Financial Capability to Increase Student Persistence and Completion

Guardian’s Money Management for Life Program
About Guardian Life

The Guardian Life Insurance Company of America® (Guardian) is one of the largest mutual life insurers with $7.3 billion in capital and $1.5 billion in operating income (before taxes and dividends to policyholders) in 2015. Founded in 1860, the company has paid dividends to policyholders every year since 1868. Its offerings range from life insurance, disability income insurance, annuities, and investments to dental and vision insurance and employee benefits. The company has approximately 8,000 employees and a network of over 3,000 financial representatives in more than 70 agencies nationwide.

Locations:
• Headquarters: New York City
• Regional Home Offices:
  – Appleton, WI
  – Bethlehem, PA
  – Pittsfield, MA
  – Spokane, WA
• Regional Offices:
  – Boston, MA
  – Columbus, OH
  – Plano, TX
  – Tempe, AZ
## The Student Challenge & Opportunity
### Comparison with 4-year college students

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<th>Demographics&lt;sup&gt;1&lt;/sup&gt;</th>
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| • Have nearly double the number of:  
  - First generation students  
  - Single parents  
  - Non-native English speakers  
  • Are financially independent  
  • Are displaced workers  
  • Attend school part time | • Are associated with low levels of financial literacy<sup>1</sup>  
  • Higher portions of students report in engaging in more risk financial behaviors<sup>2</sup> | • Are less likely to take on traditional financial aid, but more likely to take on risky debt<sup>1</sup>  
  • Nearly 20% fewer students (58%) pursued Pell Grant support than their 4-year college counterparts (77%)<sup>2</sup>  
  • Borrow less that their 4-year counterparts but default at higher rates<sup>3</sup> |

1. Choi, DOE, 2002  
2. Lusardi, 2008  
3. FINRA, 2012  
4. Cochane and Szabo-Kubrtiz, 2011  
2. Krantowitz, 2009  
3. College Board, 2013
About Money Management for Life (MMFL)
For-credit and non-credit programs

For-Credit

• Fully-funded credit-bearing personal finance courses covering the essential skills and knowledge needed to manage finances and plan for educational and financial futures

• Opportunities for students to use the skills gained from the class to plan next steps in education and career choice

• Select MMFL students provided with paid summer internships at Guardian to gain valuable experience in the work world

• Advanced roles for MMFL alumni in helping others to manage finances by providing workshops, coaching and tax preparation services

• Small-debt forgiveness (<$500) for students with bursar holds who successfully complete personal finance modules with financial coaches

• Non-credit workshops for new students (orientation), high school students, and community members

• Financial coaching for students and community members

Non-Credit
Why Community and 2-Year Colleges?

- Ability to address the modalities of all students’ learning experiences, bridging cultures and communities

- Position in community with service providers, school systems, employers and opinion leaders

- Ability to reach and serve traditional and non-traditional students
- Academic and career stages
- Broad demographic of students
Our Community College Partners
11 colleges and 1 online provider

California
- Los Rios Community College District

Connecticut
- Capital Community College
- Gateway Community College

District of Columbia
- University of the District of Columbia Community College

Massachusetts
- Berkshire Community College
- Springfield Technical Community College

Maryland
- Montgomery College

New York
- Borough of Manhattan Community College
- SUNY College and University System

Pennsylvania
- Northampton Community College

Wisconsin
- University of Wisconsin-Fox Valley

Online
- Study.com
Financial Capability

Education
Access to financial knowledge & tools to make effective financial decisions

Orientation
Present & future orientation in managing financial matters against short- & long-term goals

Coaching
Support and guidance in developing, implementing and changing plans

Counseling
Assistance in managing difficult circumstances

Academic and Career Goal Planning are Foundational to Success
Campus & Community Collaboration
Coordination is essential for student success

**Academic Success**
- Coordinated services needed for students to be successful
- Persistence and graduation rely on academic coordination between advisors, faculty and administration

**Financial Success**
- Cultural diversity makes the practice of money management by students a challenge for colleges
- Coordination of resources, programs, and outreach to students should support their goals for academics and career in the context of developing strong money management habits
Campus & Community Collaboration

Key questions to ask

- Does your financial aid department coordinate with academic counselors to promote their services and education capabilities?
- Does student services know what community-based and on-campus resources are available to students on financial matters?
- Has college admissions or administration reviewed data of students with small debts that are at risk of stopping or dropping out?
- Do instruction staff know of resources that are available to students?
- Can you leverage student groups to help build outreach to the student population?
Reaching More Students
Innovations, incentives, & building long-term value

Challenges
- Adult learners seek information based on solving problems
- Seeking help with financial management is not a natural act for many; talking about money is difficult

Innovations & Incentives
- Tuition and books provided for free
- Debt forgiveness for small debts (<$500)
- Coding course as general education credit for graduation and transfer to 4 year institutions

Long-Term Value
- Academic and career financial plan
- Workforce experience by making training for outreach and financial coaching available to students
- Bring program to non-credit side of the college as part of career preparation
Collaboration Between Colleges

- 2016 and 2017 conference of partner college leadership, faculty, and staff to:
  - Share best practices across colleges
  - Build plans for information sharing across colleges
  - Discuss next steps in program evaluation and measurement practices

- Steering committee currently in place to build increased value for all schools:
  - Social media resource
  - Alumni connection
  - Student experiences, including internships and company visits
MMFL Outcomes
Alumni feedback

Student Survey Data Collection

• Pre- and post-course survey of current students
  • Fall semester
  • Summer semester
  • Spring semester
• Longer-term survey of former students (opt-in) recently launched
  • 6 months post completion of course
  • 12 months post completion of course

Outcomes 6 Months Post Course Completion

• 88% of students reported having a family budget
  • 50% of these students did not have a budget prior to the course
• 63% report improvements in their credit scores
• 100% have established a savings plan
• 60% have saved money by leveraging an incentivized saving plan
• 44% report their income has increased
Case Study: Capital Community College

Timeline

2013
Founding MMFL partner

2013 - 2017
Personal finance course

2017
Grand opening of FIRST Center

Outcomes:
- Student-led financial club
- Student ambassadors for outreach to others on financial management topics
- Non-credit course outreach
- Development and use of hybrid online/in-person course to reach more students

Drivers for Creation:
- Leverage and reinforce learning with real-world applications for students
- Work to bring more immigrant and underserved communities in to the financial mainstream by respecting and leveraging their cultural practices and norms
Case Study: Capital Community College
The FIRST Center Services

Goal: to provide financial education, coaching, information and referral services, and internships to students and low- and moderate-income individuals

- **Workshops**: Offer series of four workshops six times per year for students enrolled in non-credit workforce development training programs

- **Coaching**: Provide trained financial coaches for students enrolled in for-credit and non-credit programs, to develop and implement plans for personal financial goals, build financial knowledge base

- **Referrals**: Offer students access to financial literacy print and electronic resources; self-paced computer learning programs; and federal, state, and community programs and services (public benefits/assistance)
The Voice of the Student
Q & A