Understanding the Role Finances Play in Student Success

Brooke Sumner
Give a man a fish, feed him for a day. Teach a man to fish, feed him for a lifetime.

- Lao Tzu
Barriers to Student Success

- Poor money management skills
- Short on funds for supplies (i.e. books, tools, uniforms, etc.)
  - Example: limited funds for dependent loan only students
- Bad timing or insufficient planning
- Not enough outside funding to supplement financial aid for living expenses
- Non-traditional students with outside responsibilities
- Lack of initiative or understanding of processes
Managing FA: Understanding The Basics

- Processing time
- Varied disbursements
  - 1st year: 30 day delay
  - Dual disbursements
- Book charging: Limited time frame
- Unique circumstances: Professional Judgment
- Default
- Is the student prepared and ready even with FA????
Managing FA: How we Help Students Adapt

- Encourage relationship building so they are willing to ask questions
- Make sure they are aware of important dates
- Provide them with budgeting tools
Sending Consistent Messages

- There are limited book “lending” opportunities
- Emergency grants are not intended for tuition/books
- Fact: those who start school without needed finances in place often end up being withdrawn or fail
  - Financial Aid Appeals will be denied based on that reasoning
## Financial Wellness Center
### Goals and Objectives

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<thead>
<tr>
<th>Increase Financial Literacy</th>
<th>Promote Personal Money Management Skills and Planning</th>
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<tbody>
<tr>
<td>Reduce Stress over money concerns</td>
<td>Impact people in transition</td>
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<tr>
<td>Build Financial Competencies</td>
<td>Stabilize household finances</td>
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Financial Wellness Opportunities

- Community and Educational funding resources
- Student loan payment options/rehabilitation
- Identify and explore opportunities to strengthen household finances
- Budgeting/Money Management
- Feasible debt solutions
- Consumer rights and responsibilities
- How to establish, build, and improve credit
Pre-counseling Survey Top Responses

What bills are giving you the most trouble?

- Credit cards: 20%
- Student loan(s): 19%
- Mortgage or rent: 17%
- Medical bills: 15%
- Car loan: 15%
- Past-due utility bills: 14%
Top Student Six Financial Goals

- Pay for College: 88
- Improve/Rebuild Credit: 100
- Relieve Stress: 100
- Build Savings: 111
- Budgeting/Money: 152
- Get out of Debt (student): 167

Response
Employment Status
Example

Case 1

- Single female GOAL student with one year-old child.
- Working part-time
- Child support is not reliable
- Insufficient income to meet rent, utilities, daycare and other basic needs
- Age demographic 18-25 years

Goals

- Ability to meet basic needs such as shelter, food, clothing, daycare costs
- Find a means to financially stabilize household
- To have the opportunity to obtain a career in the nursing field.
Action Plan

1. **Explore**
   - Explore employment opportunities with job search resources to achieve earnings goal.

2. **Enroll in**
   - Enroll in smoking cessation program to reduce or eliminate funds spent on cigarettes.

3. **Set**
   - Set time-bound goals to apply for WIC, energy assistance, daycare assistance, food pantry to help shrink budget shortfall.

4. **Determine**
   - Determine wants vs needs.

5. **Track**
   - Track spending to identify where and how money is being spent.
Outcome

Student set priorities and limits on discretionary spending.

Enrolled in smoking cessation program with stepdown method. Reduced cigarette costs.

Secured a job with more stable and favorable hours. This reduced childcare expense.

Applied and was approved for WIC, energy and daycare assistance. Use of food pantry reduced food expenses.

A spending plan was developed.

Enrolled in nursing assistant program.
Example

Case 2

- Automotive Technology student recently separated from his spouse.
- Financially struggling (dual income household to single income household)
- Needs to support his child plus balance work and school.
- Behind on rent
- Large past due utility bills
- Joint debts owed from the marriage
- Pending attorney fees and other potential expenses for the divorce

Goals

- To bring rent and utilities current
- Find a means to meet basic living expenses
- Have the ability to care for and support his child
- Explore viable financial options for his portion of marital debts
- Develop a plan for pending attorney and divorce court fees
**Action Plan**

- Apply for community resources for help with past due rent, utilities, living expenses (energy assistance, FoodShare, LEAVEN, food pantry) and Seeds of Hope grant.

- Continued to track expenses and fine-tune budget

- Set goals to increase income and create a budget with set spending limits

- Prioritize financial obligations and create a plan to cover legal expenses and debts. Continued to track expenses and fine-tune budget
Rent and utilities were brought current.

Out-of-pocket costs for living expenses reduced thru use of community resources.

He was able to increase his hours at work. This provided enough income to meet monthly expenses.

Prioritized debts and created a plan to gradually pay down on balances owed.

Financial pressure reduced. He reported being able to sleep better and was able to focus on his schoolwork. His grades improved.

He was able to plan out finances and finish school successfully.
Follow-up Counseling Survey Results

Please rate the counselor and the overall program:

- **Counselor**
  - 1 Not Helpful: Low
  - 2 Somewhat Helpful: Medium
  - 3 Helpful: High
  - 4 Very Helpful: Very High

- **Overall Program**
  - 1 Not Helpful: Low
  - 2 Somewhat Helpful: Medium
  - 3 Helpful: High
  - 4 Very Helpful: Very High
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<th>Financial Wellness Center</th>
<th>FISC Financial Coaching Retention Data</th>
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<tr>
<td></td>
<td>Spring 2013 – Summer 2017</td>
</tr>
<tr>
<td></td>
<td>Received Emergency Funds Only</td>
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<tr>
<td>Numbers served</td>
<td>170</td>
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<td>Enrolled in a subsequent term after first receiving FISC services or emergency funds</td>
<td>86 (50.6%)</td>
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<td>Either enrolled or earned a credential after first receiving funds or services</td>
<td>110 (64.7%)</td>
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Student Loans

- Manage your student loans
  - Studentloans.gov
  - Nslds.ed.gov

- Standard Repayment
- Graduated Repayment
- Extended Repayment
- REPAYE Program
- Income-Based Repayment (IBR)
- Pay As You Earn Repayment
- Income-Contingent Repayment
- Income-Sensitive Repayment
Emergency Funding/Resources

- Seeds of Hopes/Financial Challenges
  - What do you have at your school?
- United Way 211
- Financial Wellness Center:
  - (920) 735-4855 or drew@fvtc.edu
- Thrift Stores
Legal Help

Legal Action of Wisconsin
(920) 432-4645 - Green Bay
(920) 233-6521 - Oshkosh

Modest Means Referral
http://www.wisbar.org/forPublic/IneedALawyer/Pages/Modest-Means.aspx
Questions???

Thank you!