

Financial Wellness Program: CommonCents Proposal

Mission:

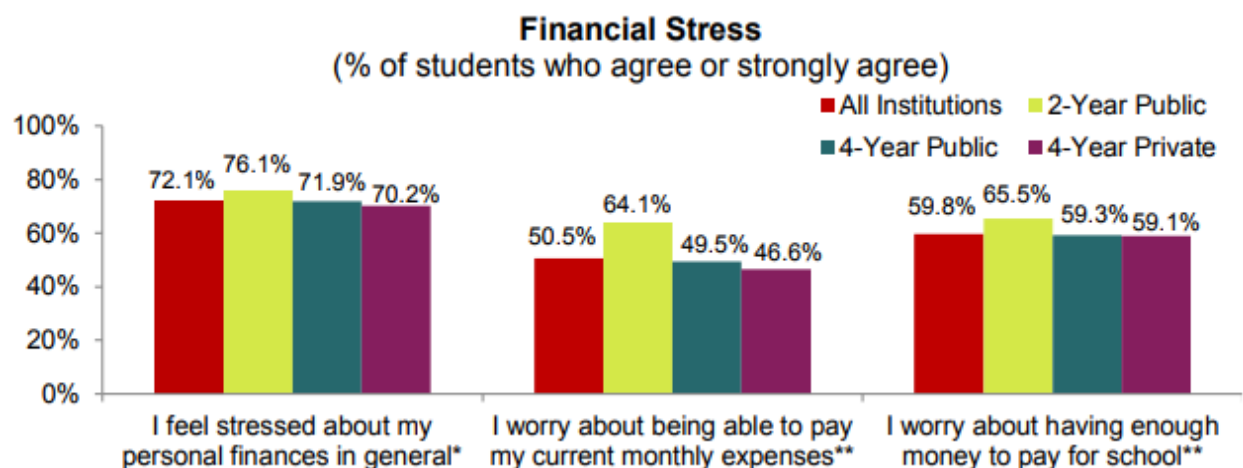
The Lehigh University CommonCents program will provide students with the information that is needed to be financially successful both during and after college.

Program Description:

CommonCents will identify and address the needs of our both undergraduate & graduate student populations, provide financial wellness learning opportunities that meet these needs and expand financial management knowledge among all students so they are better prepared for success after college graduation. Through educational programming, presentations, and one-on-one financial counseling, the program will equip students with the necessary skills needed in order to make better informed financial decisions which will result in better money management, budgeting skills, and decreased overall debt (including but not limited to student loan debt).

Program Objectives:

- **Provide students the information that they need to make better informed financial decisions.** The primary goal of CommonCents is to provide students with the knowledge needed to effectively manage money and make better financial decisions.
- **Decrease loan debt.** Decreasing student loan debt is another primary objective for CommonCents is to decrease student loan debt. Indiana University decreased student loan debt by 12% which was equivalent to 31 million dollars in one year after implementing their financial wellness platform; MoneySmarts U. Our efforts combined will help raise awareness of excessive and unnecessary debt and ultimately help to reach goals of decreasing it.
- **Give students the tools to be financially successful in their future.** With the CommonCents program our students would become better equipped to make financial decisions in the future with better opportunities for them to be able to give back to Lehigh.
- **Reduce financial stress.** Our program will be designed to help students take control over their finances which will help to reduce financial stress which is a main stressor among college students according to the National Student Financial Wellness Key Findings Study below:



- **Increase student retention** Better informed students are making wiser financial decisions during college and are better set up to be successful (i.e. have money for food, are not distracted by financial stresses). Ross, Cleland, and Macleod (2006) found that financial stress lowers students' academic performance. Financial stress has also been linked to students' decisions to reduce their course loads, withdraw from college completely to pursue full-time employment, and increase time to graduation (Joo, Durband, & Grable, 2008; Letkiewicz et al., 2014-2015).

Program Components:

- **Staffing**
 - A staff member within the Office of Financial Aid will be responsible for implementing and overseeing the CommonCents program. We will require that the staff member receive Accredited Financial Counselor certification through the Association for Financial Counseling and Planning Education (AFCPE).
- **Peer Financial Educators (PFE)**
 - A crucial part of the success of CommonCents will be the peer mentor program known as the Peer Financial Educators (PFE). A PFE position will be a volunteer position and these opportunities will be made available to all students with a focus on students who have career goals that include a desire to work with individuals to provide counseling in a confidential environment, provide information pertaining to financial wellness to their peers and are motivated students who have an eagerness to learn.
 - PFE's will be expected to spend approximately two to four hours weekly on this program. More time might be required during the training period of the program. Colleagues in other universities with successful peer financial programs estimate the time commitment for these student mentors to be on average two to three hours each week.
 - The PFEs will be trained utilizing a tool called MoneySmarts U. MoneySmarts U includes a series of courses, videos, and interactive activities. In addition to the training materials offered through the MoneySmarts U, the Office of Financial Aid will provide further training by offering hands on experience such as organizing mock one-on-one sessions similar to ones that they will experience as a PFE. PFEs will be required to observe mentoring sessions (with the student's consent) as part of their training. Once PFEs are fully trained and ready to provide one-on-one counseling, the designated financial aid counselor will observe the first session to determine the student's readiness.
- **Presentations**
 - CommonCents will educate students through a series of presentations on real-life skills such as (but not limited to):
 - Basics of Investing
 - Salary Negotiation & Understanding Employee Benefits
 - Introduction to Budgeting Basics
 - Making your Refund Last, Creating a Spending Plan
 - Building, Establishing, & Using Credit
 - Financing Your Education & Loan Repayment
 - These sessions would be offered to all undergraduate and graduate students throughout the year. The PFE's would be responsible (with assistance from the Office of Financial Aid) for planning and implementing these presentations. Students will receive email communications promoting the series of presentations and refreshments or pizza will be provided for students attending the presentations to build attendance.

- **One-on-One Counseling Sessions with a PFE**
 - Students would be offered a one-on-one counseling session with a PFE if the following situations occur:
 - We are expecting a student to receive a refund check to cover the cost of off-campus housing.
 - A student makes a request to increase their Federal Loans.
 - Students who are attending Iacocca Internship will have to meet one on one with a PFE before leaving for their trip. Students receive stipends for food which run out because they have not budgeted their funds. PFE's will help them budget to avoid this.
 - Students in the LUSSI program will have to complete a one on one session as a part of the program.
 - Students participate in a study abroad program.
- **Financial Wellness Resources**
 - We would have a section of our financial aid dedicated to the CommonCents Financial Wellness program. The website would feature resources such as MoneySmarts U course offerings, videos on related topics and interactive budgeting worksheets.
 - We would have recorded sessions for students to view at their leisure as well as podcasts and articles featuring financial wellness topics.
- **Collaboration**
 - Financial wellness should be a University-wide initiative. The Office of Financial Aid will be the “driver” of the program, but we would rely heavily on collaborating with other areas on campus to make this program successful. We will work with other offices to help market and run programs.
 - Some of the Offices and programs that our office will work with will include: the Office of Diversity and Inclusion, Office of Multicultural Affairs, Student Access & Success, Student Affairs, Office of First Year Experience, Admissions, Development, and the Center for Career and Professional Development, Study Abroad Office, and Faculty in each of the colleges.

References

- Lim, H., Heckman, S. J., Letkiewicz, J. C., & Montalto, C. P. (2014) Financial stress, self-efficacy, and financial help-seeking behavior of college students. *Journal of Financial Counseling and Planning*, 25(2), 148-160. L
- "National Student Financial Wellness Study Key Findings." National Student Financial Wellness Study Key Findings, 29 June 2015, cssl.osu.edu/posts/documents/nsfws-key-findings-report.pdf.
- Ross, S., Cleland, J., & Macleod, M.J. (2006). Stress, debt, and undergraduate medical student performance. *Medical Education*, 40(6), 584-589.