



SEPTEMBER 2015

ABOVE AND BEYOND:

What Eight Colleges Are Doing to
Improve Student Loan Counseling

Trellis Research

By Carla Fletcher

With Jeff Webster, Kasey Klepfer, and Chris Fernandez

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In 2014, Trellis Company (Trellis) conducted four discrete but related studies as part of a multiphase research project on student loan counseling in the United States. These studies include:

- ▶ A literature review on loan counseling and financial education, combined with a history of legislation, regulations, and major government actions pertinent to federal student loan counseling;
- ▶ An interview and observation-based study on the borrower experience with online student loan exit counseling;
- ▶ An interview and observation-based study on the borrower experience with online student loan entrance counseling (the subject of this report); and

- ▶ A study of the promising practices in financial literacy training and student loan counseling currently employed at schools whose student loan borrowers outperform expectations.

Each study is presented in its own report describing the study's findings and the recommendations they inform. An additional fifth paper will synthesize the findings and implications of the four studies and offer broader conclusions on the policy and practice of student loan counseling. Look for this report in fall 2015.

ACKNOWLEDGMENTS

Trellis and the authors in particular would like to express gratitude to Alisa Cunningham, the National Association of Student Financial Aid Administrators (NASFAA) policy team, and the staff at the eight institutions of higher education that made this research possible.

EXECUTIVE SUMMARY

Borrowing student loans can be confusing and intimidating, enough so that these feelings can influence how students go to college or whether they even enroll at all. Colleges have a responsibility to provide loan counseling to federal student loan borrowers — which, when done intently, can produce a potentially clarifying and empowering experience. The schools highlighted in this report have chosen to make extra efforts to make loan counseling more meaningful and effective.

The institutions in this study worked within their budgets and available resources to create innovative programs and processes to improve student loan counseling and financial education for their student borrowers.

Trellis, in consultation with NASFAA, conducted a qualitative study of promising practices in student loan counseling. Previous Trellis studies in this counseling series, *From Passive to Proactive* and *A Time to Every Purpose*, have found that the most common method of student loan counseling, the Department of Education's online tool, may not be the optimal way to convey information to borrowers. Although the tool is free and scalable, and meets all legal requirements, borrowers find the amount of information overwhelming and have difficulty maintaining attention. Most financial aid staff would prefer to give borrowers a personalized, in-depth counseling session, but lack the means. The institutions in this study worked within their budgets and available resources to create innovative programs and processes to improve student loan counseling and financial education for their student borrowers. Common themes found include:

Cross training – Formal and informal training between and within departments improves communication and moves toward an integrated message for students that reduces confusion and increases success.

Holistic approach – Loan counseling is just one part of a borrower's financial life. Because many factors can influence a borrower's ability to repay, these institutions create a holistic environment to give students a broad financial education.

Marketing – Institutions use many points of contact to get students' attention. Information about loan counseling and financial education is peppered in many places around campus and during many points in the student's time in school.

Targeting – With limited resources, these institutions make thoughtful decisions about which services to offer and which students to target.

In-person loan counseling – Most institutions in this study used in-person loan counseling as a key strategy. Some focus on either entrance or exit counseling, some deliver one-on-one or in small groups, and others have an intensive two-hour session.

Peer-to-peer model – This model uses well-trained students as financial coaches to their peers. Students benefit from the personalized financial education and the coaches benefit from the hands-on experience that further develops professional skills.

Data-driven approach – With resources tight and schools being asked to do more with less, using data to uncover elements of student success has become more and more important. These schools found that a multi-faceted approach to student success includes a well-rounded financial education.

INTRODUCTION

College is expensive. While the financial returns from a college degree are typically substantial, the rewards fluctuate widely based on choice of major and which school the student attends (Neal, Fletcher, Shook, & Webster, 2012; Carnevale, Cheah, & Hanson, 2015; Schneider, 2013). The prevalence and amount of student debt amplify student borrowers' personal risk in their investment in higher education. Low graduation rates further complicate this calculation, as failure to earn a degree can weigh heavily on students.

Trellis' previous research suggests that the lack of college affordability may impede degree completion (Webster, Creusere, McQueen, Goode, Barone, & Wang, 2006) and that failure to earn a degree greatly increases a student borrower's chances of defaulting (Steiner & Teszler, 2005; Hillman, 2014). The consequences of defaulting on federal student loans include collection costs; the inability to discharge the debt through bankruptcy except in very limited cases; and the lowering of credit scores which may make it harder for the borrower to buy a car or a house, or even to rent an apartment (Klepfer, Fernandez, Fletcher, & Webster, 2015).

The escalating cost of college — and the growing reliance on student loans as the mechanism to pay the bills — deters many qualified students from even attempting college, and those who do are often apprehensive about their investment (Taylor, 2011). So, who can guide students through this complex process, fraught with potential financial danger?

The federal government assigns to colleges the responsibility for federal student loan counseling. At a minimum, colleges must provide entrance counseling for new student borrowers and exit counseling for those leaving school. The topics for both are prescribed by the federal government (and this list has grown to include more than 20 topics) (Klepfer, Fernandez, Fletcher, & Webster, 2015).¹ Schools must provide this counseling through 1) in-person counseling sessions, 2) written materials,

or 3) online or interactive electronic means.² Most schools choose the third option and refer borrowers to the U.S. Department of Education (ED) website, studentloans.gov, where borrowers take the appropriate online counseling for free (National Association of Student Financial Aid Administrators, 2012).

The use of these tools satisfies the school's regulatory requirement to provide loan counseling as long as the college 1) takes reasonable steps to ensure that the borrower receives the counseling materials, 2) verifies that the borrower completed the counseling, and 3) provides a financial aid expert to answer questions shortly after counseling.³ The ED tool is free and provides an easy way to document the completion of the counseling, but recent Trellis studies suggest that it currently does not fulfill the intended purpose of 1) increasing borrower comprehension of his or her rights and responsibilities, and 2) encouraging wise budgeting and responsible borrowing.⁴

In consultation with the National Association of Student Financial Aid Administrators (NASFAA), Trellis has written three reports that examine the efficacy of federal student loan counseling. The second in the series, *Informed or Overburdened?*, recounts the history of how the federal student loan counseling law and regulations have evolved to become increasingly prescriptive in the number of topics required, while allowing (or even promoting) new technological methods of conveying the information to borrowers. Based on Trellis' review of the research literature, these new technologies had received limited assessment of their efficacy.

Seeing an opportunity to improve the community's understanding of this critical piece of the student loan puzzle, Trellis conducted user testing of the ED loan counseling tools, observing and interviewing 74 student borrowers as they went through the loan counseling tool. These students came from 18 colleges from across the

Trellis' previous research suggests that the lack of college affordability may impede degree completion and that failure to earn a degree greatly increases a student borrower's chances of defaulting.

¹ Higher Education Act, 20 U.S.C. 1092, 485(b)(1), 485(l)(1), and 485(l)(2).

² Title 34: Education, Part 685, subpart C, §304.3.

³ Title 34: Education, Part 685, subpart C, §304.4, §304.5, and §305. In the case of a student borrower enrolled in a correspondence program or a study-abroad program, schools may provide these borrowers with written counseling materials.

⁴ ED recently made improvements to its borrower-facing website including navigational and aesthetic improvements, additional introductory material, and foregrounding links to explanatory YouTube videos. While these design modifications show promise for improving the borrower experience, the guiding statutes, with their long list of topics that all borrowers must experience, limit the efficacy of the online option.

country with representatives from all four school sectors — public four-year, private four-year, community college, and for-profit career college. As reported in the first and third reports in the series, *From Passive to Proactive* and *A Time to Every Purpose*, borrowers became disengaged with the tool; found it text heavy and bulky; believed that the material was often irrelevant; and felt tasked with exercises, like projecting future income, for which they were unprepared. Consequently, little information was retained and borrowers reverted to a passive attitude concerning their debt that was far from the intended condition of awareness and self-advocacy.

While the direction of borrowers to ED's loan counseling tools is cheap and satisfies compliance requirements, the federal government still expects schools to be good stewards of federal student aid funds. This includes complying with the many applicable student aid laws and regulations, but it also entails maintaining a Federal Direct Loan Program cohort default rate below certain thresholds. This logic suggests that schools must adequately prepare students to become financially

successful enough to repay their federal student loans; or, conversely, that the failure of a certain percentage of borrowers to repay their federal loans is evidence enough to revoke a school's eligibility for federal student aid.⁵ Schools can adopt a variety of default prevention measures to avoid exceeding the default rate thresholds, some of which involve communicating with students after they leave school. Other strategies for helping schools manage their cohort default rates focus on making the college experience more engaging and fulfilling, often through more personal approaches to loan counseling.

With help from NASFAA, Trellis identified eight colleges with exemplary loan counseling practices. Through extensive interviews with key staff at these colleges and review of source materials, Trellis was able to identify trends and commonalities among schools with exceptional programs. These schools all chose to go beyond minimal student loan counseling requirements because they wanted to achieve better results. The following report documents what we learned from these efforts.

METHODOLOGY

Institutions were identified for this study using a multi-step process. First, a statistical model using data from federal sources predicted the school's cohort default rate (CDR) based on institutional characteristics.

The CDR is calculated by tracking a cohort of borrowers entering repayment in a certain federal fiscal year for two additional years and observing how many defaulted on their student loans in that time. The CDR calculation, in various forms, has been used by ED since the 1980s as an institutional accountability measure (Trellis, 2013). Although many factors can contribute to a borrower's likelihood of defaulting, the school can provide support and counseling that can improve the odds of successful repayment.

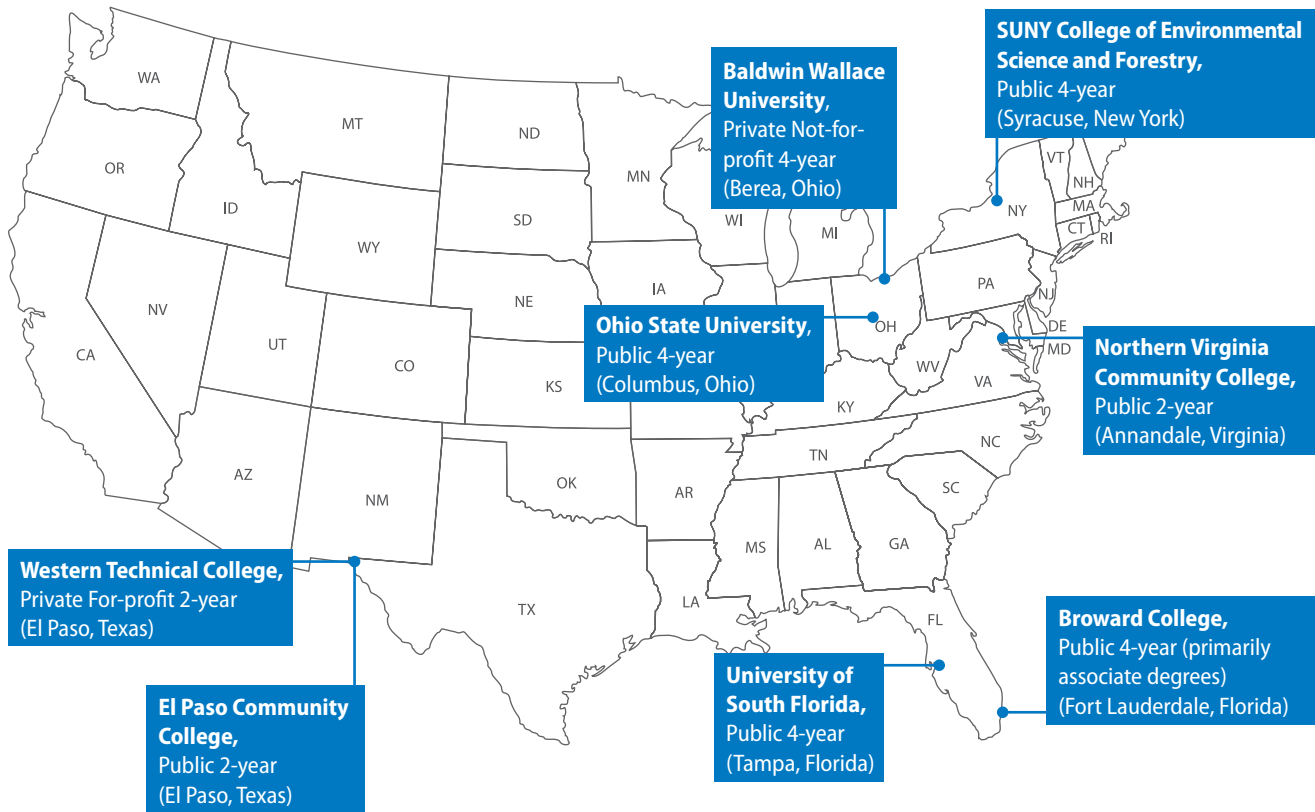
The statistical model researchers used created the CDR one would expect to see for the school based on institutional characteristics such as age of students, student headcount per faculty, percentage of students enrolled full time, and graduation rate. This estimated CDR was then compared to the official institutional CDR, and institutions that had lower official rates than would be expected based on their institutional characteristics were seen as possible

candidates for inclusion in the study. The difference between the expected CDR and the actual CDR was used as a proxy for effective loan counseling, assuming that schools that effectively counsel their borrowers on loans and general personal finance will have fewer defaults than would have been expected.

A short reputational survey was also developed that asked financial aid professionals to name institutions that have a successful loan counseling process or program. This survey was sent to financial aid office staff through various channels including state student financial aid administrator associations, school sector associations, and the NASFAA membership via a newsletter. In addition, Trellis researchers made many phone calls to executive committee members of various state student financial aid administrator associations for their institutional recommendations.

Results from the statistical model, the reputational survey, and multiple phone calls to financial aid directors across the country were combined to develop a list of possible schools. Trellis researchers then had phone conversations with schools in order to narrow down the list and make

⁵ Schools that exceed the thresholds may appeal to ED to retain eligibility.



selections. In these conversations, the schools described their various efforts related to loan counseling and financial education.

Through these various methods, the following institutions were selected: Baldwin Wallace University, Broward College, El Paso Community College, Northern Virginia Community College, Ohio State University, SUNY College of Environmental Science and Forestry, University of South Florida, and Western Technical College. These eight institutions represent four higher education sectors, are located in five states across the country, and serve a diverse set of students.

Researchers conducted site visits at each institution. The goal for each site visit was to identify promising practices by gathering qualitative information about the institution's student loan counseling and financial education. Descriptive information was gathered using

in-depth interviews with key staff members. The interview protocols were designed to have commonality across all schools visited but had some elements specific to the school, based on information learned in the phone call or gleaned from institutional websites. In general, the interviews focused on the historical development of programs and how they have changed over time, borrower understanding and experience, financial literacy programs, and loan counseling programs. Within these categories, there were questions about aspects such as staffing, training, program details, and technologies.

The research team included at least two people on each site visit to ensure that at all times one researcher could take notes while another was engaged in conversation. Having at least two researchers also allowed for multiple perspectives and a better ability to develop a common understanding of what was observed during the visit.

PROMISING PRACTICES

Each institution included in this study had different focuses and strategies, but they all wanted to provide their student borrowers with a better understanding of their loans than they could receive through just ED's online loan counseling tool.

Many of the schools visited focused on providing robust, in-person entrance counseling. For example, Broward College and El Paso Community College require a two-hour in-person workshop. Baldwin Wallace University provides entrance counseling in person in small groups, and Western Technical College provides one-on-one entrance counseling, often involving the student's family as well.

Other schools focus on providing robust exit counseling. The University of South Florida and SUNY College of Environmental Science and Forestry provide in-person exit counseling in small groups or in one-on-one sessions.

Some strategies focus on building financial knowledge in broader terms than just student loans. Ohio State

Cross Training

Many of the institutions in this study have worked to increase communication between departments across campus and develop integrated messages for students. They do this to counteract an issue known as the silo effect which arises at many institutions where departments work in relative isolation from one another. Departments that are siloed each have their own mission, roles, skill sets, data systems, and even languages with distinct jargon and acronyms used in daily work. This can make it difficult for different departments to coordinate a consistent, coherent message for students, leading to contradictory advice and confusion among students and inefficiency for the institution (Kolowich, 2010). The Council for the Advancement of Standards in Higher Education suggests in its guidelines that an institution's campus-based services and programs, including student support and academic, should collaborate to create a full, useful educational experience for the school's students (CAS, 2011).

Consider that a student wondering how much she can reasonably afford to borrow for school will need to acquire information that is typically housed in different departments across campus. She will need to know how much and which types of aid are available to her, in order to understand how much of her obligation remains after all aid is accounted

University and the University of South Florida have peer-to-peer financial advising systems where students train to provide guidance to their fellow students about finances. Several schools emphasize a robust financial literacy program. Northern Virginia Community College, Baldwin Wallace University, and SUNY College of Environmental Science and Forestry created their own financial literacy programs for their campuses.

The overarching theme connecting the institutions in this study was a sense of experimentation. These institutions were not content simply to satisfy the minimum legal requirements for student loan counseling. They took introspective looks at their processes and developed innovative strategies, working within budget constraints, to deliver the information they believed their student bodies needed to be financially successful, often incorporating student loan information into a more holistic financial education. The following are some of the more specific themes that emerged from the site visits.

for. She will want to know which major to select relative to the type of career she wants to pursue. She'll also want to know what salary range she could expect. Working through all this is a daunting task for an incoming freshman, but if accomplished, the effort could have life altering benefits.

Many borrowers do not take all of these aspects into consideration when deciding how much to borrow, but they should. They would benefit from forming reasonable expectations of what repayment will look like based on their anticipated debt and income, but because that information is not readily available, they do not pursue it. When information is separated into various departments, students must expend extra effort to put the information together, and may not even know all the pieces needed to complete the picture. However, if information and counseling can be well integrated at the institutional level, the process becomes easier and more seamless for the student. This is the idea behind integrated messaging.

One way institutions can begin moving toward integrated messaging is through cross training, which can provide a depth and breadth of knowledge across the campus. When departments communicate in a purposeful manner, staff and students can begin to see the bigger, connected picture.

The overarching theme connecting the institutions in this study was a sense of experimentation.



Baldwin Wallace University

Location: Berea, Ohio

Campus Setting: Suburb, Large

Carnegie Classification/Sector: 4-year, Private, Not-for-profit

DEMOGRAPHICS (Fall 2013)

Undergraduate Enrollment: 3,425

Graduate Enrollment: 628

Percent Male: 45%

Percent Female: 55%

Percent Enrolled Full Time: 88%

Percentage of Student Body under Age 25: 86%

Percentage of In-State Students: 81%

FINANCIAL AID (Award Year 2012–2013)

Percent Receiving Pell Grant (Undergraduate): 33%

Average Pell Grant Award (Undergraduate): \$4,060

Percent Receiving Federal Student Loans
(Undergraduate): 79%

Average Federal Student Loan Amount
(Undergraduate): \$7,707

OUTCOMES (2013)

Graduation Rate: 71%

Retention Rate: 79%

Cohort Default Rates:

FY 2011: 3.1%

FY 2010: 3.7%

FY 2009: 3.4%

Description of Counseling or Financial Literacy Process:

Baldwin Wallace University students complete ED's online entrance counseling. The institution provides in-person entrance counseling sessions to small groups during the summer and beginning about three weeks into the school year, when students have settled in and can better focus and retain information. Administrators feel these small, in-person sessions allow staff to cover student borrowers' rights and responsibilities in detail, and integrate financial literacy topics into the entrance counseling. For exit counseling, the school uses ED's online exit counseling tool and encourages completion through outreach events. The institution began offering financial literacy to students in the 1990s, and has integrated financial literacy topics into orientation, first-year courses, and loan counseling. Financial literacy information, resources, and tips to improve financial wellness are also available to students on the school's financial literacy webpage, designed in-house. The career services office is integrated in student life from the first semester, and the staff in the student-facing offices are very inviting, excellent communicators, and highly organized. The institution also effectively leverages alumni, keeping them involved in the school and bringing them in for speaking events.

Source: U.S. Department of Education, National Center for Education Statistics (2013). Integrated Postsecondary Education Data System (IPEDS) (<http://nces.ed.gov/ipeds/>).

School	Cross Training Implementation
Baldwin Wallace University	Baldwin Wallace University has a retention committee that includes representatives from many departments.
El Paso Community College	The default prevention committee at El Paso Community College is cross-departmental, with members from six departments.
Northern Virginia Community College	Several departments at Northern Virginia Community College participate in training sessions to learn more about the financial aid office.
Western Technical College	Western Technical College has formal training with cross-departmental sessions and informal cross training aided by a small campus and a collaborative campus culture.

Cross training can take place in a formal manner, with members of different departments working together with the explicit goal of learning what each one does. An executive vice president at Western Technical College cross trained in the financial aid department for two months and found the experience very enlightening, saying she felt all management would benefit from that kind of intensive training. The experience exposed her to the inner operations of financial aid and how the work in that department could connect to the work in other departments across campus. The college also has cross training between the financial aid office and the registrar's office, and the financial aid office is further cross trained intradepartmentally so that multiple staff members in the financial aid office can assist with default prevention.

The financial aid office at Northern Virginia Community College conducts several training sessions per year that include registrar's office staff, first-year student advisors, Pathway to the Baccalaureate and Adult Career Pathway counselors, and developmental education instructors. The aim is to ensure that staff members who have the most contact with students have general information on financial aid and financial literacy so that they can help students with basic inquiries and direct them to the financial aid office if necessary.

Some schools have cross-departmental committees that allow staff from across campus to meet regularly to connect on a particular issue. El Paso Community College has a cross-

departmental default prevention committee that includes representatives from the bursar's, admissions, registrar's, career services, student services, and financial aid offices. The retention committee at Baldwin Wallace University includes representatives from many departments, including a financial aid office employee who formerly served in the bursar's office. These committees bring together staff from across campus, allowing each to voice ideas and concerns. The staff members each bring their own perspective and knowledge to the table, and everyone can learn how each department fits together to provide the best student experience.

Cross training can also be informal, and this is achieved via departmental cooperation. Western Technical College excels at this approach. At its small campus, most of the staff offices are located in one area of a single building such that many of the staff members are no more than a few doors away from each other. This, along with an institutional culture of collaboration, encourages the staff to connect with each other and become more familiar with all the programs and services available to students.

By employing formal and informal cross training, many schools in this study have bridged departmental silos, delivering more cohesive and consistent messages to students about managing finances and borrowing responsibly. Broadening the perspectives of staff members gains each a fuller appreciation for the whole student.



Broward College

Location: Fort Lauderdale, Florida

Campus Setting: Suburb, Large

Carnegie Classification/Sector: 4-year, Primarily Associate, Public

DEMOGRAPHICS (Fall 2013)

Undergraduate Enrollment: 43,883

Graduate Enrollment: N/A

Percent Male: 41%

Percent Female: 59%

Percent Enrolled Full Time: 30%

Percentage of Student Body under Age 25: 63%

Percentage of In-State Students: 99%

FINANCIAL AID (Award Year 2012–2013)

Percent Receiving Pell Grant (Undergraduate): 50%

Average Pell Award (Undergraduate): \$3,476

Percent Receiving Federal Loans
(Undergraduate): 18%

Average Federal Loan Amount
(Undergraduate): \$3,464

OUTCOMES (2013)

Graduation Rate: 32%

Retention Rate: N/A

Cohort Default Rates:

FY 2011: 12.3%

FY 2010: 15.0%

FY 2009: 14.9%

Description of Counseling or Financial Literacy Process:

Broward College uses an in-person, group workshop on debt management to deliver entrance counseling. The workshop employs a strong tone, described as “scared straight,” designed to grab students’ attention. First-time borrowers, along with transfer students with substantial debt and student borrowers with a previous default, are encouraged to attend a session. Through state grant funding, Broward College developed an online financial literacy application based on the debt management workshop that the state then made available to Florida public colleges for free. Broward College focuses on entrance counseling to empower students to make better decisions from the start in order to be successful in school and in life.

Source: U.S. Department of Education, National Center for Education Statistics (2013). Integrated Postsecondary Education Data System (IPEDS) (<http://nces.ed.gov/ipeds/>).

Holistic Approach

As various departments collaborate and integrate messaging, they begin to form a more holistic learning environment. Many institutions have started or are starting to implement processes that will help students become more financially literate. Some students are just beginning their adult lives and need good information and guidance about finances. Other students may already have a financial history, but still need advising about how student loans fit into the picture. Still other students may have a troubled financial history and need more knowledge and guidance to make better decisions. Institutions know their student populations and can best determine the kind of help their students need.

Concerns over the lack of financial literacy among college students have been growing for many years (Farrington, 2014; Steverman, 2009). The President's Advisory Council on Financial Literacy defines a financially literate person as someone who has "the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being" (President's Advisory Council on Financial Literacy, 2008). Learning how money is wisely earned, managed, and spent are extremely valuable lessons that students will apply throughout their lives across a myriad of endeavors.

School	Holistic Approach Implementation
Baldwin Wallace University	A cross-departmental financial literacy education team developed Baldwin Wallace University's financial literacy program.
El Paso Community College	El Paso Community College has incorporated financial literacy modules into a required first-year class and into the satisfactory academic progress (SAP) process.
Northern Virginia Community College	Using a third-party vendor, Northern Virginia Community College developed an online financial literacy program.
Ohio State University	Financial wellness is only one of nine dimensions of Ohio State University's student life wellness program.
SUNY College of Environmental Science and Forestry	SUNY College of Environmental Science and Forestry's financial aid director, a certified financial counselor, developed a home-grown financial literacy program.
University of South Florida	At the University of South Florida, students can sign up for a mini-program that allows financial aid staff to monitor their progress in school, helping them stay on track to retain their financial aid.

Many of the schools in this study took this sort of holistic approach with their students, incorporating student loan information into a wider financial literacy program. El Paso Community College has integrated financial literacy modules, vetted through its default prevention committee, into a required first-year education class. It has also incorporated financial literacy into the satisfactory academic progress (SAP) process, strongly encouraging completion of a financial literacy module as a part of the appeals process for students who are not meeting SAP.

Staff at SUNY College of Environmental Science and Forestry and Baldwin Wallace University spoke of their appreciation for the financial literacy presentations and materials formerly provided by lenders and guarantors. When the cessation of new loans through the Federal Family Education Loan

Program removed lenders and guarantors from the federal student loan origination process in 2010, these institutions developed their own financial literacy sessions. At SUNY College of Environmental Science and Forestry, the long-time financial aid director, who has recently retired, is a certified financial counselor who used his knowledge and experience to develop a financial literacy session. Several professors of the required first-year course invited him to give the session as a part of the course this past fall, enabling him to reach about two-thirds of first-year students.

Similarly, Baldwin Wallace University has developed a home-grown financial literacy program. The university received a retention grant in 2010 that was used to create a financial literacy education team composed of seven members from four departments. This team



El Paso Community College

Location: El Paso, Texas

Campus Setting: City, Large

Carnegie Classification/Sector: 2-year, Public

DEMOGRAPHICS (Fall 2013)

Undergraduate Enrollment: 30,468

Graduate Enrollment: N/A

Percent Male: 43%

Percent Female: 57%

Percent Enrolled Full Time: 32%

Percentage of Student Body under Age 25: 72%

Percentage of In-State Students: 96%

FINANCIAL AID (Award Year 2012–2013)

Percent Receiving Pell Grant (Undergraduate): 47%

Average Pell Award (Undergraduate): \$4,605

Percent Receiving Federal Loans
(Undergraduate): 6%

Average Federal Loan Amount
(Undergraduate): \$4,963

OUTCOMES (2013)

Graduation Rate: 10%

Retention Rate: 63%

Cohort Default Rates:

FY 2011: 14.5%

FY 2010: 19.0%

FY 2009: 14.7%

Description of Counseling or Financial Literacy Process:

El Paso Community College delivers entrance counseling through a two-hour, in-person seminar in which administrators say they can have a “personal touch” with borrowers. This in-person session emphasizes forgiveness programs and loan repayment options, and incorporates videos and discussion with students. After the counseling session, student borrowers complete the Department of Education’s online entrance counseling module to reinforce what they learned. The institution has a cross-departmental default prevention committee guided by the financial aid director, who has served for many years on an advisory committee on student loan default prevention. The institution also incorporates financial literacy modules from a third-party vendor into various academic settings, including in a required first-year course and in the satisfactory academic progress appeals process.

Source: U.S. Department of Education, National Center for Education Statistics (2013). Integrated Postsecondary Education Data System (IPEDS) (<http://nces.ed.gov/ipeds/>).

developed a four-part financial literacy workshop for a student audience, and financial literacy information is also included in a College 101 course for freshmen. The career services office is also highly involved in the holistic approach. The office offers a full schedule of almost daily events for students, including job fairs, resume writing clinics, events aimed specifically at first-year students, and more. The office targets first-year students in an attempt to engage them early on in thinking about career goals and how to prepare in order to reach them. The office also has a checklist to help students declare a major, which includes resources to help them identify their interests and abilities, guidance to help connect the major to a career, and resources for salary information.

While Baldwin Wallace University is a small school and can provide financial literacy in person, Northern Virginia Community College is much larger, with more than 78,000 students across six campuses, and must consider scale when reaching students. Northern Virginia Community College launched its financial literacy program in 2011. The institution developed financial literacy materials, which later incorporated six learning modules from a third-party resource that included an online platform with pre- and post-test assessments. This online platform enables the institution to better scale the program to its population. The program was initially piloted within the school's online student developmental course, but has since been expanded to traditional and online hybrid versions of the same courses. Last year, 6,000 students participated in the school's financial literacy program.

Marketing

Institutions can create a multitude of helpful and informative processes to advise students on preparing for loan repayment, but if students do not avail themselves of these resources, the end goal cannot be reached. Thus, marketing these resources is of the utmost importance. All of the institutions visited for this study used multiple points of contact to increase the impact of their communications. The institutions offered workshops, sessions, coaching, and counseling on various days and at various times to work conveniently within student schedules. The institutions also offered financial education in a variety of formats.

In addition to simply having more points of contact with students, schools use various marketing techniques to pique

Another way to achieve a more holistic experience is to share academic performance information with financial aid staff. That way, staff members can intervene with students who are struggling and may need more financial resources or stronger financial skills in order to focus on school performance. Students enrolled at the University of South Florida who attend a financial education session or a one-on-one coaching session can sign up for a mini-program to allow financial aid staff to check on them and make sure they are on track. Staff members monitor grades and credit-hour progress, and make sure students are meeting the requirements to retain their existing aid. Although the program is small and the students who have taken advantage of it so far are already fairly responsible, the financial education program is looking for ways to expand it and bring in students who may have greater need for the services.

Ohio State University takes the holistic approach one step further. The school believes that just as student loans are only one part of financial wellness, financial wellness is only one part of overall wellness. There are nine dimensions to the university's student life wellness program, which, in addition to financial, include emotional, career, social, spiritual, physical, intellectual, creative, and environmental. A major feature in the university's financial wellness dimension is a peer coaching program called Scarlet and Gray Financial. Extensively trained students operate as free financial coaches for their peers, covering many relevant financial topics. This peer coaching model will be examined more closely in its own theme later in the paper.

the interest of students and encourage them to engage with advisors. The financial education program at the University of South Florida advertises its services at the weekly "Bull Market" in the quad on Wednesdays. Among booths representing student organizations and vendors selling specialty items, the financial education program sets up a booth and attracts students with games and giveaways. As a bonus enticement, all prizes won at the booth must be picked up at the financial education program office. This exposes students to the office and may prompt them to sign up for a financial literacy seminar or to make an appointment with a peer financial coach.



Northern Virginia Community College

Location: Annandale, Virginia
Campus Setting: Suburb, Large
Carnegie Classification/Sector: 2-year, Public

DEMOGRAPHICS (Fall 2013)

Undergraduate Enrollment: 51,803
Graduate Enrollment: N/A
Percent Male: 49%
Percent Female: 51%
Percent Enrolled Full Time: 38%
Percentage of Student Body under Age 25: 62%
Percentage of In-State Students: 87%

FINANCIAL AID (Award Year 2012–2013)

Percent Receiving Pell Grant (Undergraduate): 24%
Average Pell Award (Undergraduate): \$3,366
Percent Receiving Federal Loans
(Undergraduate): 17%
Average Federal Loan Amount
(Undergraduate): \$5,804

OUTCOMES (2013)

Graduation Rate: 23%
Retention Rate: 70%
Cohort Default Rates:
FY 2011: 13.6%
FY 2010: 12.0%
FY 2009: 12.3%

Description of Counseling or Financial Literacy Process:

Northern Virginia Community College launched its financial literacy program in 2011. The institution developed financial literacy materials, which later incorporated six learning modules from a third-party resource that included an online platform and pre- and post-test assessments. This online platform enables the institution to better scale the program to its population of more than 78,000 students across six campuses. The program was initially piloted within the institution's online student developmental course, but has since been expanded to traditional and online hybrid courses. Last year, 6,000 students participated in the school's financial literacy program.

Source: U.S. Department of Education, National Center for Education Statistics (2013). Integrated Postsecondary Education Data System (IPEDS) (<http://nces.ed.gov/ipeds/>).

School	Marketing Implementation
Baldwin Wallace University	Baldwin Wallace University features financial education in orientation, workshops, and webinars.
El Paso Community College	El Paso Community College incorporates financial education into many parts of the college experience, including in-person annual loan counseling.
Ohio State University	Ohio State University set up its wellness center in the main student recreation area to meet students where they already are.
University of South Florida	The financial education program at the University of South Florida sets up a booth in the quad once a week and uses games and giveaways to entice students.

Ohio State University's wellness center is located in the main student recreation area, meeting students where they are instead of asking them to come to the financial aid office. The financial wellness staff also utilizes wellness ambassadors who spread the word throughout campus and work with residential life to get information to students through their living quarters. The university has held a "cash cab" event, using a golf cart that they refer to as the Buck\$ Bus. Students who hitched a ride around campus were asked financial literacy questions and could win a \$10 gift card if they answered enough questions correctly. Additionally, students who participate in the Second-year Transformational Experience Program (STEP), which requires completing a financial wellness program through the wellness center, can receive \$2,000 to put toward study-abroad, undergraduate research projects, or several other academically-focused purposes.

Targeting

Targeting can enable institutions to reach out to students who may have a greater need for information or other assistance. Some students have the confidence to reach out for help and regularly do so; often, institutions need only to advertise their services to bring these "seekers" in. On the other hand, students who are in trouble yet uncomfortable seeking help will simply choose not to pursue the assistance that could mean the difference between dropping out and completing their program. Many institutions want to reach out to these "non-seekers" but have little leverage to compel their attention

At El Paso Community College, financial education is part of a required freshmen class, and borrowers are strongly encouraged to attend annual entrance counseling in person and complete annual exit counseling online. The University of South Florida reaches students in orientation, classroom presentations, seminars in the dorms, the first-year experience class, and through the wellness center. Similarly, Baldwin Wallace University includes financial education in orientation, in various workshops and webinars, throughout campus, and has office hours on Saturdays to accommodate student schedules.

Many of the marketing efforts used by the institutions aim to inform the entire student body, knowing that only a certain percentage will take advantage. While institutions are happy to gain the attention of this percentage of students, they sometimes prefer to focus resources on certain populations of students who may benefit from those resources more than others.

regarding loan counseling and financial education beyond mandatory entrance and exit counseling. Targeting allows institutions to focus resources to create more persuasive and welcoming outreach that can yield more participation among non-seekers than a mass marketing campaign.

Beyond targeting non-seekers, institutions generally cannot afford to give every student an intense, in-depth financial education (Jensen, 2014; Johnson, 2012). Given limited resources, institutions must make practical decisions about which services to offer and which students to target.



Ohio State University – Main Campus

Location: Columbus, Ohio

Campus Setting: City, Large

Carnegie Classification/Sector: 4-year, Public

DEMOGRAPHICS (Fall 2013)

Undergraduate Enrollment: 44,201

Graduate Enrollment: 13,265

Percent Male: 53%

Percent Female: 47%

Percent Enrolled Full Time: 91%

Percentage of Student Body under Age 25: 92%

Percentage of In-State Students: 75%

FINANCIAL AID (Award Year 2012–2013)

Percent Receiving Pell Grant (Undergraduate): 22%

Average Pell Award (Undergraduate): \$4,038

Percent Receiving Federal Loans
(Undergraduate): 46%

Average Federal Loan Amount
(Undergraduate): \$6,926

OUTCOMES (2013)

Graduation Rate: 83%

Retention Rate: 92%

Cohort Default Rates:

FY 2011: 7.1%

FY 2010: 7.1%

FY 2009: 5.6%

Description of Counseling or Financial Literacy Process:

Ohio State University offers financial wellness programming through the Office of Student Life as part of a larger student wellness initiative that addresses multiple aspects of the student experience. While the financial aid office delivers entrance and exit counseling using the Department of Education's online counseling modules, more robust financial wellness counseling occurs at a wellness center, centrally located on campus in the main recreational sports center. Ohio State University uses a peer-to-peer counseling model to deliver in-person, one-on-one financial coaching to students. This model allows the large university to scale personal counseling to its student population. This program is led by dynamic staff, has strong regent-level support, and has research support from the campus Center for the Study of Student Life, which can tie student life activities to student success.

Source: U.S. Department of Education, National Center for Education Statistics (2013). Integrated Postsecondary Education Data System (IPEDS) (<http://nces.ed.gov/ipeds/>).

School	Targeting Implementation
Baldwin Wallace University	Baldwin Wallace University's SPROUT program targets single parents with information and assistance, including financial literacy.
Broward College	Students not meeting SAP at Broward College were required to attend an in-person group workshop, though this policy was removed recently after clarification from ED.
El Paso Community College	El Paso Community College has incorporated a financial literacy module into the academic appeals process.
Northern Virginia Community College	Northern Virginia Community College piloted its financial literacy program with a targeted group of students before launching with all students.
Ohio State University	Ohio State University piloted its second-year student program with a small number of students.
University of South Florida	The University of South Florida requires all incoming freshmen to complete an online financial literacy module.

Several of the institutions in the study targeted students not meeting SAP requirements, incorporating an element of counseling or financial literacy education as a part of their academic plan. El Paso Community College encourages completion of at least one financial literacy module as a part of the academic appeal process. At Broward College, students not meeting SAP were required to attend an in-person group workshop that covers student loans and basic financial knowledge. The University of South Florida required borrowers not meeting SAP to come in for a one-on-one financial coaching session as part of their academic plan to get the financial aid hold lifted. The recent release of an ED *Dear Colleague Letter* (DCL) (U.S. Department of Education, 2015) about loan counseling requirements has led some institutions to change their SAP policies. The DCL specified that schools cannot require loan counseling beyond the mandatory entrance and exit counseling, even as part of their SAP policy. Broward College and the University of South Florida have changed their policies following the April 2015 release of the DCL, removing the aforementioned requirements. Although additional student loan counseling cannot be required, targeting can still be a useful form of non-compulsory outreach.

A new financial literacy program at Baldwin Wallace University targets single parents enrolled in the university. The program, called Single Parents Reaching Out for

Unlimited Tomorrows (SPROUT), also includes housing, professional, academic, career, and personal development programming. The financial literacy program involves workshops, email correspondence, and a roundtable discussion. Students in the program were surveyed about learning outcomes, interests, and areas of concern so that services can be more tailored to the needs of students. At the University of South Florida, all incoming freshmen are required to complete an online financial literacy module and correctly answer at least 80 percent of the quiz questions correctly before attending classes for the first time.

Targeting can also be used to pilot new programs. Testing programs out on a small group of students allows the administration to work out processes and issues on a smaller scale before pushing out the improved program to the larger student body. Ohio State University piloted its new Second-year Transformational Experience Program (STEP) with 1,000 students in 2013 and has been incrementally increasing its student reach every year since. This slower rollout has allowed the school to gauge faculty and administrator workload, scheduling of program elements, and other critical program features. Northern Virginia Community College piloted its newly designed financial literacy program with online students taking the required student developmental course, which must be taken within a student's first 15 credit hours.



SUNY College of Environmental Science and Forestry

Location: Syracuse, New York
Campus Setting: City, Midsize
Carnegie Classification/Sector: 4-year, Public

DEMOGRAPHICS (Fall 2013)

Undergraduate Enrollment: 1,702
Graduate Enrollment: 527
Percent Male: 57%
Percent Female: 43%
Percent Enrolled Full Time: 97%
Percentage of Student Body under Age 25: 91%
Percentage of In-State Students: 79%

FINANCIAL AID (Award Year 2012–2013)

Percent Receiving Pell Grant (Undergraduate): 27%
Average Pell Award (Undergraduate): \$4,035
Percent Receiving Federal Loans
(Undergraduate): 58%
Average Federal Loan Amount
(Undergraduate): \$6,971

OUTCOMES (2013)

Graduation Rate: 72%
Retention Rate: 86%
Cohort Default Rates:
FY 2011: 3.7%
FY 2010: 3.7%
FY 2009: 3.9%

Description of Counseling or Financial Literacy Process:

At SUNY College of Environmental Science and Forestry, entrance counseling is delivered through the Department of Education's online entrance counseling module, while exit counseling is delivered during an in-person, small group session in early spring. Administrators emphasize the importance of in-person exit counseling, calling it "essential," and note that students appreciate the hands-on, personal approach. These exit counseling sessions are designed to facilitate conversations with student borrowers, and incorporate financial literacy topics, like the dangers of identity theft. The institution has also developed its own financial literacy session for students, and the entire SUNY system uses an online financial literacy program from a third-party vendor.

Source: U.S. Department of Education, National Center for Education Statistics (2013). Integrated Postsecondary Education Data System (IPEDS) (<http://nces.ed.gov/ipeds/>).

In-Person Loan Counseling

A common element in many of the services and programs on campus is that staff or faculty meets in person with students. This has long been seen as a more effective means of communicating and retaining information in the medical field (Carey, Scott-Sheldon, Elliot, Garey, & Carey, 2012; Wanyonyi, Themessl-Huber, Humphris, & Freeman, 2011), and financial aid administrators believe this to be true as well (Reed, 2011; Jensen, 2014). Building on this principle, most of the institutions in our study used in-person loan counseling as a key strategy.

Budget constraints and lack of resources are a problem at nearly every higher education institution, and loan counseling is likely not the highest priority for most. Although most institutions cannot afford to give one-on-one loan counseling to every student, every time, some institutions have developed strategies to provide a more personalized experience for at least some of their borrower population.

Broward College requires first-time borrowers to attend a two-hour entrance counseling workshop, described as having a “scared straight” tone which aims to jolt “students into making good financial choices” (O’Connor, 2014). Students register for the session online just as they would for a class. The staff maintain a strict rule that students arriving more than five minutes late cannot

come in and must register for another session. This rule keeps order in the session, ensures that all attendees are present for all topics, and reinforces that being late has consequences, particularly in financial matters. The completion of this session removes the flag from the student’s record and allows loan processing to proceed.

El Paso Community College also has a two-hour entrance counseling workshop, and strongly encourages borrowers to attend it every year. Students register for the session online, which allows the staff to prepare personalized materials for each student. Sessions are offered at various times throughout the week and on two Saturdays per month. The staff members teaching the sessions utilize presentation software and videos ask the students questions to promote student engagement. Since many borrowers will take the session at least two years in a row, the financial aid department works diligently to keep the presentation fresh and interesting.

Some institutions utilize a small group format for loan counseling. SUNY College of Environmental Science and Forestry holds small group in-person exit counseling sessions. In these sessions of about 5 to 15 students, each student receives printouts with his or her own loan information and the group has an open conversation on exit counseling and financial literacy topics. This personal setting encourages student discussion and questions.

School	In-Person Loan Counseling Implementation
Baldwin Wallace University	Baldwin Wallace University offers small group in-person entrance counseling sessions several weeks into the start of the semester.
Broward College	First-time borrowers are required to attend an in-person entrance counseling workshop at Broward College.
El Paso Community College	El Paso Community College offers an in-person entrance counseling workshop and strongly encourages borrowers to attend annually.
SUNY College of Environmental Science and Forestry	Borrowers at SUNY College of Environmental Science and Forestry can attend small group exit counseling, with 5 to 15 students per session.
University of South Florida	Borrowers at the University of South Florida can receive in-person exit counseling in either group or one-on-one sessions.
Western Technical College	Western Technical College provides in-person one-on-one entrance counseling and small group exit counseling.



University of South Florida – Main Campus

Location: Tampa, Florida

Campus Setting: City, Large

Carnegie Classification/Sector: 4-year, Public

DEMOGRAPHICS (Fall 2013)

Undergraduate Enrollment: 31,100

Graduate Enrollment: 10,328

Percent Male: 45%

Percent Female: 55%

Percent Enrolled Full Time: 76%

Percentage of Student Body under Age 25: 79%

Percentage of In-State Students: 85%

FINANCIAL AID (Award Year 2012–2013)

Percent Receiving Pell Grant (Undergraduate): 41%

Average Pell Award (Undergraduate): \$4,238

Percent Receiving Federal Loans
(Undergraduate): 48%

Average Federal Loan Amount
(Undergraduate): \$8,133

OUTCOMES (2013)

Graduation Rate: 63%

Retention Rate: 89%

Cohort Default Rates:

FY 2011: 7.4%

FY 2010: 10.0%

FY 2009: 9.8%

Description of Counseling or Financial Literacy Process:

The University of South Florida uses a peer-to-peer financial coaching model to conduct in-person, group sessions on exit counseling and budgeting, as well as one-on-one financial counseling sessions. All sessions are customized using the student borrowers' National Student Loan Data System (NSLDS) information, and the group sessions also incorporate live polls through texting to engage students. The financial education center, which houses the peer coaches and staff, is separate from the financial aid office in physical location in an effort to be more available to all students. For entrance counseling, the institution uses the Department of Education's online counseling module, but is in the process of designing an in-person entrance counseling presentation focused on responsible borrowing.

Source: U.S. Department of Education, National Center for Education Statistics (2013). Integrated Postsecondary Education Data System (IPEDS) (<http://nces.ed.gov/ipeds/>).

In the past, Baldwin Wallace University conducted large group sessions for supplemental entrance counseling with as many as 400 students in one setting, done at the very beginning of the year. Fifteen years ago, acknowledging that their counseling process wasn't as effective as it could be, the institution moved to offering this supplemental entrance counseling in small group sessions that take place several weeks into the school year, when students have settled in and can better focus on the presentation. Attendance is not mandatory for these sessions, and therefore, getting students to participate can be a challenge.

Other institutions use a mix of counseling session formats. The University of South Florida offers one-on-

Peer-to-Peer Model

Expanding on the idea of in-person, individualized loan counseling, some schools have employed an even more intensive, personal counseling model that uses peer students as coaches and provides the students with resources and information about broader financial issues beyond just student loans.

one and group sessions for exit counseling, using a \$500 loan payment drawing to entice borrowers to sign up for one of these in-person sessions. Western Technical College uses ED's online loan counseling tool for entrance and exit counseling, but the institution brings the student in and walks him or her through the tool, emphasizing certain topics and answering questions along the way. Entrance counseling is conducted one-on-one and exit counseling is conducted in small student groups.

Small schools, such as Western Technical College, are more likely to be able to meet with students one-on-one. Larger schools need a different solution that can be scaled to meet the needs of a large student body.

Two large public institutions in this study have implemented a peer-to-peer financial coaching model based on successful examples at other institutions such as Texas Tech University and Virginia Tech University. At these institutions, the peer coaches do not provide advice but receive training to enable them to provide resources and options to students as an educational service.

School	Peer-to-Peer Model Implementation
Ohio State University	Students at Ohio State University can receive one-on-one financial education from a trained peer coach.
University of South Florida	Peer coaches at the University of South Florida see students for one-on-one sessions and give presentations at seminars and orientation.

The University of South Florida's financial aid office created a financial education program, in a separate location from its financial aid office, staffed with an associate director, assistant director, program manager, administrative assistant, and paid peer educators. The student workers are comprised of seven undergraduate students. The undergraduates are usually accounting or finance majors who enjoy the financial coaching work and can benefit from acquiring relevant experience as they develop their professional skills. Two of the peer educators have at least one year of experience in the financial education program and function in the role of "senior mentors." One of the senior mentor students is a business major and focuses on training the other peer educators. The student workers go through a six-week training program before they begin working with students. The other senior mentor is an accounting

major and focuses on creating metrics for the program as well as assisting in delinquency management outreach. The student workers lead financial education seminars, give presentations at orientation, and have one-on-one coaching sessions with students. Students, as well as academic advisors working with students, can use a newly implemented online system to schedule appointments.

At Ohio State University, financial education has also been largely removed from the financial aid office and made one of the nine dimensions of the school's student life wellness program. The institution designed its peer-to-peer model as a leadership development program. Twenty-five student coaches are overseen by two student program assistants and two Ohio State University staff members. Students who volunteer as coaches receive extensive training and



Western Technical College

Location: El Paso, Texas

Campus Setting: City, Large

Carnegie Classification/Sector: 2-year, Private, For-profit

DEMOGRAPHICS (Fall 2013)

Undergraduate Enrollment: 1,466

Graduate Enrollment: N/A

Percent Male: 73%

Percent Female: 27%

Percent Enrolled Full Time: 79%

Percentage of Student Body under Age 25: 46%

Percentage of In-State Students: 86%

FINANCIAL AID (Award Year 2012–2013)

Percent Receiving Pell Grant (Undergraduate): 75%

Average Pell Award (Undergraduate): \$3,405

Percent Receiving Federal Loans
(Undergraduate): 72%

Average Federal Loan Amount
(Undergraduate): \$5,749

OUTCOMES (2013)

Graduation Rate: 51%

Retention Rate: 67%

Cohort Default Rates:

FY 2011: 13.4%

FY 2010: 28.1%

FY 2009: 26.6%

Description of Counseling or Financial Literacy Process:

Western Technical College couples the Department of Education's online loan counseling modules with in-person counseling sessions to address the specific needs of its student borrowers. Prior to entrance counseling, staff members meet with students to prepare them for their counseling appointment by letting them know what to expect and what they should bring. Entrance counseling is delivered in one-on-one sessions with financial aid staff where they walk student borrowers, and often their families as well, through the Department of Education's entrance counseling module and their Master Promissory Note. The institution delivers exit counseling in small group sessions so student borrowers can ask questions while completing the Department of Education's exit counseling module. Two years ago, the institution moved the timing of these exit counseling sessions to occur before the internship requirement in the student borrowers' final year. It was difficult to ensure full participation for exit counseling sessions before this change because of the off-campus internship requirement. Today around 98% of the school's student borrowers receive in-person exit counseling.

Source: U.S. Department of Education, National Center for Education Statistics (2013). Integrated Postsecondary Education Data System (IPEDS) (<http://nces.ed.gov/ipeds/>).

one-on-one coaching experience, and also go through a curriculum throughout the year that gives them soft skills to learn how to, for example, build rapport with students. Students who volunteer as coaches tend to be finance

or accounting majors who can use this opportunity as good experience for a future career. Student coaches help their peers create an action plan after learning about the students' goals and financial picture.

Data-Driven Approach

The term "data-driven" has become a bit of a buzz word recently, but is a useful term to describe a process that uses data thoughtfully to evaluate effectiveness and implement specific changes. U.S. Secretary of Education Arne Duncan has voiced his support for data-driven processes in education, stating that he has "long been a believer in the power of data to drive sound decisions" (Duncan, 2009). Institutions are overflowing with data that can give them insights into the effectiveness of processes

and the complexities of student success, but they need to know how to use it. Traditionally, institutional data has been used for compliance purposes. Using data to evaluate and improve requires a different way of thinking. Institutions must craft thoughtful questions, accurately analyze their data to provide answers, and then determine how to use that information to bring about positive change (Lederman, 2010).

School	Data-Driven Approach Implementation
Ohio State University	Ohio State University, using research from its Center for the Study of Student Life, uses data to improve programming for students.

Ohio State University has embraced a data-driven process. The university has a Student Wellness Center that houses a variety of student services, including financial coaching, and has a research center that concentrates on student life. The research that comes out of this Center for the Study of Student Life feeds back to practitioners to improve programming, which in turn improves the student experience and student success.

Some of the research includes student surveys conducted to identify points of stress for students. Research was also the key to developing the campus' peer-to-peer coaching program, Scarlet and Gray Financial. Ohio State University's researchers say that this program, modeled on Texas Tech University's Red to Black program, is supported by their research showing that students are more comfortable talking with people they perceive to be like them. This comfort builds trust, which makes students more likely to seek help.

A data-driven process also led to the creation of the Second-year Transformational Experience Program, or STEP. Multiple research studies at Ohio State University demonstrated that the elements of success for second-year students include participating in campus events, living on campus, peer and faculty interaction, and having institutional commitment. STEP was designed based on these research findings, and requires completion of a financial literacy program, among other elements, to become eligible for a fellowship of up to \$2,000. The primary aim of STEP is to better connect students with peers, faculty, and on-campus services, such as the wellness center, in order to increase student success. By including financial literacy as a required component, Ohio State University is acknowledging that having a financial education is an important part of being a successful student. For those who borrow for school, part of that success means being able to repay student loans.

RECOMMENDATIONS

The strategies used by the institutions in this study suggest a number of recommendations that can improve the strength of student loan counseling or financial education programs at higher education institutions.

Practitioner Recommendations

- **Market loan counseling and financial education information as much as possible.** Incorporate loan counseling and financial education into orientations and first-year courses to ensure that nearly every student will receive the information. Partner with others on campus to find ways to get the information into as many outlets as possible, such as classroom presentations and seminars in dorms.
- **Use data for process improvement.** Use institutional and supplemental data to assess the efficacy of programs. These assessments can help in a variety of ways, including evaluating knowledge gained, points of stress for students, and the best days and times to schedule sessions. Data can also be used to determine which students may benefit the most from specific services.
- **Find ways to have in-person conversations.** School size and resources will determine what is possible. Some institutions can accomplish this with small group sessions or intensive workshops. Large universities can develop peer-to-peer coaching programs to scale a personal, face-to-face experience for their populations.
- **Develop integrated counseling messages for students.** Integrating messages from departments such as academic advising, career services, and financial aid will create a smoother path for students and contribute to their success.

Policy Recommendations

- **Allow institutions to require annual loan counseling.** Some schools would like to provide more robust and frequent loan counseling but currently have no leverage to compel the attention of students beyond mandatory entrance and exit counseling. Give institutions the option to make annual loan counseling a requirement.
- **Allow student loan counseling in the SAP appeals process.** Under the current published guidance, student loan counseling cannot be required as a part of the appeals process for students failing to meet SAP. Prior to this clarification, some schools had required loan counseling in this process and believed it to be very helpful.
- **Increase resources for loan counseling and financial literacy.** Financial aid administrators acknowledge that personalized, face-to-face loan counseling and financial education are valuable and effective, but resource contention makes this a rare occurrence. Increasing resources for this purpose, perhaps through federal-state partnerships, could make an important difference.
- **Provide flexibility on student loan maximum.** Allow institutions to reduce the amount students can borrow on the condition that student borrowers can receive the maximum amount if they demonstrate a more advanced understanding of financial matters, such as by completing a financial education course or creating a spending plan.

CONCLUSION

As higher education institutions prepare students for success after college, part of that preparation should include financial education. While important for all students, this is especially crucial for those who borrow to attend school. Higher education institutions have a legal and fiscal responsibility to educate student loan borrowers about their loans. Beyond that requirement, staff and faculty at institutions truly care about student success and want the best for those who have been under their care and guidance.

The decision to borrow student loans is often one of the first major financial decisions a college student, or soon-to-be college student, must make, and it can be among the largest financial endeavors he or she ever undertakes. The most commonly used method of student loan counseling, ED's online tool, does not provide an ideal counseling experience. Attention spans run low, confusion and frustration set in, and borrowers ultimately skim through the tool to make it through the requirement in order to receive their loan disbursements. By the end, borrowers feel as though they have received a lot of information — perhaps too much at one time — but no real counseling.

Some higher education institutions have stepped up to try to improve the loan counseling experience in many ways. These institutions are cross training to create better communication and move toward a more holistic learning environment. They are marketing the programs and services to students by providing information in a variety of settings, and targeting students who may be most in need of certain services. They are conducting student loan counseling in person where possible, using a peer-to-peer model for broader financial coaching, and using data to drive decision making. The institutions in this study have gone above and beyond the minimum required in the regulations to provide their student borrowers with more personalized, in-depth loan counseling and a broad financial education to improve their chances of success in school and in life. Hopefully, this report will inspire other institutions to look carefully at their own policies and programs and incorporate strategies covered in this report, or other effective strategies, to strengthen the financial education of their students.

The decision to borrow student loans is often one of the first major financial decisions a college student, or soon-to-be college student, must make, and it can be among the largest financial endeavors he or she ever undertakes.

Appendix

Staff interviewed at each institution:

Baldwin Wallace University

Carmen Castro-Rivera, Director, Career Services
Carrie Euype, Assistant Director of Financial Aid
Barbara Roberts, Assistant Director of Financial Aid
and Financial Retention Services
Marcia Shaffer, Perkins Loan Officer
Cheryl Willard, Associate Director of Financial Aid

Broward College

Wm. Kent Dunston, Student Financial Services, Default
Midland Pierre, Financial Aid Counselor
Robert Robbins, Associate Vice President for
Student Affairs/Financial Aid

El Paso Community College

Penelope Apolinario-Ibay, Student Loan Coordinator
Arvis Jones, Director of Student Leadership
and Campus Life
Raul Lerma, Executive Director of Financial Aid
Norma Urias, Assistant Director of Financial Aid

Northern Virginia Community College

Billy Ray Davis, Associate Director of Communications
and Enrollment Support
Faith Owens, Assistant Director, Pell Grants and Loans
Joan Zanders, Director of Financial Aid
Clint Young, Work-Study/Default Prevention Coordinator

Ohio State University

Bryan Ashton, Assistant Director – Financial Wellness,
Student Life, Student Wellness Center
Beth Fines – Associate Director of Academic Initiatives,
Student Life, Residence Life
Anne McDaniel, Associate Director of Research,
Center for the Study of Student Life (CSSL)
Catherine P. Montalto, Associate Professor,
College of Education and Human Ecology
Michelle Patella, Financial Wellness Coordinator,
Student Wellness Center

SUNY College of Environmental Science and Forestry

Mark Hill, Director of Financial Aid
Tom Smith, Financial Aid Loan Coordinator
John Turbeville, Director of Career Services
John View, Financial Aid Compliance
(Retired Director of Financial Aid)

University of South Florida

Billie Jo Hamilton, Assistant Vice President of Enrollment
Management and Director of Financial Aid
Dameion Lovett, Associate Director, Financial Education
and Outreach Programs
Apoorva Sehgal, Peer Educator
James Wilson, Financial Aid Team Manager
Shane Mangold, Peer Educator

Western Technical College

Mary Cano, Executive Vice President
Lynda Cervantes, Academic Dean
Helen Garcia, Career Services Director
Danielle Picchi, Student Financial Services Director

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