

# Partnering to Ensure Student Financial Stability

A Report on the Achieving the Dream/OneMain Financial Student Financial Empowerment Project

June 2018



# Preface

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Many community college students experience financial struggles. Often, those challenges are rooted in a need for the student to support his or her family, or may be based on the reality that the student simply cannot afford to attend college. Whatever the reason, financial challenges constitute one of the main reasons why students leave college early, before completing their course of study.

In 2015, Achieving the Dream and the Center for Financial Services Innovation (CFSI), an authority on consumer financial health, conducted a survey of administrators, faculty, and students. Through these surveys and additional secondary research, three prominent financial challenges were identified:

- ▶ Students are challenged to manage a limited cash flow that often comes in the form of a lump sum at the beginning of the semester or in early February as part of their tax refunds.
- ▶ Students lack a financial cushion to absorb the shocks of a medical bill or a needed car repair. The only alternative they may have is to drop out of school in order to increase their work hours.
- ▶ Students pay more for financial services because of either a lack of a credit history or a low credit score. Because credit scores are now used by employers and landlords, students with poor credit may be rejected for employment or housing.

As a result of these findings and other emerging trends, Achieving the Dream reaffirmed its commitment to tackling the challenges of student financial insecurity. We have undertaken a number of related initiatives over the past several years that have provided us with a rich base of knowledge about the importance of financial education as a component of strong student supports.

Two of the most notable of those initiatives are the Student Financial Empowerment Project (SFEP), where colleges work to establish or expand financial empowerment strategies, and the Working Student Success Network (WSSN), a holistic approach to addressing issues that provide working students with tools like financial services and strategies for asset building. Both of those initiatives have helped colleges shape services that build a student's financial knowledge, increase access to saving and wealth-retaining financial products, and advance a student's capacity to meet short- and long-term financial goals. Specific strategies that participating colleges undertake—such as training, the sharing of information and tools, and financial education and coaching—help students learn to make informed choices about budgeting and the wise use of financial products such as loans and credit cards.

Another significant endeavor over the past three years has been Achieving the Dream's partnership with OneMain Financial to annually award the Financial Empowerment Award to a selected college in the ATD network. Winners of that award have included Jefferson Community & Technical College (KY), Northeast Wisconsin Technical College, and Davidson County Community College (NC). These institutions have each demonstrated the impact that a focus on financial literacy and supportive services can have for students.

Support from OneMain Financial for programs like the Student Financial Empowerment Project enable our colleges to learn what can be most impactful in meeting student financial needs. Such knowledge is all the more critical as the price of tuition and fees inches upward and while grant aid and tax benefits fail to keep pace with the rising cost of college. Achieving the Dream is deeply grateful for our partnership with OneMain Financial and its support for students and the communities where they live and work. Together, we are making a difference in the lives of countless students and helping them reach their academic goals.

**Dr. Karen A. Stout, President & CEO**  
Achieving the Dream

# Introduction

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Colleges and universities frequently find that students cite financial pressures as a significant obstacle in their progress toward college completion. This can particularly be a challenge for first-time-in-college (FTIC) students, students from traditionally underserved populations, and students of color. To help address this issue, many institutions invest in efforts to provide financial education training that is designed to help students complete their degree or college-level training, get jobs, improve their personal financial credit record, and make sound financial decisions in the future. In that context, and recognizing the critical role that a student's financial stability plays in academic and career achievement, Achieving the Dream and OneMain Financial partnered in 2015 to create the Student Financial Empowerment Project (SFEP). Under the program, five community colleges—Alamo Colleges (TX), Bakersfield College (CA), Greenville Technical College (SC), St. Petersburg College (FL), and Triton College (IL)—received grants to help them provide financial coaching, integrate financial literacy into student success courses, and deliver financial planning and debt management workshops. Initiatives under the SFEP were designed to help students from participating colleges become more financially secure and enhance their capacity to persist in college.

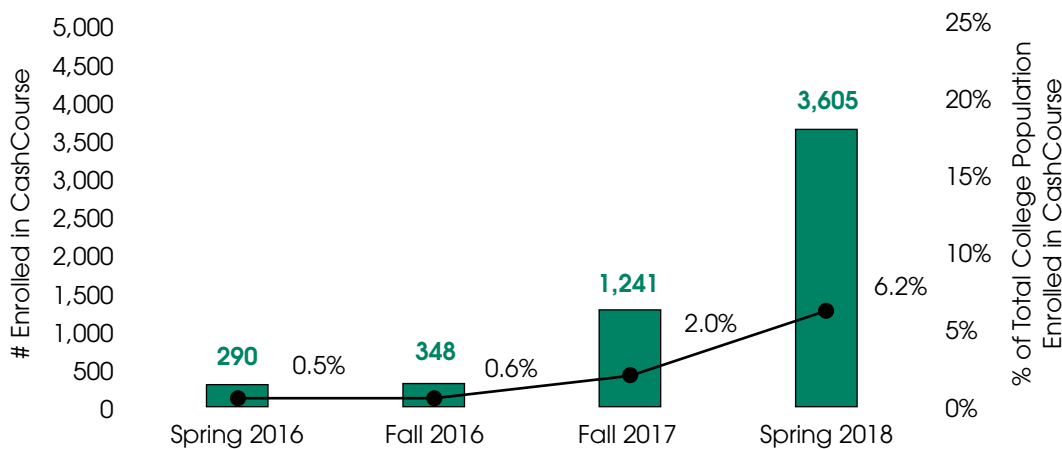
This brief highlights outcomes under the SFEP at three institutions—Alamo Colleges, Greenville Technical College, and St. Petersburg College—including data and analysis about the impact that the SFEP has had at each institution and how the institution plans to scale their program to reach more students.

# Alamo Colleges (Live Oak, TX)

Alamo Colleges used part of its SFEP funding to expand student participation in CashCourse, a free online financial education resource designed specifically for college students that was created by the National Endowment for Financial Education. Grant support helped the college hire work-study students who promoted CashCourse at campus events and conducted brief presentations in classes where students could sign up to participate. The students also developed flyers and giveaways to promote the program. The results were significant.

In May 2016, prior to the grant, only 290 students were enrolled in CashCourse. By the end of January 2018, with grant support, the college expanded participation in CashCourse to 3,605 students, or approximately 6.2 percent of Alamo's total student body.

## Alamo Colleges - CashCourse Enrollment



CashCourse is part of an Alamo program called

“Managing My Money,” which is designed to increase students’ financial awareness and empower the college’s diverse communities for financial success. The college used part of its SFEP grant funding to expand student awareness of “Managing My Money” by asking financial literacy questions on the financial aid surveys it distributes at the end of each semester. Students who reported familiarity with the program increased from 579 out of a potential audience of 2,381 students after the fall 2016 semester to 805 of 3,216 students at the end of fall 2017.

Alamo Colleges also focused on financial literacy for first-time-in-college students by incorporating financial literacy as a mandatory component in developmental classes that it requires for FTIC students. The college also includes references to financial literacy materials as part of a mandatory seminar for incoming first-time-in-college scholarship recipients. (Seventy percent of students who sign up for CashCourse are both FTIC and eligible for grants under the federal Pell program, which is primarily for low-income students.)

As another measure of improvement in student financial literacy, Alamo Colleges has begun to conduct pre and post testing as part of CashCourse. While this is not required, students can elect to take a pretest on financial literacy

before starting the program, then complete a post-test at the end of the semester. Scores are available for administrators to assess. To date, the college has compiled 557 completed tests across its five campuses. The school plans to compute overall improvement rates once more data have been collected.

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*“Doing the modules in CashCourse was an eye opening experience.”*

- Alamo Colleges student

Efforts to scale financial literacy vary across the five Alamo Colleges. Northwest Vista College (NVC) has made the most headway. Beginning in the fall 2017 semester, NVC provided 50 instructors in FTIC-oriented courses with required presentations, including one on financial literacy. Administrators make sure that those presentations as well as instructions for CashCourse are readily available on Canvas, the school’s online learning management system. Instructors are encouraged to direct questions about modules in CashCourse to the school’s Academic Program Specialist, who along with a financial literacy work study student is available to conduct 20-minute presentations on CashCourse and financial literacy in different courses; 25 such presentations were delivered in the fall 2017 semester. (This number does not include presentations on financial literacy that instructors

may have conducted on their own.) After these presentations, students are instructed to create an account on CashCourse. Anecdotal information suggests that students generally enjoy the modules, but found them eye-opening in the sense that they show participants how unprepared they are to manage their financial futures.





# Greenville Technical College (Greenville, SC)

The Financial Empowerment program at Greenville Technical College encompasses a variety of services that include classroom presentations, “lunch-and-learn” training, information tables at events, outreach through social media, a library research guide, and individual appointments with financial counselors. The school’s SFEP grant enabled it to expand its marketing of Financial Empowerment programming from efforts directed primarily just at new students who had enrolled in college success courses to the entire student body, including learners at branch campuses. As a result, 38 percent more students participated (during the fall 2017 semester, the program tracked 1,857 participants in different activities, compared to 1,343 participants in fall 2016). Of those participants, 69 percent attended a class presentation as part of the curriculum in the college success courses, 19 percent attended “Lunch and Learn” workshops, 9 percent received financial literacy information and literature at an information table, and 4 percent had individual appointments.

Concomitant with its receipt of the SFEP grant, Greenville Technical College partnered with the United Way to enable the college to staff its Financial Education Center with two AmeriCorps volunteers. The volunteers received intensive financial literacy training and became certified MoneySmart financial coaches. That knowledge gave the volunteers skills to effectively help students improve their money management skills and connect with relevant community resources. Adding the two AmeriCorps volunteers expanded the level of financial literacy programming the college can provide.

As part of an effort to enhance assessment of the Financial Empowerment program, the college has begun giving participants pre and post assessments during presentations and workshops in college success courses. The presentations focus on budgeting and credit. Students review budget scenarios, exam-

ine ways to improve budgets with a focus on financial goals, and are asked to apply these concepts to their personal budgets. Students also review a sample credit report and learn how a credit score is calculated. On the 798 pre and post assessments collected in the fall of 2017, only 13 percent of participants showed improvements in their responses to the assessment questions, while 87 percent of participants’ responses either stayed the same or slightly declined. To improve participants’ responses, the AmeriCorps volunteers made adjustments to the presentation for spring 2018. Recent assessments show that student performance increased

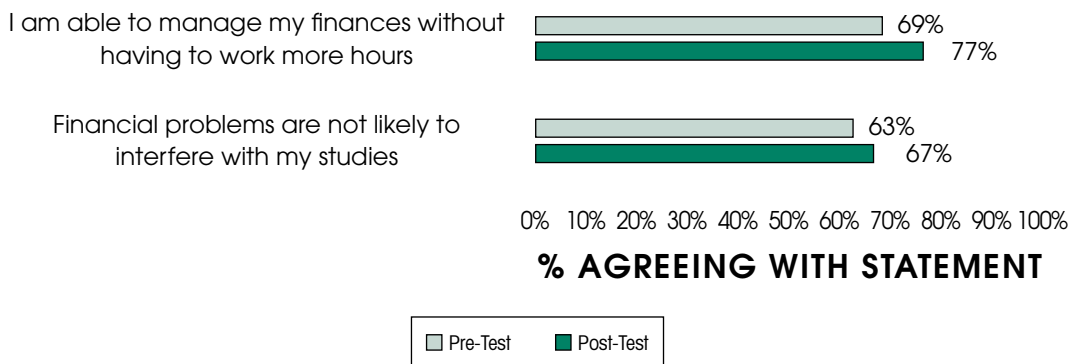
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*“Food is such a huge part in our everyday lives especially for students. What you eat gives you energy for class and helps feed the mind to help you focus in class. Money in college should be used sparingly, so learning how to budget has taught me that there are so many ways I can save money.”*

- Greenville Technical College student  
 (“Lunch and Learn” program)

somewhat over data collected in spring 2017 (for example, there was 6 percent improvement around understanding of the statement “Financial problems are not likely to interfere with my studies”), but perhaps more noteworthy,

## Greenville Technical College Ruffalo Noel Levitz Survey Progress



the college says, is that “the percentage of students agreeing to [key] statements in the pre and the post are much higher compared to fall 2016 data.”

Greenville Technical College has scaled and integrated its financial empowerment programming in several ways:

Starting in the fall of

2017, the college linked the Financial Education Center to an online retention solution system called Starfish, which includes the capability for faculty and staff to refer students to a financial coach in the college’s Financial Education Center. As a result, the college expects to see an uptick in student appointments in the center.

Meanwhile, the college has expanded programming in the Financial Education Center, including adding a Piggy Bank Loose Change competition and a MoneySmart Boot Camp in which students can compete for prizes based on demonstrations of their financial literacy. In addition, the college has made progress in structuring the center as a hub for wrap-around services focused on meeting all basic needs of students, including housing concerns and food insecurity.

As of the spring 2018 semester, the Financial Education Center was added to an electronic student resource guide that students can access through Blackboard, the college’s learning management system. The college expects that change will help more students learn about the benefits available to them through the Financial Education Center and other financial literacy resources.

Financial literacy remains a major component of college success courses. The college is adding sections of those courses, and thus increasing the number of students who can be exposed to financial literacy education. A future goal is to integrate financial literacy into math courses, which the college believes will help students view math in a practical way while increasing their understanding of how to manage personal finances.

# St. Petersburg College (St. Petersburg, FL)

Under the umbrella “It’s MY FUTURE!” staff in Financial Assistance Services at St. Petersburg College host a variety of activities designed to promote student financial literacy and empowerment, including presentations at events welcoming students to a new semester of study and sessions on how to successfully repay a student loan. Staff and faculty are also advised on tools and techniques for student financial literacy.

As a related strategy, the college incents students to learn more about financial literacy by competing for scholarships. Students can earn entries in a scholarship competition by visiting the “It’s MY FUTURE!” table at regular “Welcome Back” events, in which a counselor helps them learn budgeting tips, access their personal financial information on their campus account, and register for “iontuition,” a web-based tool that helps students manage all their student loans through a single portal. Students earn up to three scholarship drawing entries by attending regular “It’s MY FUTURE!” events, where they can meet with representatives from the college’s Financial Assistance Services office and with academic and career advisors. During those events, students can identify their academic pathway, complete their Learning Plan (a list of courses needed to complete studies), identify the potential starting salary for their projected career, determine their projected total student loan indebtedness and monthly repayment amount, and complete registration for “iontuition.”

As another strategy, staff from Financial Assistance Services (FAS) work closely with campus colleagues who conduct freshman experience classes, known as Student Life Skills or SLS. Instructors in SLS regularly commit a full class period for FAS staff to present information on financial aid. Topics typically include

how to complete the FAFSA and an overview of how financial aid is awarded.

As one assessment of progress, the college measured financial literacy improvement for students who attended one of the “It’s MY FUTURE!” events, a presentation on successful student loan repayment. Those presentations are held on two of the college’s campuses in both the fall and spring

terms. A pretest on financial literacy was administered at the beginning of the event. Among other questions, students were asked how long a standard repayment plan is and to name two benefits of using a repayment technique. The same set of questions was asked at the end of the event. Results have been significant. In fall 2016, for example, students answered 39 percent of the questions correctly in the pretest, and answered 85 percent of questions correctly in the post-test. Comparing correct pre and post answers over three semester

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*“The knowledge I’ve gained from these seminars will help me pay off credit card debt and a mortgage when I decide to purchase my future home.”*

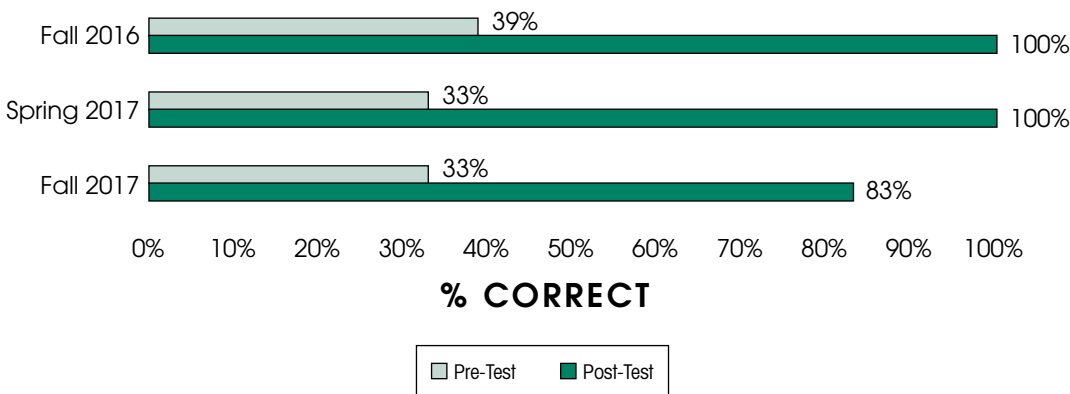
- St. Petersburg College student



starting in fall 2016, the college found that student financial literacy improved by 53 percent after they heard the presentations on loan repayment.

Despite comprehensive marketing efforts that include flyers, buckslips, tweets, Facebook posts, website promos, a promotional message on the college's

## St. Petersburg College Financial Literacy, Successful Student Loan Repayment



learning system, blast emails, and robocalls, the college is frustrated with the overall level of attendance and participation in "It's MY FUTURE!" events. To ameliorate that challenge, the college has begun to adjust how and when it offers such events and to do more to urge staff to encourage students to attend. Another change, started

in the spring of 2016, was to expand financial literacy efforts in SLS courses to two presentations, one on financial aid and one on financial literacy. Part of the latter presentation is devoted to promoting "It's MY FUTURE!" programming and how it can help students make smart financial decisions. The SFEP specifically has helped the college branch out in terms of the venues where it presents financial literacy programming, including the SGA General Assembly, a Smart Start Orientation class, and even the college baseball team. In the fall of 2017, the college tested another strategy, an online version of "It's MY FUTURE!" designed to better reach the thousands of students who take the college's courses online.

While the college recognizes that it still must make more progress in financial literacy, anecdotal evidence suggests that its current efforts are having an impact on individual students. In comments added to institutional assessments of financial literacy efforts, for example, one student noted "Now I actually know my loan amount and how to calculate paying it off when I graduate. So helpful!" Another student said the financial literacy programming showed "how to build a better financial future."

# Conclusion

Often balancing college with work and family responsibilities, students in community colleges face many barriers to completing their education. For many students, financial challenges constitute a significant barrier. Helping students understand their personal finances, particularly those associated with paying for college, is therefore imperative. However, finding ways to help busy students improve their financial literacy is not easy. Moreover, that kind of help requires engaging students one at a time in financial literacy training that can help them understand and perhaps improve their own specific financial situations.

This brief reports some of the obstacles that three colleges have encountered in providing financial literacy training as well as strategies at each institution that have helped them improve financial literacy among their respective students. Through on-campus events, classroom presentations, training students “where they are” (e.g., online or during baseball practice), in-person and peer-to-peer engagement, making vital literature readily available—and other related

strategies—the colleges reported here are making progress, reaching students one at a time to help them improve their financial literacy.

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*“It is important that we educate our first-time-in-college students with financial literacy early on in college. It will help them make better decisions financially and also plan for their future.”*

- Alamo Colleges instructor

As community colleges continue to focus on ways to support their students who are in need of financial education, grants like the Student Financial Empowerment Project are critical in helping to support and expand financial literacy programs so that they reach more students. For the past three years, the SFEP grant has played a significant role in promoting and educating financial literacy for

many students across Achieving the Dream’s network of colleges. With the grant, institutions have been able to market to a bigger and broader demographic, provide more one-on-one counseling for students, and scale financial literacy programs throughout their campuses. Going forward, ATD hopes to sustain this upward trajectory with our network colleges by continuing these important and effective financial literacy programs.

Achieving the Dream is committed to continuing this work to support our network colleges as they strive to help all students reach their academic goals. We do this by sharing the lessons we have learned through the SFEP initiative and our Working Student Success Network as well as through our Holistic Student Supports framework.





Achieving the Dream™

## ABOUT ACHIEVING THE DREAM

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Achieving the Dream (ATD) leads a growing network of more than 200 community colleges committed to helping their students, particularly low-income students and students of color, achieve their goals for academic success, personal growth, and economic opportunity. ATD is making progress closing achievement gaps and accelerating student success through a unique change process that builds each college's institutional capacities in seven essential areas. ATD and more than 75 experienced coaches and advisors work closely with Network colleges in 41 states and the District of Columbia to reach more than 4 million community college students.

## ABOUT ONEMAIN FINANCIAL

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OneMain Financial (NYSE: OMF) is America's premier consumer finance company, offering responsible and transparent personal loan products for over 100 years. The company provides personalized, best-in-class service at their 1,600+ branches, as well as through their internet lending division, iLoan, which gives customers the ability to complete the loan process entirely online. OneMain has more than 10,000 team members, located throughout 44 states, who are dedicated to serving and supporting the communities where they live and work. For additional information, please visit [OneMainFinancial.com](http://OneMainFinancial.com).

### FOR MORE INFORMATION ABOUT ACHIEVING THE DREAM:

Visit [www.AchievingtheDream.org](http://www.AchievingtheDream.org)

or contact us at [info@AchievingtheDream.org](mailto:info@AchievingtheDream.org)

or call 240-450-0075

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