



# Financial Wellness & Literacy in Post Secondary Schools

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***“The number one problem in today’s generation and economy is the lack of financial literacy”***

**Alan Greenspan**



# Today's Agenda



- **Why is financial wellness/literacy important for college students?**
- **What Pitt does and continues to do**
- **The importance of our program**



# What is Financial Wellness?

## *(Our Ultimate Goal)*

- A condition where a person can fully meet current and ongoing financial obligations
- Being prepared for a financial emergency
- Can create financial goals to contribute to their future
- Able to make choices that allow them to enjoy life within their means
- Accomplishing these criteria with little stress and strategically
- Simultaneously aligned with other areas of well-being



Having control over your finances. Being able to pay bills on time and be able to make ends meet.

Having a financial cushion against unexpected expenses and emergencies. Savings, adequate insurance, good credit, and family/friends who can help in a bind.

### Financial Well-Being

Being able to set financial goals and work towards completing. For instance, purchasing home, car, repaying student loans and etc.

Being able to make choices that allows you to enjoy life within your financial capacity. Taking vacations, hobbies, and etc.



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# What is Financial Literacy?



- Financial literacy is having the knowledge and the skills to make informed decision about money.
  - Earning
  - Spending
  - Investing
  - Saving
  - Budgeting
  - Borrowing
  - Don't spend what you don't have!



# Student Loan Statistics

- 56% of Americans feel that the cost of education is out of hand.
- 43 Million Americans hold federal student loans.
- Student loan debt is currently \$1.7 trillion
- Average federal student loan debt is \$38,000.
- 54% of college undergraduates graduate with student loan debt.
- Statistics from [lendingtree.com](https://lendingtree.com)



# College Student Statistics

- Of 30,000 students polled, 53% of students felt they were not prepared to manage their money.
- Topics that students want to learn more about:
  - Interest rates
  - Student loans
  - Credit score
  - Budgeting
  - How personal finance works.
- US News and World Report



# Credit Card Statistics

- Credit card debt hit a record at \$1.03 trillion in 2023.
- \$485 million general purpose cards in circulation in 2020.
- Visa had most cards in circulation - 753 billion.
- Chase had largest credit card share in balances in 2021 at \$154 billion.
- \$5,000 average credit card balance in 2020.
- 47% of credit card holders carry a balance.
- 43% borrowed due to an emergency.
- Statistics from Bankrate.com





# Literacy Statistics

- Women are using credit more than ever but still earn less.
- Only 57% of Americans are financially literate.
- 73% of teens want a more personal finance education.
- Americans lose on average \$1,819 annually due to financial literacy.
- 77% of American's are financially anxious.
- Zippia – The Career Expert





# What is the Problem?

- Financial literacy rates have fallen 19% in the past 10 years.
- 25% of American Adults don't have anyone to ask for guidance.
- 63% of Americans live paycheck to paycheck.
- 71% of Americans believe they have high financial literacy rates.
- 16% of Millennials understand basic financial principles.
- 53% of American's don't have an emergency fund.
- The US ranks 14<sup>th</sup> in financial literacy
- Zippia – The Career Expert

“

FINANCIAL LITERACY IS AN  
IMPORTANT PART OF  
AVOIDING FINANCIAL  
MISTAKES AND PLANNING  
FOR A STRONG, SECURE  
FINANCIAL FUTURE.

”

TIM PAWLENTY, FINANCIAL SERVICES ROUND TABLE, PRESIDENT & CEO



# Observations in College Students

- Some students are averse to taking student loans but using credit cards.
- Some students are averse to having credit cards, which may limit their spending ability (renting a car, a hotel room, etc.)
- More interest in investing without an emergency fund or savings
- Retention: some students may have to leave school because they cannot afford the tuition
- Empower your audience
- Tell your story
- Use survey methods...what does the student need?



# Why Our Program Exists



- Reality of how much school costs
- Lack of emergency funding
- Unexpected costs/emergency
- Food insecurity
- Eating healthy and on a budget
- Missing financial aid deadlines
- Loan aversive
- Refunds



# What We Do at Pitt

- Partner with various offices on campus
  - Financial Aid
  - Greek life
  - TRIO
  - Pitt's regional campuses
- Virtual workshops and in person presentations
- Tabling and outreach
- Suggest best practices to students
- We are not here to lecture, we are here to educate and guide students

**Financial wellness is a journey, not a destination!**







# Programming – Virtual and In-person

- Grocery shopping on a budget
- Off campus housing
- Loan borrowing and repayment
- Avoiding Identity Theft
- Budgeting
- Credit - Cards / Scores /Building
- Insurance
- Investing
- Benefits as a new grad – retirement
- Saving
- FAFSA completion (partner with Financial Aid)



# Why These Programs are Necessary

- **It is a topic for everyone and it's for a lifetime!**
- It's the basic understanding of finance and financial skills
- It's learning these skills and successfully integrating them into everyday life
- It provides knowledge and confidence
- It allows an individual to live more confidently
- Certain states do not require financial literacy classes in high schools
- ***It's teaching skills to students who may not have been exposed to these topics prior to coming to college***



# Today's Take Aways

- One size does not fit all!
- Be ready to pivot!
  - Plan on revamping, updating, making changes.
- How do I get students to attend sessions?
  - QR codes
  - Social media (Instagram, Facebook, TikTok)
  - Incentives:
    - Giveaways (if you have it)
    - Food/Drinks
    - Gift cards
- College age students are generally dependent upon their parents, but as they progress through college, they begin to make financially independent decisions.
- It takes a village!
  - Be sure to include others on your campus.
- Never stop trying!



# Impact of the Program

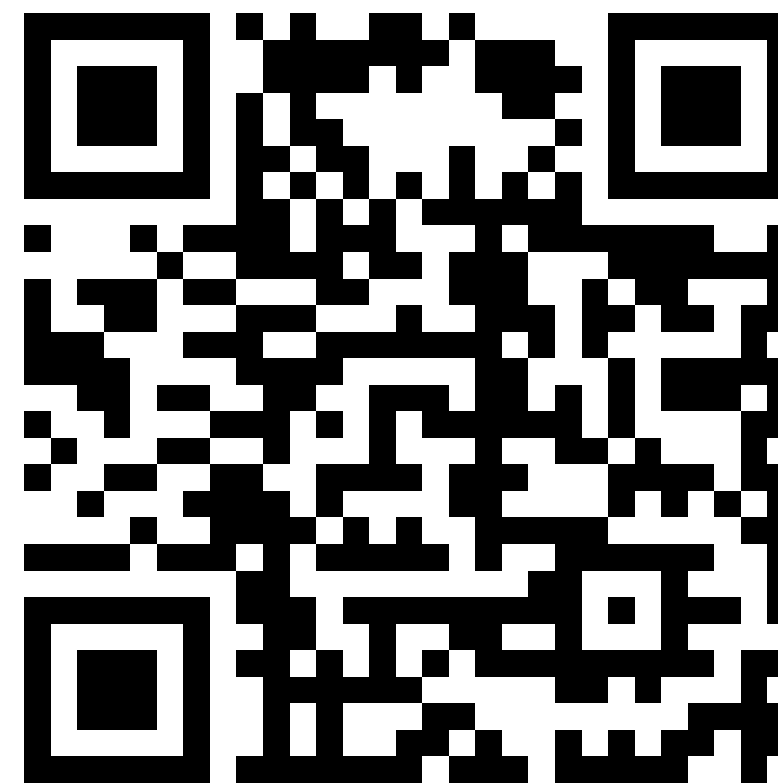
- Grad Ready
  - Pre-test vs Post-test
- Open conversations
  - Tell stories, create an open dialogue
- 1:1 Meetings
- Increase in attendance
  - Keep statistics to show growth
- Peer Educators
  - Telling their stories and sharing what they have learned with others



# Partnerships & Organizations

- **Higher Education Financial Wellness Alliance**
- <https://www.hefwa.org/>

**The Higher Education Financial Wellness Alliance is a network of professionals and institutions driven to advancing student success through financial wellness.**



Scan the QR code for more information!





# Any questions?



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# Thank you!

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