




Getting the Message Out to Students

**Getting the Message Out to Students:
How the University of Virginia Informs Students and
Parents about Money Management**



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 **Financial Literacy**

Virginia public colleges and universities shall make provisions for the promotion of the development of student life skills through the inclusion of the principles of economics education and financial literacy within an existing general education course, the freshman orientation process or other appropriate venue. These principles may include, but need not be limited to, instruction concerning personal finance, such as credit card use, opening and managing an account in a financial institution, completing a loan application, and managing student loans; consumer rights and responsibilities; and debt management.



 **Financial Literacy**

- Accredited Financial Counselor (*staff*)
- Access UVa (*students*)
- Money Matters (*parents and students*)



Getting the Message Out to Students

Accredited Financial CounselorSM



The National Student Loan Program and the Association for Financial Counseling and Planning Education (AFCPE) are partnering to provide the Accredited Financial CounselorSM Program



Accredited Financial CounselorSM

The AFCPE program consists of:

- Courses on
 - Personal Finance
 - Financial Counseling
 - Debt Management courses
- Study materials
- Leads study group conference calls
- Online, proctored examinations
- Continuing education requirements





Accredited Financial CounselorSM

Participants will gain in-depth knowledge of:

- Budgeting and Cash flow management
- Credit use
- Insurance
- Saving and investing
- Income tax and Estate planning basics

Participants will also learn valuable counseling skills such as interviewing, discerning real issues, suggesting solutions, motivating clients, and implementing plans of action.





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Accredited Financial CounselorSM



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Questions?




 **Money Matters**

"It is incumbent on every generation to pay its own debts as it goes. A principle which, if acted on, would save one-half the wars of the world."



Thomas Jefferson (1743-1826)
Founder of the University of Virginia




Getting the Message Out to Students






and
Financial Literacy







- Meeting 100% of demonstrated financial need
- Replacing need-based loans with grants
- Loan cap
- Financial Literacy






The University of Virginia community believes that educational equality is not only about equal access to higher education but access to the best education in all its forms. We believe that students should be able to take advantage of superior academic programs as well as co-curricular opportunities, study abroad programs, leadership roles, and service learning to enrich themselves and the community. Additionally, attending college isn't just about the classroom and activities. It is about finding a place where you can grow, express your individuality, and be a part of a tradition of success. The University wants each admitted student to be a part of the UVA experience, regardless of economic circumstance.

-From the AccessUVA Missions Statement



Getting the Message Out to Students





What?

- Financial Literacy Survey Spring 2006
- Assessment of the financial management education component of *Access UVA*

Why?

- Baseline of first-year students' personal financial knowledge and behavior
- To understand how students or groups of students differ in their financial knowledge and behavior






Who?



- First-years and fourth-years
 - Random sample
 - Pell recipients
 - "High-need" (200% of poverty level)







How?

- On-line questionnaire
- Students were surveyed about
 - *approach to budgeting*
 - *credit card habits and debt*
 - *knowledge about student loans*
 - *knowledge about credit scores*






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Results:



- A majority of students wish that they knew *somewhat* or a *lot more* about money management.
- A majority of first-year students learned most of their money managing skills from their parents.
- Average credit card debt of a fourth-year is just under \$700; for a high-need fourth year that figure climbs to just under \$2000.



 **Financial Literacy**

“What’s my FICO score?”


- Fourth-year high need students were more likely to have requested their FICO score (39%)
- They were also the most likely to know their credit score (27%)
- Overall, not a large percentage of students had experience with or knew their credit scores.



Questions?


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 **Financial Literacy**



- Is there anything on Grounds that all students must do?
- How can we partner with whatever that is?
- All students must have access to the University's Computing Network.
- Identity Theft
 - Safe computing module: Something that all students are required to do
 - Identity theft module: Something that all students are strongly encouraged to do

More Minutes
More time to spend on campus activities




- Developed by a graduate intern
- Financial Literacy component was developed in partnership with the National Student Loan Program (NSLP)
- Reviewed with parents and students during orientation



 

Beginning of Financial Literacy at the University


- Budgeting
- Banking
- Student Accounts
- Financial Aid
- Grants and Scholarships
- Credit Cards and Debt Management
- Consumer Rights and Responsibilities

Increasing Your Financial Literacy




 



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CashCourse

- The National Endowment for Financial Education (NEFE)
- A non-profit operating with its own endowment
- Mission: to help individuals become more financially informed
- <http://www.cashcourse.org/uva>



 NATIONAL ENDOWMENT FOR FINANCIAL EDUCATION

 **Financial Literacy**


A web site that provides financial literacy to college students



- Unbiased content with no advertising and no connections to commercial entities
- Free of charge
- Developed with practical input from students and universities
- Schools currently participating: Ohio State, University of Iowa, University of Missouri, Kansas State, Bowling Green, Pennsylvania State (in process)

Financial Literacy On Line (FLO)


- Sponsored by the National Student Loan Program (NSLP)
- www.nslpflonline.org
- A series of six course
 - Budgeting
 - Contracts
 - Credit and Credit Cards
 - Credit History
 - Identity Theft
 - Financing Your Education
- Flexibility: available 24/7





Getting the Message Out to Students

FINANCIAL LITERACY WORKSHOPS



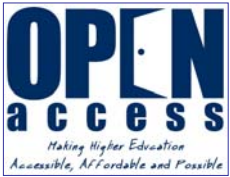
Next Steps


- Financial Literacy Workshops with Organizations on Grounds
 - Budgeting
 - Choosing and Using Credit Cards Wisely
 - Credit Reports and Scores


 

'Hoos For Open Access

- They seek to educate prospective students about the possibility of higher education and programs like AccessUVa.
- They try to enhance the college experience for those students with financial need at the University.





 **Financial Literacy**



Other Offices on Grounds

- Off-Grounds Housing Office
- Career Services
- Career Services with Individual Schools
- Residential Life
- Alumni Associations

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Questions?



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