Welcome to the Workshop!

Icebreaker Networking Activity

Find

Find three people in this room you haven't met before, and fill out the Icebreaker Activity handout (p. 2)

Write

Once you're done, write your peers' goals for the training and what they enjoy about financial wellness work on a flipchart page

Share

Once everyone has arrived, we'll start the workshop. Share your thoughts!

Never Stop Learning: Financial Wellness Deep-Dive

HEFWA Pre-Conference
July 16, 2023

Meet the Presenters

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Today's Agenda

- Landscape Review
- Equity in Financial Wellness
- *Break*
- Research Snapshot
- Public Policy

Materials Guide

Personal Learning Roadmap

- Three types of skills: Personal, Professional & Organizational
- We'll update each row throughout today's workshop: Skills to Develop, Questions to Investigate, Near-Term Actions, Long-Term Actions
- Includes sections for Relevant HEFWA Sessions and Learning Resources to Explore

Discussion Guides

- Notes, Questions for Further Exploration, Conference Action Items

Landscape Review

HEFWA Survey of Financial Wellness Programs 2022

HEFWA Survey Background

The 2022 survey included 48 respondents, representing two-year public, four-year public, and four-year private institutions of higher ed.

Contribute to the 2023 survey during the Summit!

Institution Type	# of respondents	% of overall
Two-year public	6	12.5%
Four-year public	30	62.5%
Four-year private	12	25%
All	*48*	*100%*

HEFWA Survey Themes

On average, programs employed 1.85 full-time staff members and 0.08 part-time staff. 52% had student staff.

Mix of program types:

18 large-group programs/year, serving 370 students	10 live virtual/year, serving 151 students	Online asynchronous modules – avg 480 students/year	One-on-one coaching with staff member and/or peer – 172 students	Few institutions offering for-credit courses

Half of programs required at least one specific student type to participate in financial wellness programming (typically incoming first-year students or students in Federal TRIO Programs)

HEFWA Survey Themes

Content most frequently covered included budgeting, credit, debt, student loans, and money after college. ***Financial values not commonly covered*

Growth and change have been remarkable in the last several years: “Less than a decade ago, few institutions had a dedicated center or budget line devoted to student financial wellness.”

Program composition is vast: Some have only one element of programming, while others have multifaceted programs and services

Many programs lean heavily on full-time professional staff. Remarked it has become increasingly difficult to recruit and retain professional staff, as well as student staff.

Virtual offerings continue to expand, while in-person programming has been trimmed.

Trellis Student Financial Wellness Survey - Fall 2022 Semester

Trellis Survey Background

- Self-reported, online survey documenting financial well-being and student success indicators of postsecondary students
- Implemented at 89 colleges across 23 states: 61 community colleges, 18 four-year public, 10 four-year private
- **Hear more detail from the Trellis research team, Jeff Webster and Tanya Gardner, at a breakout Monday at 4 p.m.!**

	2-year Institutions	4-year Institutions	Total
Survey Population	241,307 students	147,346 students	388,653 students
Responses	20,536 students	15,910 students	36,446 students
Response Rate	8.5%	10.8%	9.4%
Completion Rate	78%	79%	79%

Trellis Survey Themes

57% of students would have trouble getting $500 in cash or credit in an emergency

15% would not be able to get that $500 from any resource

10% reported experiencing all three forms of basic needs insecurity: food insecurity, housing insecurity, and homelessness

48% of students who reported financial struggles had difficulty concentrating on schoolwork due to their financial situation

Trellis Survey Themes

Only **2%** of four-year respondents and **5%** of two-year respondents reporting only using savings or income to pay for college

37% received some form of family support to pay for school

Respondents who borrowed student loans reported experiencing key indicators of distress at higher rates compared to all respondents.

Respondents who reported following a budget were more likely to say they pay their bills on time

70% believed the cost of college was a good investment for their financial future.

Respondents who said they know where to find advice on financial decisions were more likely to report having confidence in their ability to manage their finances.

Discussion

How do the general findings of these surveys map to your campus?

How has higher ed changed since you joined the field?

How has financial wellness work changed?

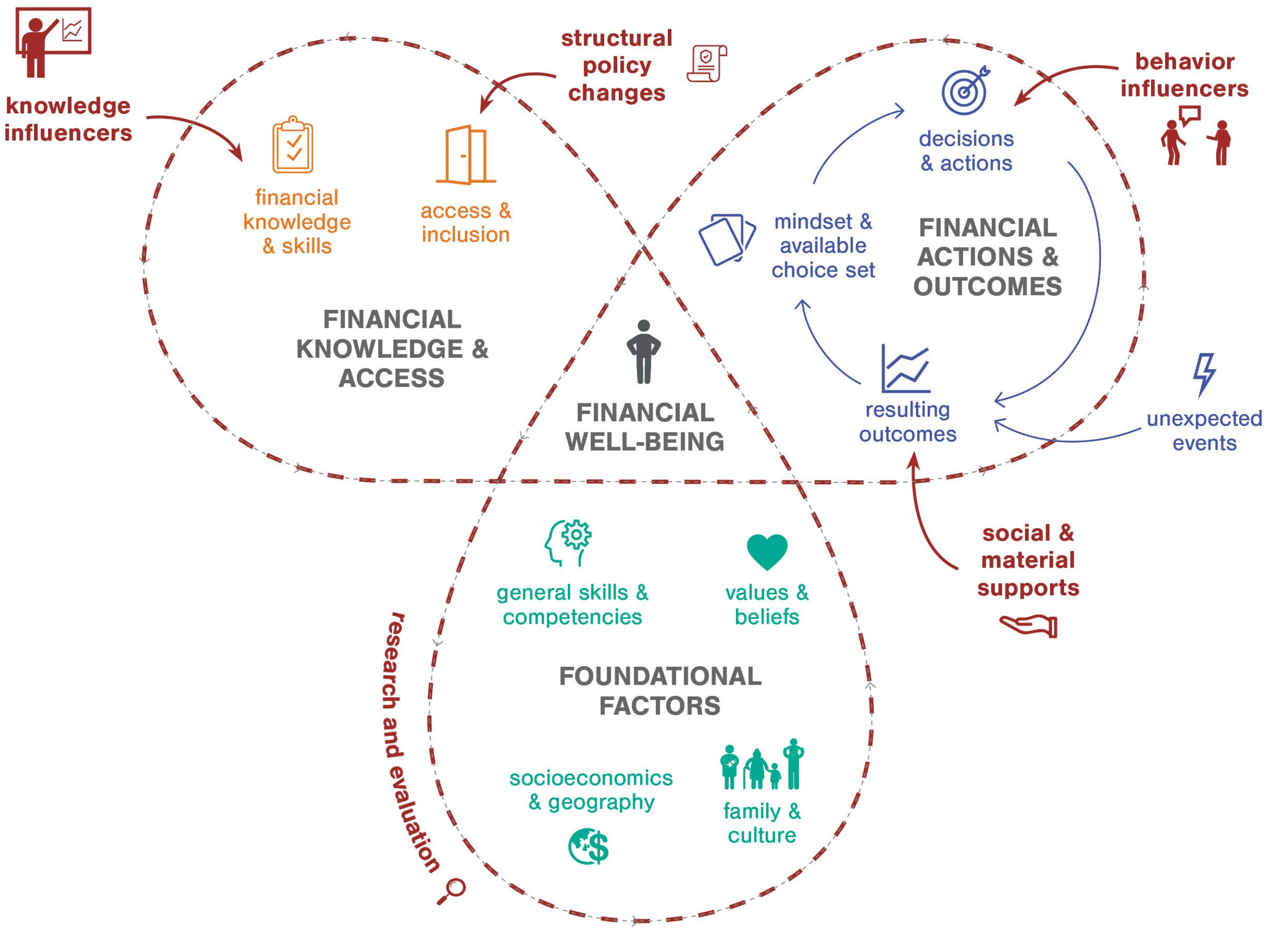
Discussion Debrief

Equity in Financial Wellness

Personal Finance Ecosystem

www.nefe.org/ecosystem

Personal Finance Ecosystem



Personal Finance Ecosystem: Core Elements

1. **Foundational Factors:** Wide array of aspects that influence each part of financial well-being. Relevant for every individual, but unique to each person.
    - General skills & competencies; values & beliefs; socioeconomics & geography; family & culture
2. **Financial Knowledge & Access**: An individual's ability to act in their own self-defined best financial interest
    - Financial knowledge and skills to decide or act; Opportunity to act and exercise choice within financial society
3. **Financial Actions & Outcomes**: A feedback loop made up of mindset and available choice set, decisions and actions, and the resulting outcomes from those decisions. Includes unexpected events

Time for Questions

Self-Reflection Exercise

Think about a time when you (or someone you know well) were too exhausted, too overwhelmed, or otherwise averse to making a money decision.

- What were you trying to accomplish?
- What decision did you ultimately make?
- How did you navigate the decision?
- What individual values can you see reflected in your decision and the decision-making process?
- What family or cultural values can you see?

What is financial trauma?

"The response to the cumulative harming of a person's wealth-building capability and relationship with money."

(Chloe B. McKenzie, 2022).

Example Scenario

Val decided to undergo the process for purchasing a home. She was denied twice and underwent a tremendous amount of stress before getting approved at a high interest rate. Years later, when rates dropped, she declines to refinance based on her original experiences.

Signs of Financial Trauma

- **Financial Avoidance/Non-participation:** This response makes sense for someone whose relationship to money is paired with intense feelings of fear, pain, or insecurity.
- **Overspending:** This response can stem from the common narratives around money in dominant culture. Overspending can also be a form of financial avoidance, since consumption is a temporary way to deal with pain while avoiding the reality of finances.
- **Underspending:** An "excessive risk aversion," which can be correlated to mindsets of fear and scarcity around money.
- **Lack of Boundaries:** This relationship to money could stem from learned mindsets that put a cap on someone's perceived worth and prevent them from believing that they deserve more.

Cycle of Socialization

Perpetuate OR disrupt?

Birth

- No thoughts or beliefs. Born into the world with no biases, stereotypes, prejudices, and “isms”

Culturalization

- Taught beliefs and practices by parents, relatives, teachers, people we trust, shapers of expectations, norms and even dreams

Institutionalization

- Beliefs and practices reinforced by institutions: schools, faith and religious organizations, the legal system, and media

Enforcement

- Beliefs and practices sanctioned, stigmatized, rewarded, punished, privileged and persecuted

Adapted from the Center for Black Educator Development, www.thecenterblacked.org

Overcoming Financial Trauma

- **Communicate:** One of the first steps to overcoming financial trauma is to talk openly about it. Develop a foundation of trust to initiate these conversations.
- **Decrease Shame:** Financial shame is rooted in financial trauma. Remind learners and clients that they are not the narrative; they are innately worthy and exist outside of the narrative.
- **Adopt a shame-sensitive practice:** Shame is a universal experience, and a shame-sensitive practice should be integrated into all service delivery, and not just seen as an accompaniment to trauma-informed care.
    - Acknowledging Shame
    - Avoiding Shame
    - Addressing Shame

Discussion

How can you apply a trauma- or shame-sensitive lens to your practice?

What questions or solutions might you suggest if you observe financial shame in the students you serve?

What other resources can you engage at your campus?

Discussion Debrief

Break Time

Research Snapshot

NEFE RESEARCH

Collaborative Research

NEFE's research team works collaboratively with each other and external researchers to conduct groundbreaking research focused on improving measurement tools and evaluating financial education practices.

Grants

NEFE provides funding for rigorous, innovative, and actionable research that seeks to improve the public's financial well-being and has the potential to make a profound contribution to the field of financial education.

Public Opinion Polling

NEFE commissions national surveys to better understand the financial realities of the general public and certain demographic groups. Poll topics cover a variety of issues related to financial well-being.

DEI

DEI is at the forefront of everything we do, and we advance research focused on communities that have been historically excluded from the financial sector and that advocates for equitable, accessible, and culturally conscious financial education.

Our research activities are a direct reflection of our core values: collaboration, transparency, stewardship, and intentionality, which informs our work and future initiatives.

Public Opinion Polling

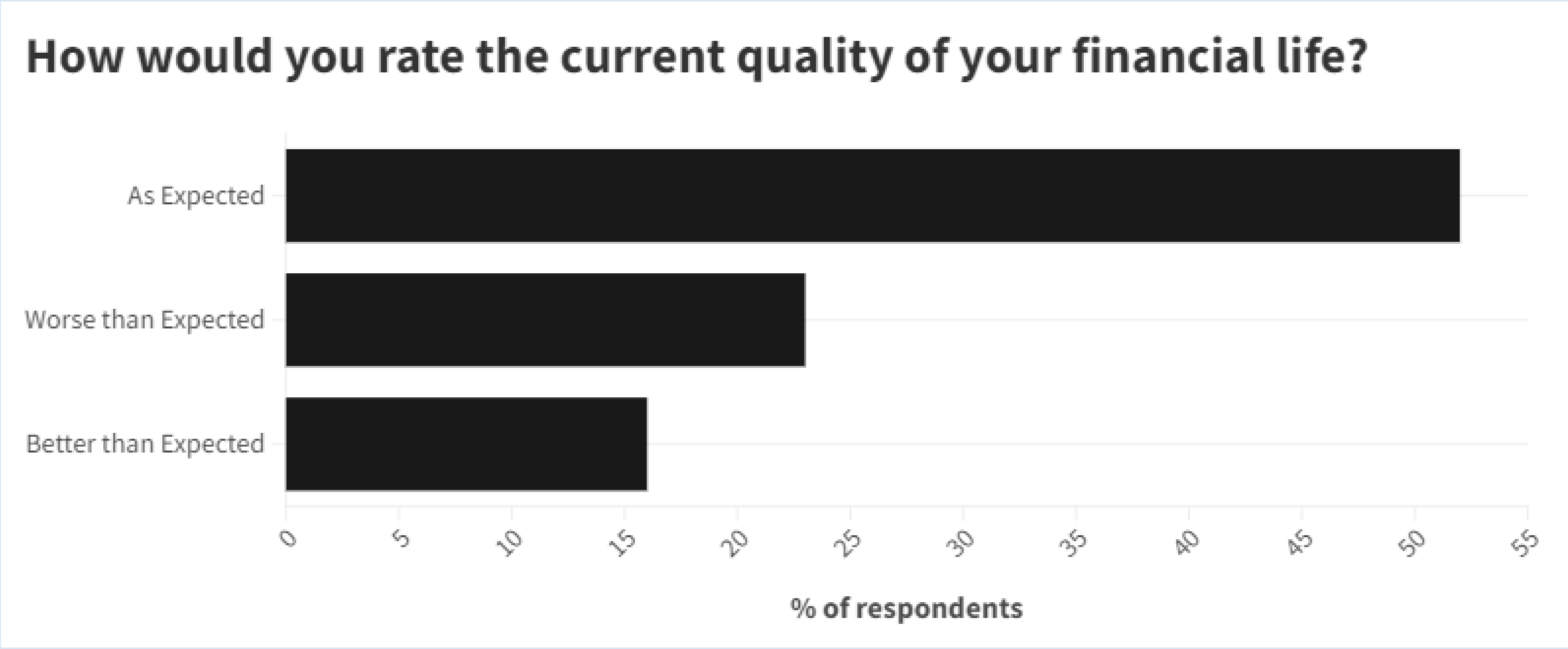
https://www.nefe.org/research/polls

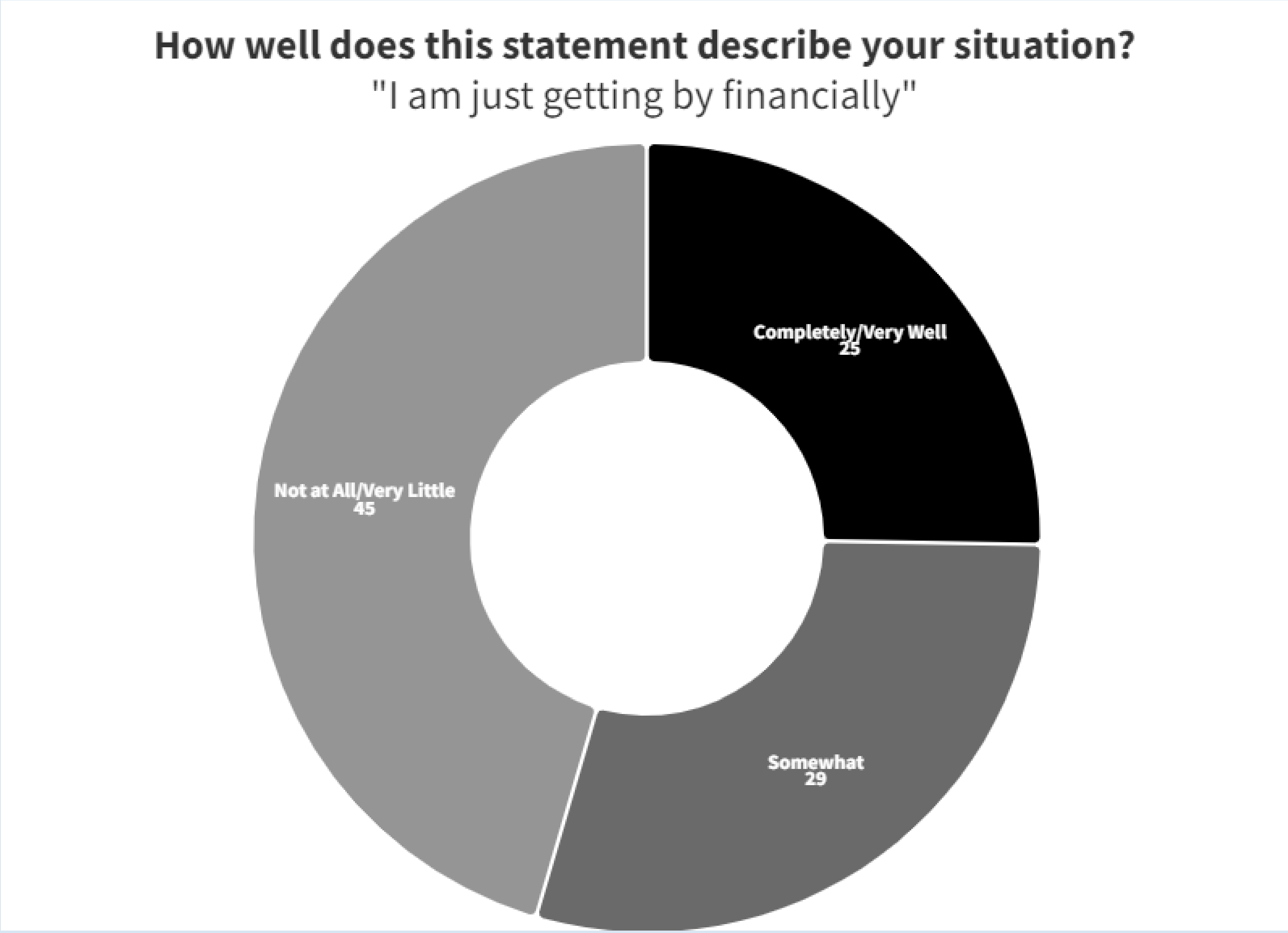
Poll Highlight: Feelings of Financial Well-Being

- ✓ Poll conducted annually, beginning 2021; most recently fielded end of 2022
- ✓ Aligned with CFPB’s financial well-being scale

Questions included:

- How would you rate the current quality of your financial life?
- How well does this statement describe you or your situation?
  - “I am just getting by financially”
  - “I am concerned that they money I have or will save won’t last”
  - “I have money left over at the end of the month”
  - “My finances control my life”
- How would you rate the current quality of your financial life?


How would you rate the current quality of your financial life?
As Expected
Worse than Expected
Better than Expected
0
5
10
15
20
25
30
35
40
45
50
55
% of respondents


How well does this statement describe your situation?
"I am just getting by financially"
Completely/Very Well
25
Not at All/Very Little
45
Somewhat
29

Other Highlights: Feelings of Financial Well-Being

Adults under 60 years old are more likely to be concerned that the money they have saved or will save will not last.

Over one quarter (26%) of U.S. adults with an annual income over $100K say they were "just getting by" financially.

Females (33%) are significantly more likely to say they "rarely" or "never" have money left over at the end of the month, compared to males (25%).

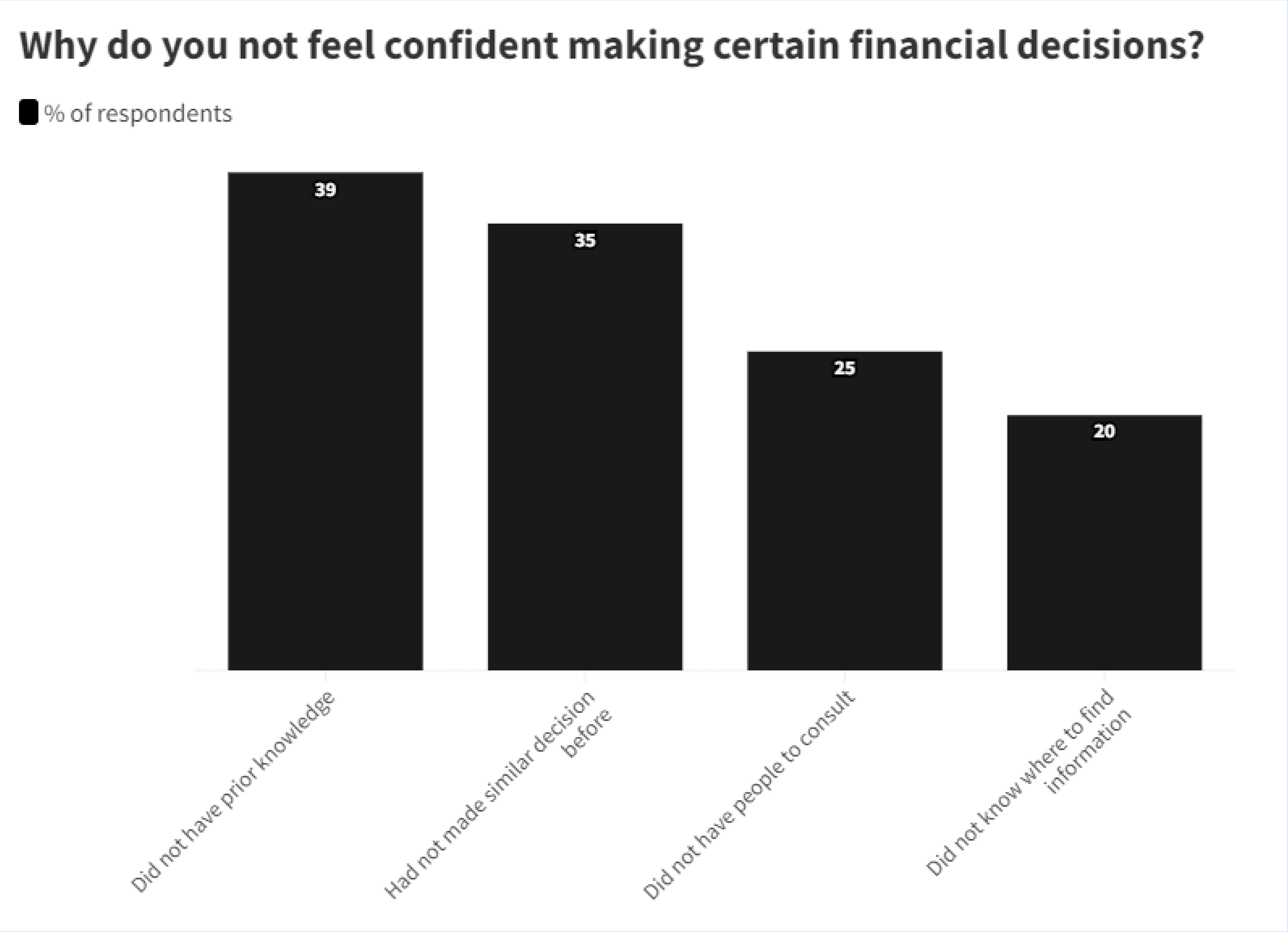
U.S. adults with a bachelor's degree or higher were the least likely to feel like they would never have the things they want in life (25%), feel that they money they have won't last (27%), and say that finances control their lives (44%), compared to adults with other educational levels.

Poll Highlight: Confidence in Financial Decision-Making

In 2022, NEFE conducted a poll exploring the reasons behind confidence levels when making key financial decisions.

Questions included:

- What makes you feel confident making financial decisions?
- Why do you not feel confident making certain financial decisions?
- What external resources do you typically consult, if any, when making financial decisions?


Why do you not feel confident making certain financial decisions?
% of respondents
39
35
25
20
Did not have prior knowledge
Had not made similar decision before
Did not have people to consult
Did not know where to find information

Other Highlights: Confidence in Financial Decision-Making

HALF	48%	43%	11%
• Young adults (18-29) find confidence from having people to consult	• Men are more likely than women (41%) to feel confident from having prior knowledge, or from learning from similar past decision (45% men vs. 36% women)	• Women find confidence in having people to consult with (43% women vs. 28% men)	• Adults with household income <$30k are least likely to consult financial professionals, or to consult a search engine

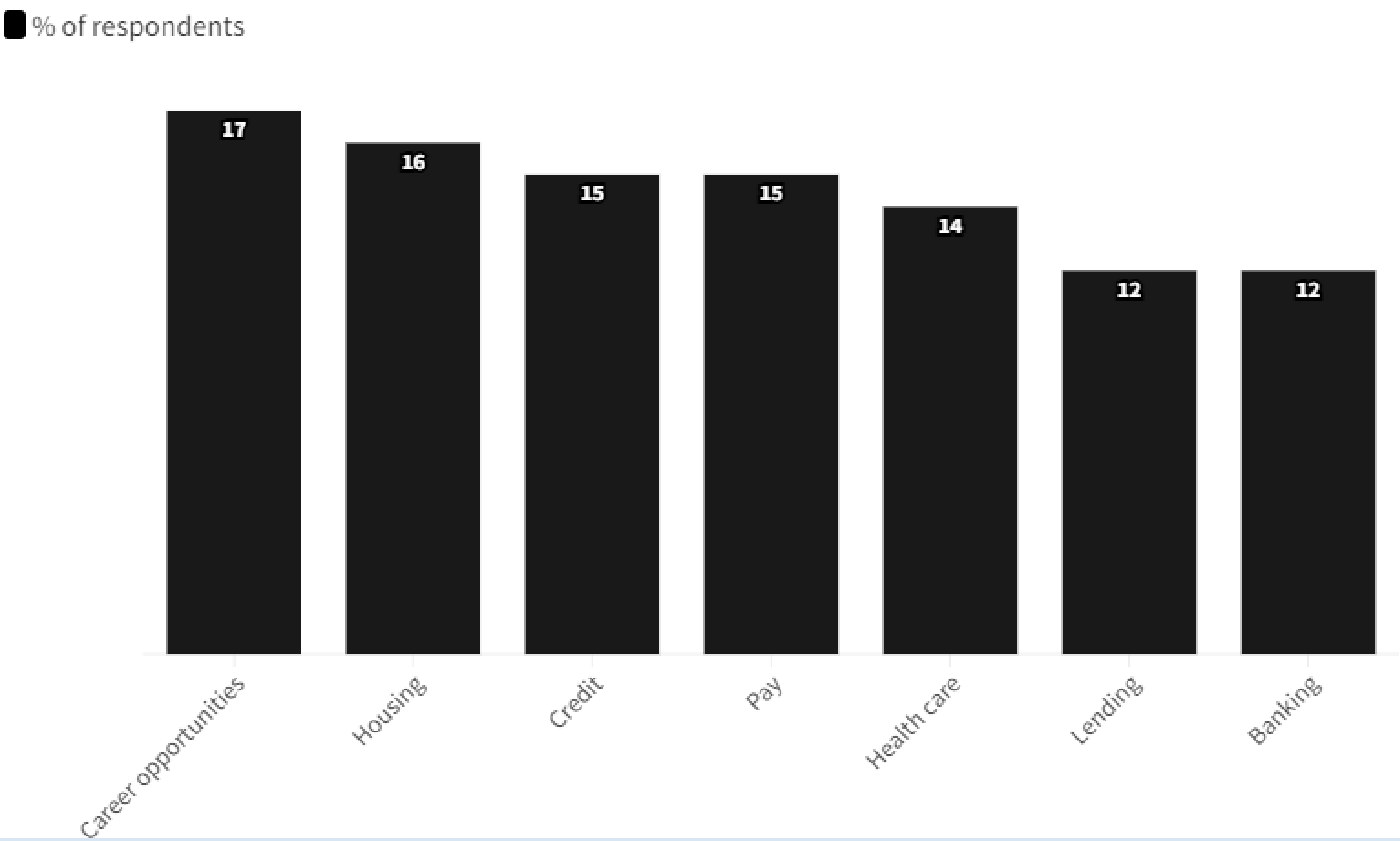
Poll Highlight: LGBTQIA+ Experiences with Financial Services

- ✓ Conducted in 2022, polling U.S. adults who identify as LGBTQIA+
- ✓ Investigated their experiences with the financial sector
- ✓ Results accentuate issues this demographic has faced, which include higher instances of saying that discrimination and bias happened due to factors such as physical appearance and sexual orientation

Questions included:

- Have you experienced bias, discrimination, or exclusion by or from organizations, institutions, or individuals within the financial services sector?
- Have you felt blocked or discouraged from engaging with financial services or products due to barriers or discrimination in how financial services or products are designed, marketed, or offered?
- What aspects of your identity or personal circumstances, if any, resulted in experiencing bias, discrimination, or exclusion by or from organizations, institution, or individuals within the financial services sector?

Have you experienced discrimination, bias, or an inequitable experience within the following areas that impacted your financial life? Select all that apply.



Other Highlights: LGBTQIA+ Experiences with Financial Services

30% have experienced bias, discrimination, or exclusion by the financial services sector

36% felt blocked or discouraged from engaging with financial services and products

Of those experiencing discrimination, **age (39%)** and **sexual orientation (35%)** were the top identity attributes attributed as cause for bias.

Transgender respondents (57%) are more likely than **LGBTQIA+ cisgender men (23%)** and **women (26%)** respondents to say that they have experienced discrimination and bias.

NEFE Research Grants

https://www.nefe.org/research/get-funding

Grant Highlight: Using Cognitive Science and Technology to Enhance the Impact of Financial Education, Dartmouth College

- Evaluated the effectiveness of learning interventions on participants' knowledge recall, self-confidence, and behaviors following a credit financial education workshop
- Participants were assigned to either one of two treatment groups or a control group.
  - A "massed" treatment group completed the first and second study and quiz sessions within 48 hours of attending the initial workshop.
  - "Spaced" treatment group, completed the first study and quiz session within one week of the initial workshop and the second study four weeks after.
- Final assessment twenty weeks after initial workshop for both groups

Grant Highlight: Using Cognitive Science and Technology to Enhance the Impact of Financial Education, Dartmouth College

- Participants in the “spaced” group performed significantly better on knowledge questions than those in the “massed” or control groups.
  - Also found that confidence in knowledge and confidence in ability were moderately positively related to credit behavior.
  - However, no distinguishable difference between how groups performed in the “confidence in knowledge” and “confidence in ability” categories.
- Suggests that cognitive learning principles like spaced retrieval, which have shown to be effective in other disciplines, may be effective for college financial education programming.
- Promising findings for college-aged population, but they are not generalizable to other populations without additional research.

Key Research Takeaways

Knowing how people are feeling financially and their confidence in making financial decisions is an important starting point for any educational intervention or policy discussion

Understanding differences across race, gender, and education levels is important for everyone in this field – researchers, practitioners, policymakers, etc.

Subject matter is not the only important part of financial education – how it's delivered can make a significant difference

Discussion

How does the poll data on well-being, confidence, and bias add context to your work? What themes emerged?

What questions do the Dartmouth project findings surface for you?

What research questions, if answered, would support your work?

Discussion Debrief

Public Policy

Why Pay Attention to Policy?

MATERIAL EFFECTS ON STUDENTS AND THEIR FINANCES

FEELINGS, ATTITUDES, STRESS, ETC.

OPPORTUNITIES FOR ADVOCACY

NEFE Policy Agenda: Interest Areas We're Watching

K-12 Financial Education

Financial Inclusion

Postsecondary Financing

Workplace-Based Financial Education

Climate Change and Finance

NEFE Policy Team Interest List: Examples

NE LB 201 will require all high school students to complete the FAFSA prior to graduation. The legislation was passed out of the Committee on Education and placed on the General File. The legislation was postponed indefinitely 5/31/23.

CT HB 5741 requires a virtual on-demand financial literacy seminar about student loans for students enrolled in higher education or private career school. The legislation was referred to Joint Committee on Higher Education and Employment Advancement. The legislation failed Sine Die.

MA HD 2005 this legislation gives the state board of higher education the authority to require public higher education institutions to provide financial literacy counseling to accepted students. No new updates since last month.

US HR 221 would amend the Higher Education Act of 1965 to expand eligibility for certain trade schools to participate in the Federal Pell Grant program. Referred to House Committee on Education and Workforce.

US S 1848 is the Debt-Free College Act of 2023. This legislation would establish state-federal partnerships for students to attend in-state public institutions debt free. It would also allow DREAMer students to access Pell Grants. Introduced 6/7/23.

State of K-12 Financial Education

- 27 states now have personal finance as a graduation requirement
    - 12 of those require it as a stand-alone course
- Up from only 6 in 2000
- In states without a requirement, equity of access remains an issue
    - Wealthier students are more likely to have access to this course
- Contextually important for understanding incoming students
- Lots of momentum in states for requirements; positive trends, 6 states added this legislative session!

Student Loan Repayment

- The Biden administration has had a focus on assistance and relief for student loan borrowers.
  - **Student loan forgiveness**: Move to cancel up to $20k per person rejected by Supreme Court on June 30
  - **Repayment pause**: Begun in March 2020 due to COVID-19 pandemic. Pause lifted no later than August 30
  - **Targeted loan relief**: Passed for eligible public service workers, permanently disabled borrowers, defrauded students and those affected by school closures
  - **Recent development**: Announced this week; Dept. of Ed cancelled $39 billion in student debt for 800,000 borrowers affected by mistakes made during income-driven repayment

Discussion

How do policy changes relate to your work with students?

Do you see an advocacy angle to your role? Why or why not?

How do you communicate the impact of policy to students? What do you do when students ask for clarity on policies that impact them?

Discussion Debrief

Reflection Time

Review your learning plan:

What themes or trends emerge? Where do you want to grow personally, professionally, or organizationally?

Share-Out:

- One thing you want to accomplish at HEFWA this week
- One thing you plan to do when you return to work

Never Stop Learning!

Scan the QR code to vote or go to https://forms.office.com/r/UiaPi6Mege

Share your favorite publications, podcasts, reports, organizations, social media accounts, or other resources for keeping up-to-date as a financial wellness professional.

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