Financial Literacy That Sticks

Three Steps to Getting Your Point Across
Let’s Get on the Same Page

You understand the importance of financial literacy.

Your student borrowers, who have taken a significant financial leap to attend your school, also understand the importance of financial literacy.

So, when it comes to teaching and talking about financial literacy, why does it feel like you’re speaking different languages? Why doesn't your message resonate?

Let’s get on the same page. Let’s speak the same language. Let’s find ways to make financial education stick.

The Case for Financial Literacy

Students with federal debt were not aware that they had student loan debt at all.

14%

Source: Brown Center on Education Policy at Brookings

Students would have a more favorable opinion of a school if it offered comprehensive financial literacy programs.

89%

Source: National Financial Educators Council
STEP 1
YOUR CURRICULUM IN CULINARY TERMS

The student you admit is not the same student who graduates. Your curriculum must be flexible to meet the changing needs of your students.

Because your financial literacy message is lost if it’s not relevant, let’s break this step down into digestible pieces with a curriculum menu.

Menu
FINANCIAL LITERACY

- **Starter**
  - Prospective Students

- **Entree**
  - Current Students

- **Dessert**
  - Graduates
Starter: Prospective Students

The starter trumps the meal. Ever been so hungry when you get to a restaurant that all you think about is the appetizer? Your prospective and newly enrolled students are hungry for ways to make college affordable. Your curriculum should focus on:

College Affordability

According to US News and World Report, two of the top five reasons why students chose a specific college were related to affordability.

Your new students will gobble up info on financing plans, smart borrowing, and costly enrollment mistakes to avoid. Show them the cost of classes dropped at the mid-term.

Loan Basics

There’s a good chance students don't understand the FAFSA and their various loan options.

Show them how higher interest rates and compounding interest will impact their future.

Explain the terms and conditions of each loan type, average indebtedness, and what that means in terms of a level payment.

Budget and Credit

A credit rating might not seem that important to someone who doesn't plan to buy a car or house with credit for a half decade or more.

But students need to understand the importance of setting a budget now to avoid creeping credit card balances and private loans.
Entree: Current Students

We’ve now settled into our meal. Our students might not be as hungry now, but this is the important part — the main course — that brings important sustenance.

Your curriculum should focus on helping students deny “easy” credit, stick to an appropriate budget, and decrease the possibility of credit damage and identity theft.

Key Topics:

• Making an In-school Budget
• Credit Basics
• Going Beyond Banking Basics
• Understanding Debt, Interest, and Repayment
• Avoiding Credit Hazards
• Money Savings Tips and Tricks
• Living Green and Saving Green
• What the Future Holds — an introduction to buying or leasing a car, mortgages, federal student loan repayment options

DID YOU KNOW?

In 2013, 61% were able to pass a 5-question basic financial literacy test¹

Of students said they were concerned about having their identity stolen²

Source: 1. CNBC   2. College Partners of America
Dessert: Graduates

Your students are about to graduate and move on to other pursuits. Let’s continue our culinary theme and call this the dessert part of your curriculum because it’s the perfect little reward at the end of the meal. And, just like a real dessert it should never be skipped.

You’ve let the birds fly the coop. They are on their own. Now, establish a post-school relationship through financial literacy. They’ll be encountering money challenges that they might not have been expecting. An online, easy to access, tool will:

• Reinforce the ideals expressed in student loan exit counseling
• Be a spot for students, all over the world, to maintain learning
• Hammer home those student loan repayment options
• Act as a reference point for grace and/or delinquent outreach

DID YOU KNOW?

- 57% of millennial graduates say they regret taking out as many student loans as they did.
- 60% of college graduates expect to be paying their student loans into their 40s
- 36% of millennial graduates with student loans say they would not have gone to college if they had known how much it was going to cost.

Source: Citizens Financial Group, Inc
You’ve got your curriculum. Now what? Spread the word!

Students will buzz around your curriculum, but might not land. Get them to settle in by introducing them to sticky ideas.
Remember, You’ll Catch More Flies with Honey

A great curriculum only works if students become engaged. Here’s how to get some attention from the 21st century student:

1. Keep Your Outreach Short and Simple

Attention spans are shrinking. Schedules are packed. College students need quick messages. The University of Minnesota’s Live Like a Student Now - So You Don’t Have to Later is a great example. Think of easy to remember sound bites to captivate them.

2. Make it Web-based (and Mobile)

The typical college student spends 12 hours per day on a web enabled device. You know where to find them.

3. It Must be Fun (or at Least Light-hearted)

Run contests of the best “selfie using coupons” or the best video of being green to save money. Engage them in fun contests and use other school media outlets to share highlights and updates.

4. Let Them Spread the Word...

Get student leaders, campus tour directors, RAs, and other ambassadors to endorse and participate via social media. If the curriculum is good and the contests are fun — the promotion is complete.
Promote Everywhere

**SOCIAL MEDIA**
Tap into what’s trending. Tie today’s current events to money management.

**SCHOOL WEBSITE**
Banner ads and news posts help spread the word and draw attention.

**ELECTRONIC BULLETIN BOARD**
They’re bright, shiny, attractive, and own a spot in high-traffic areas. Get your message on the board.

**LMS**
Adding banner ads and key messages on your Learning Management System will drive results.

**HANDOUTS**
Litter heavily used areas (dining, community lounge, etc.) with your key messages and invite students to participate.

**EMAIL**
Email to campus accounts will be noticed as students use them for class, but don’t overdo it.

**PRESENTATIONS**
If you can get 3-5 minutes in front of students, perfect! 200 seconds of pure Fin Lit gold and you might save a financial life.

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*Step 2: You Catch More Flies with Honey*
STEP 3
LIFE LESSONS

Students come to your school to improve their lives.
Connect financial literacy to post-college life.
The Final Steps

Make your financial literacy program work by linking it to the top reason students come to your school, to eventually lead a fuller and richer life.

88%
Of college freshman say getting a better job was a “very important” reason to go to college.
Source: Inside Higher Education

82%
Of college freshmen have a life goal to be very well off financially in 2015.
Source: The Chronicle of Higher Education

$37,172
The average amount of student loan debt for all borrowers in 2016.
Source: The Wall Street Journal

More post-secondary students are viewing college as an investment with expected returns in the form of high income jobs.
Help Your Students

Assist them reach their achievable career goals, by coupling financial literacy with the goal of post-college success by:

- **Sending job/internship searching tips with your financial literacy reminders.** Have a career resource office? Partner for success.

- **Ensuring literacy education touches on such topics as auto leasing vs. buying, mortgages, and an introduction to investments.**

- **Invite recent grads back to campus and have them share their stories of life “in-the-real-world.”**

- **Gather experts from the community to deliver key insight on an aspect of financial services.** Realtors, financial planners, bankers, credit card collectors, and student loan servicers could all offer helpful advice for students with aspirations of financial success.