

Your Money or Your Life!

Empowering Students through Financial Literacy and Consumer Advocacy



A Research Proposal by:
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Motivation & Inspiration: How to Adult?

- College graduates are primed for getting a job -- but lack practical skills outside the workplace.
- In an ever-individualizing world, millennials cannot afford to be further disadvantaged -- already facing crushing student debt, lacking financial literacy skills, and living unsustainable lifestyles and unhealthy eating habits.
- Lessons the “Hard Way” or the “Easy Way”?
 - Education is half of the solution
 - Student empowerment and advocacy is essential for the next generation to be successful leaders in both their communities and personal lives.

Our Objective

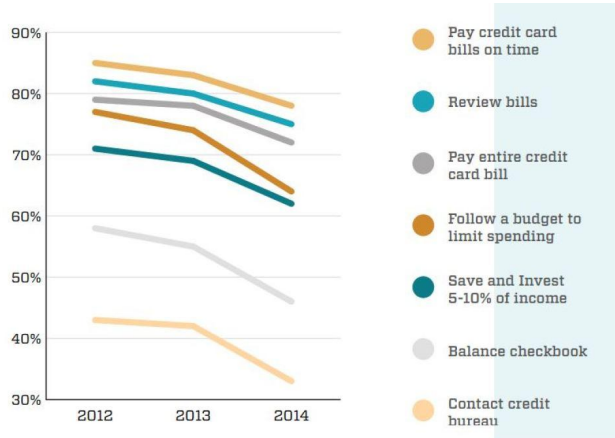
- To create a financial literacy program for all students that specifically targets freshmen and graduating seniors
- To give students who do not major in business or public health the opportunity to learn about financial literacy and food security
- To target specific issues that affect students as they transition into the adult world, such as budgeting, loans, nutrition, housing, etc.
- To teach students how to advocate for themselves and to spot discriminatory practices when applying for loans and finding housing
- To build confidence in students, so that they can be financially independent upon graduation.

National Overview: A Student's Perspective

Student Debt: In 2012, 71 percent of students graduating from four-year colleges had student loan debt:

- Represents 1.3 million students graduating with debt, increase from 1.1 million in 2008
- **66 percent** of graduates from **public colleges** had loans (average debt of \$25,550)
- 88 percent of graduates who received Pell Grants had student loans in 2012, with an average balance of \$31,200.

Financial Literacy: College students are increasingly managing their own money, but a new survey shows that they're becoming less responsible about it.



Food (in)Security: According to a ground-breaking study by the Wisconsin HOPE Lab:

- 36 percent of students (15,000 students!) at 66 surveyed colleges are classified as having "low food security".
- "They're skipping meals, or eating smaller meals, because they don't have enough money for food."
- The percent of overweight and obese American college students *increased* from 27.4 percent in 2006 to 29.2 percent in 2011.
 - Lack of sleep, sedentary lifestyle, **poor eating habits**.

“Top 50 College Financial Literacy Programs”

LendEDU’s ranking of the top 50 financial literacy programs offered at colleges in the U.S. provided us with a framework for our research, which we used to decide what was missing at the University of Maryland, College Park:

What’s missing at UMD (#50)?:

- An official financial literacy program (Texas Tech Univ.)
- A week of events dedicated to financial literacy (Texas Tech Univ.)
- A relief fund for students’ educational and housing expenses (Texas Tech Univ.)
- Personal financial literacy sessions (University of North Texas)
- Financial literacy incentive programs (Syracuse University)
- Required financial literacy program (University of Montana)

Financial Literacy and Consumer Advocacy Course at the University of Maryland: What Is Needed?

Currently at UMD

- Financial Aid Office
- IGrad
- FMSC341
- WMST289F

Needed

- One-on-One
 - Financial Advisors
- Workshops
 - Possible monthly Event
- Accessible Courses
- Promotion of Current resources



Office of Student Financial Aid



Survey Creation and Makeup of Respondents

- Purpose: determine the level of financial literacy students are at, and where they would like to be
- 55 respondents
 - 81.13% juniors or seniors, 18.87% freshmen or sophomores
- Majority (69.81%) were above the median income of Prince George's County, which is ~\$76,000
- 79.25% will be graduating with no debt or below the average amount of debt
- Only 20.76% rated their level of financial independence on their parents a 4-6 on a level from 1-6



Survey Results

- “How often in your college career have you experienced hunger or missing meals?”
 - 64.15% said sometimes, half the time, most of the time, or always
 - Top three most popular reasons given were busy/lack of time/stress, lack of money, and lack of access to grocery stores
- To both: “how often have you had trouble paying for textbooks or other school supplies” and “how often have you had trouble paying for housing”
 - ~40% said sometimes, half the time, or most of the time
- “On a scale of 1-6, how confident are you in your ability to to financially provide for yourself after graduation?”
 - 50.98% rated 1-3
- When asked what skills they would like to learn
 - Top three were doing their own taxes (73%), locating affordable housing (60%), budgeting (58%), and applying and paying back loans (55%)



Recommendations and Next Steps

Financial Literacy is a growing area focus in the academic community, colleges and universities should mandate financial education. UMD has some more individualized courses, like Gender and Financial Well-being, or courses for business majors; however they do not offer a course for all students.

“Your Money or Your Life: Empowering Students through Financial Literacy and Consumer Advocacy”

- Contact various departments to offer this as a 1 or 3 credit course next Spring
- Along with the financial literacy aspect of the course, students will become versed in consumer advocacy
- Made up of various short writing assignments and workshop activities to help students learn these skills
- Teaming up with campus organizations such as the Help Center, Campus Pantry, the food and housing co-ops, the dining halls, and student groups such as MaryPIRG

Possible Syllabus

Let's go through some of our ideas for the course!

Your Money or Your Life

Empowering Students through Financial Literacy and Consumer Advocacy

Department, Course Number, and Section

Class Meeting Time(s) and Location(s)

Semester

Instructor(s) name(s) and contact information, e.g.

Email address

Office location; phone

Office hours

<Instructors may want to indicate which is their preferred mode of contact (email, phone, etc), as well as when and how students can expect a reply to any electronic communication.>

<Consider adding contact information for graduate students, staff, or other individuals providing course support here, or on a separate document.>

Course Description

This course is designed to not only teach you basic concepts in financial literacy, like budgeting and filing your taxes, but also engage you as a student and citizen in the greater context of what lacking financial literacy means, and why the current system is broken. You will gain a larger understanding of what problems University of Maryland and other university campuses face pertaining to a lack of financial literacy, what problems currently exist in personal finances from a national perspective, and consumer advocacy. Then, it is our goal to ensure you leave this course knowing how you can make a difference and change the current system.

Course Goals

Students who complete this course successfully will:

- Have knowledge of the issues facing college students pertaining to money such as food and housing insecurity, and student debt

• Learn how to handle the financial and financial issues as a student and beyond