

Pennsylvania Association of Financial Aid Administrators

Financial Literacy and Helping Your Families Navigate through the Maze



Presenters:

Karen Foust, Sallie Mae

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Jennifer Burns, Chatham University

Joanna Hastings, Slippery Rock University

Session Agenda

- Financial Literacy Survey Results
- Best Practices

Chatham University
Slippery Rock University

- Q&A

Financial Aid Survey Results

Survey Overview

Purpose: survey higher education institutions with a goal of understanding if they offer financial literacy tools and resources to their families and, if so, what their priorities are in developing and deploying them

Survey Respondents: 305

Note: survey conducted by Sallie Mae April 2014

Respondent Demographic

School Type	%
4-year not-for-profit public	30%
4-year not-for-profit private	47%
4-year proprietary	5%
2-year not-for-profit	14%
2-year proprietary	3%
Certificate/trade	2%

By student body size	%
Small (LT 3,000 students)	43%
Medium (3,000 to 10,000 students)	30%
Large (GT 10,000 students)	27%

By Classification	%
Degree-granting undergraduate only	28%
Degree-granting graduate only	3%
Degree-granting undergraduate and graduate	66%
Certificate only	3%

Financial Literacy Topics of Most Interest

Topics	Rank
Debt Management	1
Budgeting & Saving	2
Default Management	3
Exit Counseling	4
Understanding Credit	5
Entrance Counseling	6
Other	7

Institutions Offering a Financial Literacy Program

Overall:

Yes =48%

No =48%

Don't know = 5%

By student body size	No/Don't Know	Yes
Small	61%	39%
Medium	44%	56%
Large	34%	66%

By school type	No/Don't know	Yes
4-year NFP public	37%	63%
4-year NFP private	53%	47%
4-year proprietary	38%	62%
2-year NFP	59%	41%
2-year proprietary	57%	43%
Certificate/trade	80%	20%

By classification	No/Don't Know	Yes
Degree-granting undergraduate only	58%	42%
Degree-granting graduate only	62%	38%
Degree-granting undergraduate and graduate	43%	57%
Certificate only	71%	29%

Obstacles to Having a Financial Literacy Program

Obstacles	%
Limited resources	66%
Budget limitations	50%
Student commitment	38%
Lack of buy-in	31%
Low priority	30%
Not sure	9%
Other	11%

Note: respondents selected all that applied

Delivery Methods

Delivery Methods	% Chose
Classroom	62%
One-on-one counseling	61%
Posters/flyers/table tents/other printed material	52%
Email campaigns	43%
Online tutorials/quizzes	43%
Interactive games /events/workshops	38%
Social media	36%
Webinars	15%
Podcast	5%

Note: respondents selected all that applied

Who on Campus is Primarily Responsible

Responsible	% Chose
Financial Aid Office	55%
Multiple Offices	26%
Student Financial Services	13%
Student Development	4%
Business Office	1%
Academic Affairs	0%
Other	1%

Tools Utilized

Tool source	% chose
In-house tools/program	30%
Third-party tools/program	22%
Combination of in-house and third-party tools/ program	49%

Vendor	% chose
SALT	34%
Lender tools and resources	20%
Life Skills	18%
CashCourse.com	13%
Inceptia	8%
Mymoney.gov	2%
Other	33%

Factors in Selecting a Program

Consideration	% Chose
Quality of content	35%
Cost	21%
Availability of internal resources	16%
Demonstrated effectiveness	15%
Product features	12%
Reporting	1%

Additional Survey Questions

- **What types of validation, tools, data or other support would be required to motivate your campus to invest in a financial literacy initiative?**
 - Response summary: *Supporting data or evidence of what a literacy event can do for the school (lower default rates, better prepared graduates, retention); ROI for senior administration; federal mandates; more money or staff dedicated to managing a program.*
- **What do you value most about your current financial literacy program?**
 - Typical responses: Its effectiveness; impact to CDR; the teamwork required but which also produces great accountability and interdepartmental relationships across campus

Additional Survey Questions, cont.

- **How do you engage your students so that they take advantage of the financial literacy program?**
 - Response summary: bribe students with incentives (bookstore gift cards, scholarships, course credit); peer marketing; gaining access through academics
- **How do you measure the outcomes/success of your financial literacy program?**
 - Typical responses: we do not measure success; we measure participant rates and default rates; we survey participants
- **What is not currently available that you would like to see brought to the market?**
 - Response summary: A system that both incentivizes participation and encourages competition among students in financial literacy

Best Practices

- Chatham University, Jennifer Burns
- Slippery Rock University, Joanna Hastings

Chatham University Financial Literacy Overview

Jennifer Burns
Director of Financial Aid
Chatham University

Chatham University

- **2,200+ students make Chatham the fastest growing college/ university in the Pittsburgh region over the past decade**
- **The 1st campus in the world built from the ground up for the study of sustainability – Eden Hall**
- **3 mission initiatives sustainability & the environment, leadership, and global understanding**
- **Fall 2015 – undergraduate co-educational**
 - **Six Men's DIII Sports**
- **Current Financial Literacy Process:**
 - **Monthly in-person sessions**



Marketing and the Financial Aid Office

- **Determine reputation of aid office on campus**
 - Institutional-administered or conduct your own
 - Talk to students
 - Based on results develop game plan for student outreach
 - **Student Study Breaks**
 - **Registration Relaxation**
 - **Meet with the VP**
 - **Outside Scholarship Database**
 - Advertise to students
 - **Attend on campus events/represent the office/get involved**



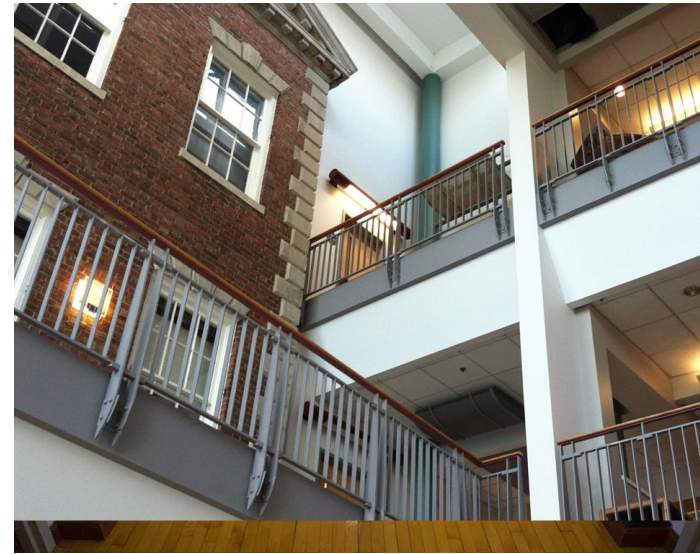
Determine Your Resources

- **Do you have any funds budgeted for financial literacy?**
 - **If not:**
 - **Be Creative**
 - **Graduate Assistants/Associates**
 - » **Outside Scholarship Sessions**
 - **Internship for credit**
 - » **Developed Outside Scholarship Database**
 - **Financial Aid Office**
 - **Provide monthly in-person session to students**
 - **Reach out to lender partners who will provide sessions at no cost on a range of topics for your students**
 - **Faculty/Staff**
 - **Criminology/Public Safety**
 - **Ex: Identity Theft Protection and Prevention**



Do Your Homework

- **Determine best dates and times to offer sessions**
- **Checked with students/former students**
- **During Lunch**
 - Offer Lunch Voucher
 - Close proximity to cafeteria
 - Offer gift card raffle; give-away; etc.
 - Tuesday or Thursdays only for us
- **Advertise**
 - Worked with Enrollment Marketing and Graphic Designed
 - Postcards in on campus mailboxes
 - E-mails
 - On-campus student activity calendar (Printed and weekly via e-mail)
- **Determine sessions which are of interest/well attended**
 - Loan repayment – twice/year
 - Outside scholarship search – twice/year



Partnering Across Campus

- Collaborate with other offices to help reach students
- Have other departments help advertise your events
 - Faculty and staff
 - Business classes
 - Present in those classes
- Student Affairs
 - RISE – minority student group
 - Lunches
 - Outside speakers
 - Training
 - Webinars
 - Student Athletes
 - Veterans
 - Task Force



Slippery Rock University Financial Literacy Overview

Joanna Hastings
Assistant Director
of Financial Aid
Slippery Rock University

SRU'S FYRST SEMINAR

- Is a University program and it stands for **F**irst **Y**ea**R** **S**Tudies
- There are 1,517 freshman students this year and 96% of them participated in the FRYST seminar
- The FYRST seminar includes topics such as study skills, time management, goal setting, career exploration, relationships etc.
- The Financial Aid Office can only offer this presentation. We must be invited to present on Debt Management
- There are 77 sections in total - we were asked to present in 18
- The Financial Aid Office spoke about debt management to a total of 427 students

What is covered in our Debt Management Session

- **Financial Aid Information:** FAFSA, Verification, Award Letter, Types of Aid, SAP, Student Portal, Borrowing Smart
- **Statistics on Educational Loan Debt:** National and State Figures, Impact of Student Loan Debt, Using NSLDS to Keep Track of Their Loans
- **Budgeting:** What is a Budget, What to Include in a Budget, Needs vs Wants, Top 5 Money Drains, What About Housing?, Ways to be Frugal
- **Credit Cards:** How to Choose the Right Credit Card, Tips for Using a Credit Card, Credit Card Dangers, Credit Reports, Credit Scores, How to Improve Your Credit Scores
- **Questions and Answers**

RESULTS

- 98% found the presentation to be helpful or extremely helpful
- 91% learned something new about student loan debt and budgeting
- 90% of learned helpful hints about credit cards
- 72% stated they were previously taught about budgets. 66% said they learned it from their parents. Go Parents!
- 18% currently have a credit card and most of them did not know their interest rate
- 69% have taken out loans to pay for school. 40% did not know how much they borrowed
- **Do Not be discouraged. What ever you do has an impact!**

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