prospective students and identifying currently eligible students
- calculating and allocating award amounts on an individual basis
- tracking and reporting funding.

Interviewees did not report systematic follow-up with students who received funding (beyond informing students of the funding), and interviewees did not report offering additional wraparound supports to funding recipients beyond those that were available to all enrolled students.

Staff overseeing the Care Forward and Career Advance programs identified five key factors that helped support implementation: (1) opportunities to work with CCCS to reallocate funds throughout the grant period; (2) strong collaboration among institutional staff to identify eligible students and award funding; (3) cross-institutional collaboration among financial aid directors; (4) the involvement of faculty, advisers, and peers in getting the word out; and (5) minimal administrative burden on students.

Staff overseeing the two programs highlighted five barriers to implementation: (1) limited, vague, and evolving guidance from the legislature and CCCS; (2) substantial administrative work associated with applying last-dollar grants (i.e., funding awarded after other financial aid); (3) a lack of funding for labor-intensive administration and marketing; (4) student frustration with the winding down of the temporary programs; and (5) capacity limits in some fields (e.g., space, faculty, clinical rotations) that hindered enrollment.

How Funding Was Distributed

We analyzed how institutions distributed funding from Care Forward and Career Advance through the spring 2025 semester and the outcomes for students who received funding. Our data included the 13 community colleges in CCCS and excluded concurrent enrollees and students under age 18. The key findings for this subsample of funding recipients include the following:

- **A total of 10,155 CCCS students received Care Forward or Career Advance awards as of June 2025.** Care Forward served 4,704 students, Career Advance served 5,225 students, and 226 students received support from both programs.
- **Care Forward awards to CCCS students averaged $3,535 in total (cumulative) funding per student, and Career Advance awards averaged $4,763 in total funding per student.** The larger Career Advance awards were likely due to flexibility in the program to fund long-term credentials that may have been more costly, such as criminal justice and nursing.
- **CCCS institutions distributed Care Forward and Career Advance awards in the intended high-demand fields.** The top fields that received funding were those that were specifically named in the legislation. However, there was some variation in how institutions used the funding for credential and instructional programs, driven by differences in instructional program offerings, local workforce needs, and student financial needs.
- **CCCS funding recipients were more likely to be women, first-generation students, students with financial need, and students of color.** These patterns may have been driven by which students enrolled in the targeted instructional programs and differences in the levels of financial need across student groups. Funding recipients were also more likely to be enrolled more than half time.

Impacts on Student Academic Outcomes

We found large and positive impacts on retention, completion of certificates, and completion of any credential (certificate or degree) for CCCS students who were eligible for the Care Forward program. Estimates for CCCS students who were eligible for Career Advance funding were small and not statistically significant. Our ability to fully analyze the impact of Career Advance was limited due to the later start of the program and the longer period needed to observe effects. Because Care Forward primarily served health programs, we also examined the impact of Career Advance on non-health programs. When we excluded health programs from the Career Advance analysis, the results suggested possible short-run gains in certificate completion for CCCS recipients in non-health programs.

Interviewees from Colorado institutions broadly perceived Care Forward and Career Advance to be valuable and were in favor of sustained programs that offer financial support for short-term occupational credentials. Interviewees perceived that the financial support helped cover out-of-pocket student costs, and they did not commonly report that the funding displaced other types of financial aid. This aligns with the last-dollar design of the programs, which requires other sources of financial aid to be used first. Interviewees largely viewed the financial support for students as helping increase retention and persistence rates. In contrast, views on the enrollment impacts of Care Forward and Career Advance were mixed. Some reported increases in enrollment for certain fields in which institutions had excess capacity and the flexibility to expand. But others reported that capacity constraints (e.g., lack of space, faculty, clinical rotations) and the short-term nature of the financial aid programs limited their ability to attract new college enrollees.

Benefit-Cost Analysis

We found that the estimated benefits of Care Forward exceeded estimated program costs. Using the estimated Care Forward impact on certificate completion within two years and evidence on the labor market

returns for health certificates, our benefit-cost calculation suggests that Care Forward provided earnings benefits to individuals that exceeded the program's cost to the state.

Recommendations

As Colorado and other states consider future financial aid programs for short-term occupational credentials, we make six recommendations for implementing such programs to maximize effectiveness:

1. **Offer sustained financial aid programs that fund short-term credentials with labor market value.** Our results suggest that Care Forward increased credential completion and provided value that exceeded the program's costs. Colorado and other states should make ongoing and sustainable investments that support students as they pursue high-value credentials. States should use workforce demand as one measure of credential value.
2. **Provide explicit guidance up front on how institutions should distribute funding.** State legislation should grant CCCS (or other agencies overseeing financial aid programs) the authority to clearly define parameters for the program up front and ensure that institutions have access to common guidance before distributing funding. Those who develop guidance on statewide and CCCS-wide financial aid programs should consult with institutional leaders and financial aid directors.
3. **Provide funding to cover administrative costs.** Care Forward and Career Advance took substantial staff time to implement. When legislators allocate funding for short-term financial aid programs, they should include funding for institutions to build staff capacity to effectively distribute funds and support student applicants.
4. **Minimize administrative burden on students wherever possible.** Colorado institutions made it a priority to minimize administrative burden for students under Care Forward and Career Advance, but students had to complete financial aid forms. Administrative requirements pose major barriers for students and can prevent many students from accessing funding.
5. **Design financial aid programs with features that maximize effectiveness.** Some broader evidence on financial aid programs suggests that targeting funding to high-demand fields, providing larger grants, and prioritizing funding for low-income students can maximize impact on academic outcomes. More evidence is needed on features that maximize the effectiveness of financial aid programs for short-term occupational credentials. Care Forward and Career Advance targeted funding to high-demand fields and provided relatively large awards, but Career Advance did not target funding to low-income students.
6. **Conduct additional analysis on financial aid programs for short-term occupational credentials.** We suggest follow-up analysis on Career Advance. Given the timing of this report and data availability, we were unable to estimate impacts for academic year 2025–2026 Career Advance recipients, and we could only follow some participants for one or two semesters (i.e., not long enough to observe the completion of associate degree programs). Updated analysis may yield different findings. In addition, research on other state financial aid programs for short-term occupational credentials can help provide additional evidence on the efficacy of these programs and help states inform the design and implementation of more-effective programs.

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