

Meeting New Financial Literacy Requirements in the Higher Education Opportunity Act (HEOA)

SAEOPP 2009 Conference

About Decision Partners



- 501(c)(3) non-profit organization.
- Endorsed by College Parents of America, the American School Counselor Association (MA), and the American College Personnel Association.
- Key accomplishments:
 - Course has been integrated into College Foundation of NC's two million-user college portal for NC students.
 - Implemented a state-wide financial literacy program in MA at 300 public schools.
 - Course licensed by PNC Bank, a major education lender, and Association of American Medical Colleges for medical students.
 - State wide GEAR UP pilot program in SC.
- Recently covered in the *Chronicle of Higher Education* and *Inside Higher Ed*.

Financial Literacy in the HEOA

- Indicates substantial new focus for TRIO Programs.
- Affects Student Support Services, GEAR UP, Talent Search, Upward Bound, and Educational Opportunity Centers.
- Also includes parental education option for Upward Bound and Talent Search.
- Congress recognizes the important role financial literacy education can play in overall student success.

Student Support Services

- SSS experiences the greatest change under the HEOA.
- Adds financial literacy education to the core mission of the program.
- New language includes:
 - “To improve the financial literacy and economic literacy of students, including:
 - Basic personal income, household money management, and financial planning skills; and
 - Basic economic decision making skills.”

GEAR UP, Talent Search, Upward Bound, EOC

- The HEOA now mandates that financial literacy education be a required service of these programs.
- Language includes:

“Education or counseling services designed to improve the financial literacy and economic literacy of students or the students’ parents, including financial planning for postsecondary education.”

All Programs – Performance Based

“Each TRIO Program operates against specific, measurable outcome objectives as clearly defined in each approved grant proposal. TRIO Program Directors are held accountable and must meet their stated objectives each year if they expect to remain funded and able to help participants in their targeted service area.”

COE Website

Why Financial Literacy?

- Debt is a significant and growing barrier to success for young adults, especially first generation college students:
 - Average undergrad student loan debt is now \$20,000+
 - 1 in 3 recent grads have additional credit card debt of \$10,000+
 - Nearly 60% of freshmen report that their financial situation distracts them from their school work – higher among first generation students
 - Poor credit scores contribute to much higher payments on private student loans, decreased employment opportunities
 - Financial stress is a major contributor to dropping out of school

Our Learning Model

We approach financial literacy education as a behavior-focused *prevention* effort tied to times of transition.

A Multi-Pronged Approach

- Use online delivery to personalize financial literacy education to each student based on their age, learning needs, and survey responses, while integrating proven prevention strategies.
- Educate entire populations for greatest cultural impact – class, school, campus.
- Involve parents/schools/communities in acknowledging and addressing problem.

Decision Partners Courses

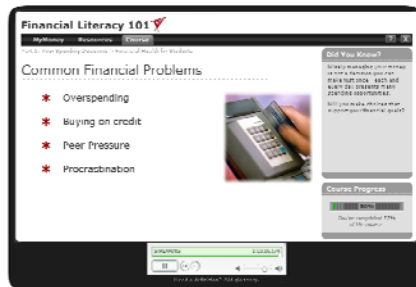


- TuitionEdu for high school students, Financial Literacy 101 for high school seniors and college students.
- Next generation financial education tools - customized to the learning needs of each user, including first-generation (2009).
- Includes extensive administrative functionality – tracking user progress, multiple access codes and course facilitators, export usage data for audits and reporting.
- Complemented with offline presentations, handouts, and admin training materials.

What is TuitionEdu?

- Online financial literacy course and college planning tool designed for high school students in TRIO programs.
- Unique “coach” guides students through the program and provides positive feedback for completed work.
- Multimedia course covering financial aid options, applying for aid, and financial literacy education in the context of saving for college.
- 20-question graded exam and a printable course completion certificate.
- Additional tools include a financial goals journal, a college planning checklist, an interactive financial aid planner (also a great tool for parents), printable fact sheets, and dozens of pages of textual content.

What is Financial Literacy 101?



- Interactive, multimedia modules cover key financial topics for transitioning to college: understanding financial health, budgeting, credit card management, and banking.
- Linear course model – just like an in the classroom course – that may be taken over multiple sessions.
- Initially developed under guidance of senior Duke University financial aid staff.
- Courses have been in the field for three years.

Course Overview: Surveys

- Pre and post-course surveys collect student financial knowledge, attitudes, behaviors, learning gains, and course feedback.
- Used to customize certain parts of the course: personal financial recommendations, expectancy challenges covering debt levels and starting salaries.
- Aggregate survey data delivered in yearly report.

Course Overview: Multimedia

- Over a dozen multimedia modules give overviews of key content areas.
- Ensures that students are engaged with the content regardless of learning style, meets expectations of “Digital Generation.”
- Students may “save” modules to their personalized page for contextual drill down to more detailed textual information.
- Students may take personal notes on any content.

Course Overview: Exercises

Estimated Monthly Income	
Part-time Job(s)	125 <small>If you have a part-time job, enter your monthly take-home pay (the actual amount of your check).</small>
Allowance	0 <small>If you receive an allowance from parents for lunch and other expenses, enter it here. Any money you receive from your parents that you may spend as you wish.</small>

Estimated Monthly Expenses	
Gifts	
Clothes	Select <small>Many students get money for clothes shopping or pay for clothes with their job earnings. Enter your average clothes spending each month. If your parents take you shopping and pay the bill, select "0".</small>
Car Expenses	Select <small>If you have a car, enter any expenses you have to pay such as gas, maintenance, car washes, and insurance over one month. If your parents pay all car expenses, select "0".</small>
Food	0 <small>Enter the amount you spend each month on any food purchases - breakfast, lunch, snacks, and dinner if you buy your own.</small>
Entertainment	Select <small>Enter an estimate for what you spend each month on nights out with friends, movies, video games, magazines, music, gadgets, and any other entertainment-related purchases you make.</small>
Other	Select <small>If you regularly spend money on anything not listed above, enter it here.</small>
Savings	Select <small>Savings as an expense?!!? You bet - if you want to save money, you have to save each and every month.</small>

- Provides students with personalized feedback on their financial expectations.
- Exercises include financial goals, creating a monthly budget with budget-to-actual capability, credit card repayment, personal recommendations on protective financial behaviors, and post-graduation "Real World" budget estimator.
- Links abstract financial concepts to each student's life experience and financial expectations.

Course Overview: Assessment

- Quizzes reinforce major concepts – students get the reason why they chose the correct or incorrect answer after each question. Students may re-take missed questions to raise grade.
- Course completion certificate with secure code verifies completion – great for a homework assignment.
- Real-time administrative control panel for viewing & exporting user progress data.

Course Overview: Personalization

- Each student builds their own My Money page when using the course.
- Personalized financial goals journal, monthly budget with tracking capability, student-selected web links, saved content from the course with notes, all exercises, all printable fact sheets, expanded textual resources, and course progress/review feature.
- Students may return to the course for as long as needed.

Administrator Tools

- Course administrators may set multiple access codes and course instructors, export usage data, generate data reports, contact students taking the course, plus more.
- Courses may be customized by the course administrator with local resources and school-specific messages.
- Easy to use set up wizard walks the administrator through the course options (printed guide is also included).
- Instructor guide explains the course and suggests related activities.
- Includes student presentations and handouts.

Performance-Based Deliverables

- Each student completing the course will have accomplished:
 - Short and long term financial goals.
 - A monthly budget that may be referenced on an ongoing basis.
 - A comprehensive financial aid plan (TuitionEdu).
 - Financial self assessment - stress, spending habits, credit cards, hours worked per week, plus more – that is saved for future reference (Financial Literacy 101)
 - A complete financial plan for their unique challenges.
- Aggregate survey data report for students in *your* program
- Verifiable completion of course with graded 10 or 20 question exam, all easily exportable to Excel by both date range and program.

Student Feedback

Students react well to Financial Literacy 101. Based on responses from our 2007 statewide financial literacy program for high school seniors in MA:

- 97 percent would “recommend the course to friends”
- 94 percent said they “learned a lot from this course”
- 77 percent found the course interesting
- Over 90 percent of students agreed that the course increased their understanding of credit cards

Our Commitment to TRIO

- Decision Partners is following the HEOA negotiated rulemaking process and has made suggestions for implementation of the financial literacy requirements.
- Will ensure that courses meet all current and future requirements.
- Will improve the courses yearly based on feedback from students in TRIO programs and program administrators.

Thank You!

www.financialliteracy101.org

www.tuitionedu.org

Course Access Code: TRIO

Financial Literacy 101 Admin Code: NASFAA
Admin Password: 1234

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www.decisionpartners.org