


2008 IHEP Symposium  
on  
Financial Literacy



---

San Diego, CA  
Wednesday, February 27th, 2008

Presented By: Henry DeBose



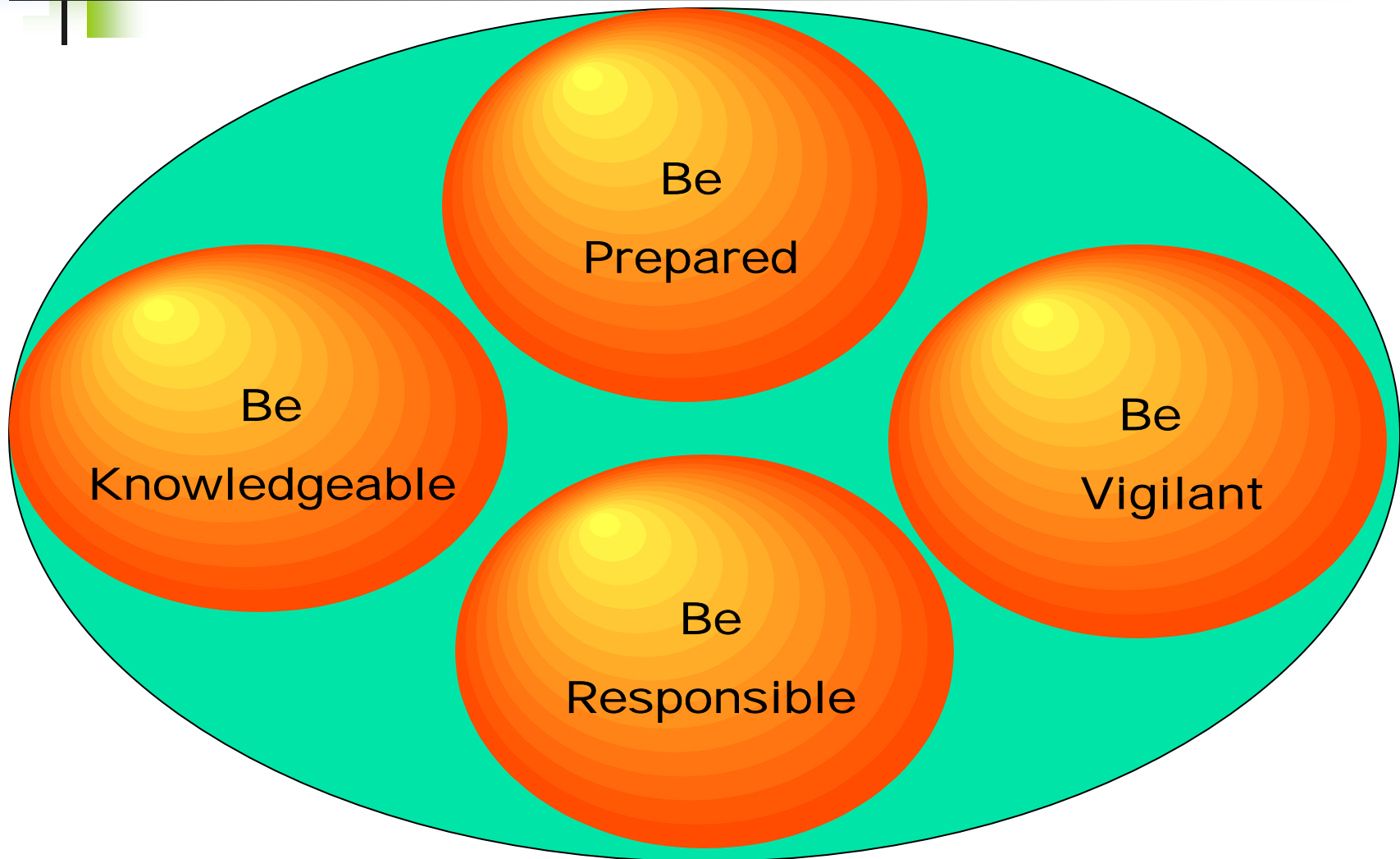
# Purpose

---

- Explore various strategies that schools can employ to become more effective in educating our students and families on financial literacy and money management issues.



# Students, It's All A Juggling Act





# What Students Need to do..

---

- Be Prepared
- Be Knowledgeable
- Be Vigilant
- Be Responsible



# Be Prepared (have a plan)

---

- The student must **be prepared** to face the reality that college cost is expensive, and 7 out of 10 will have financial difficulty.
- **Middle School Level:** Students should begin making plans for college (i.e. career interest, and families' ability assist with financial cost).
- **High School Level:** Students should be actively researching college cost, narrowing down both career and college choices, examining academic profiles and further examining financing options.
- **Summers:** Obtain part-time employment



# Be Knowledgeable

---

- The student and families must **be knowledgeable** about the various financing options available to assist them with cost of attendance and financial need determination.
- Credit Card Debt
- Loans: Federal vs Private
- Employment Opportunities
- Payment Plan
- Credit worthy co-signer
- Budgeting – Spending Plans



# Be Vigilant

---

- The student and families must **be vigilant** about items and information that could adversely impact the rest of their lives.
- Social Security Number
- Credit Cards
- Loan Balances
- Credit Scores
- Co-signing for Apartments
- Identity Theft

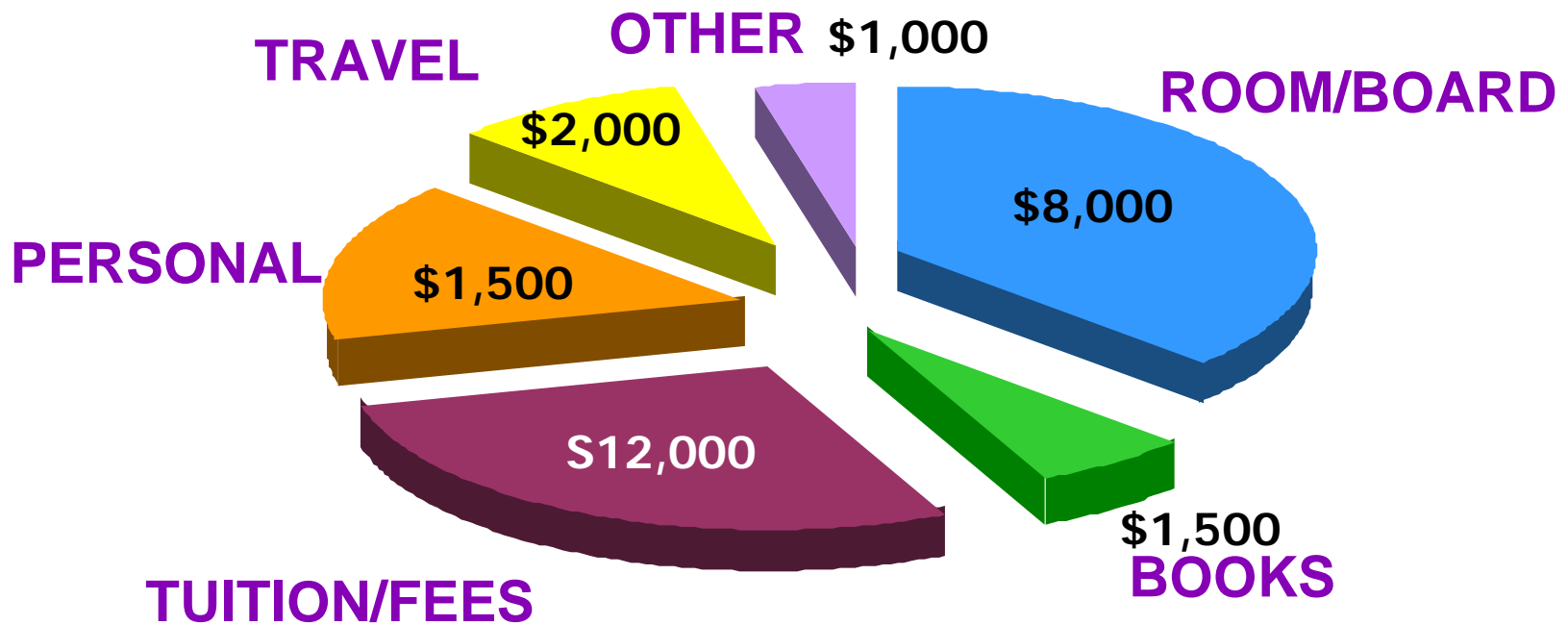


# Be Responsible

---

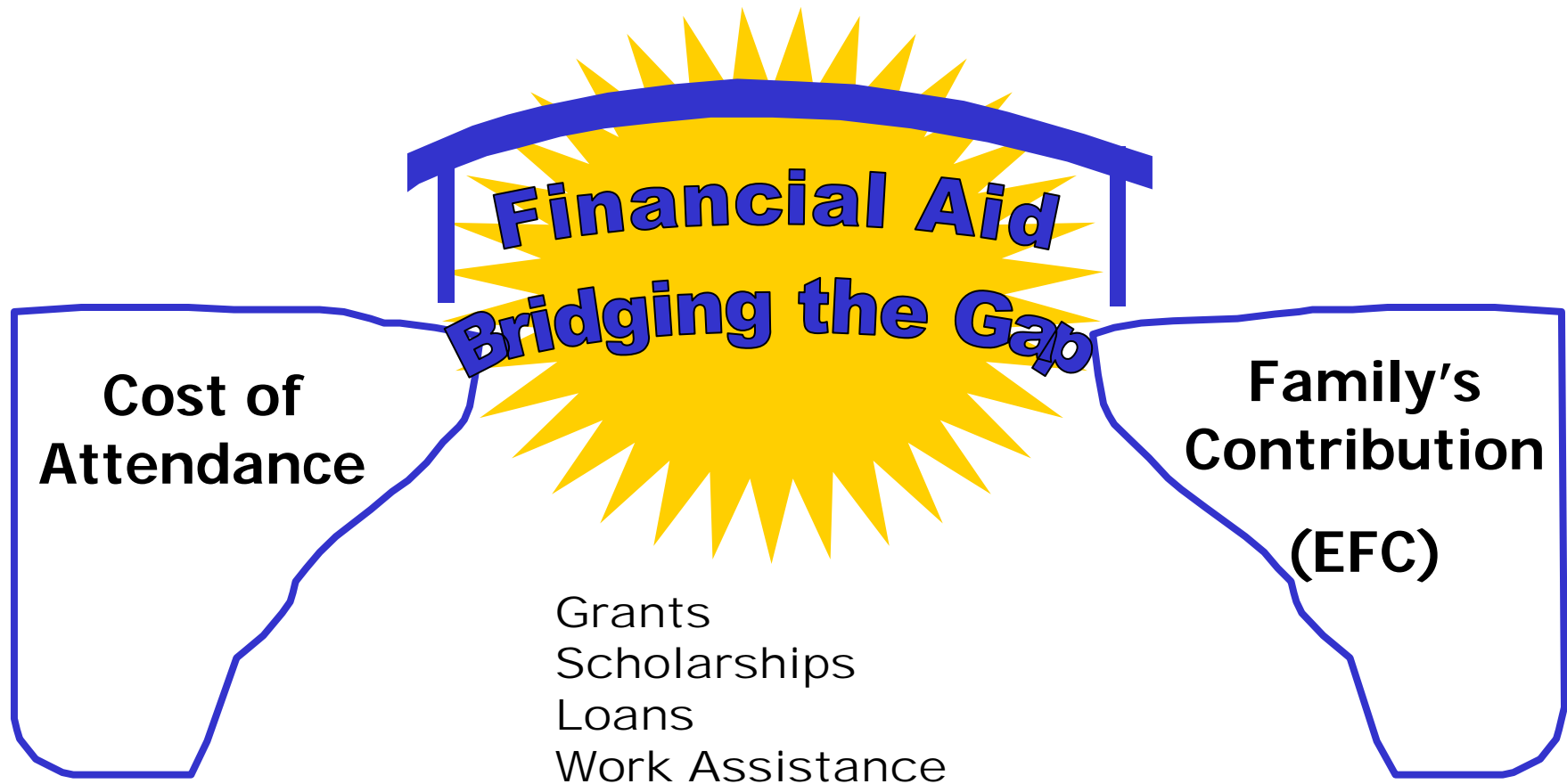
- The student and families must **be responsible** and take **initiative** in assisting with their educational cost.
- Loan Repayments
- Employment Opportunities
- Payment Plans
- Credit Worthy Co-signer
- Spending Plan Budget
- Seek Scholarship Opportunities

# Cost of Attendance



Each school's COA will be Different

# How Can Financial Aid Help?





# Scholarship Opportunities

---

Replacing Debt

## Sources

- Civic Organizations
- Churches
- Employers
- Schools

## Free on-line web searches

- [www.finaid.org](http://www.finaid.org)
- [www.collegeboard.com/student/index.html?student](http://www.collegeboard.com/student/index.html?student)



## What the Institutions Need to do..

---

- Be Prepared
- Be Knowledgeable
- Be Vigilant
- Be Responsible



# The Institutions (have a Plan)

---

- **Be prepared** to face the challenges of your students and families regarding difficulties in managing personal finances.
- **Be knowledgeable** of your student population, they are most likely under-served high-need students and families.
- **Be vigilant** develop a campus-wide holistic approach in finding innovative ways to assist students with staying in school.
- **Be responsible** face it, you are partly responsible for the success or failure of the students enrolled at your institution.



# Best Practices for Institutions

---

- Determine Feeder High School and send Financial Literacy & Scholarship materials to those schools.
- Upon the Admission decision, send out a Financial Literacy Checklist.
- Use Alumni Associations to distribute information regarding the school.
- Conduct in-person (large group) informational sessions at Orientation (15 to 30 minutes) to Students and Families (Give them the facts).
- Conduct Entrance Debt Management Counseling Sessions (in-person or electronically).
- Include a Financial Literacy component as part of Freshmen Studies Curriculum.



# Best Practices (continues)

---

- Use Student Ambassadors; students listen to other students.
- Use existing Resources such as, TRIO Programs, Student support services .“At Risk” outreach offices, Student retention programs.
- Require all loan recipients to participate in an Annual Debt Management Counseling Sessions; this can be conducted via the Web.
- Conduct Exit Counseling (in-person) to include a print-out of the loan indebtedness history and balances.
- Utilize all Student Service Departments to inform students of Financial Literacy issues.
- Use campus media such as website, radio, newspaper, email blasts and posters to increase awareness.
- Review and evaluate for the desired outcomes of your programs.



# Facts on Financial Literacy

---

- 65% of parents indicate that personal finances are the responsibility of the family, however, only 30% make a conscious effort to inform their children.
- Both Students and Parents agree that college students are not prepared to cope with the financial challenges that lie ahead. 76% indicate that they would like help preparing for their financial future.
- Parents ranked the following issues:
  - Personal Safety (90%)
  - Personal Finances (74%)
  - Wrong Crowd (58%)
  - Drug & Alcohol Abuse (56%)
- 75% of students admitted that overspending was their biggest mistake regarding managing money.

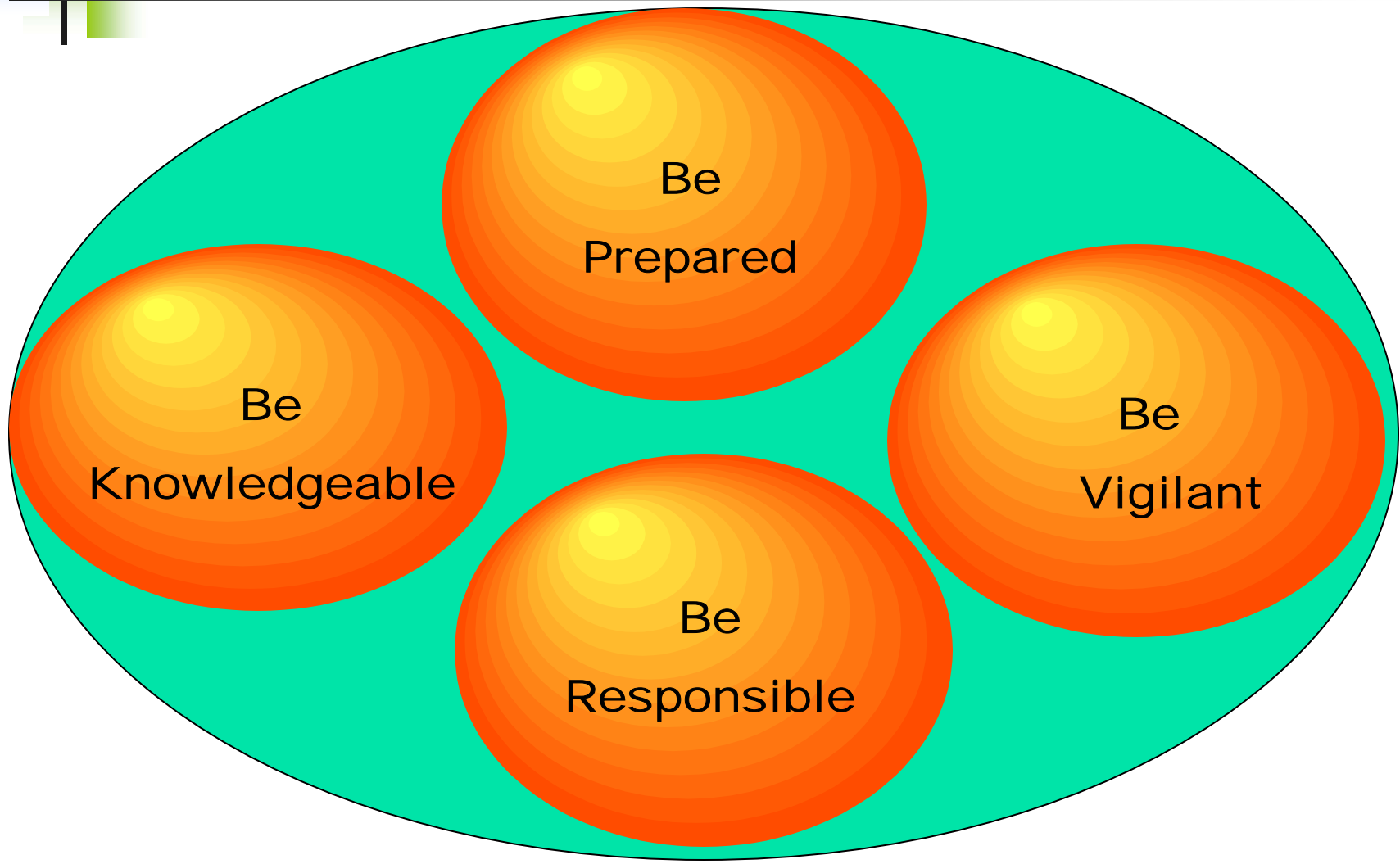


# Summary (The Moment of Truth)

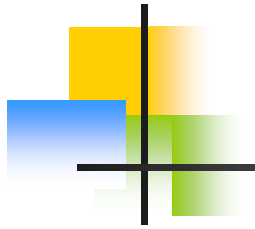
---

- Financial distress affects students' academic performance
- Good Financial Habits last a lifetime
- Students must learn to be good Stewards of their Personal Finances
- Budget both Time and Money
- Pay Bills on Time (Credit Score)
- Keep Accurate Records
- Stop Impulse Spending

# We Can't Afford to Drop the Ball



**Too much at stake!**



Thank You!

---

Questions?

