

## DELIVERY Financial Services and Assets

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Financial and asset building services offered through the Working Families Success strategy build on a community college's education mission by teaching students about financial issues and how to manage their financial future. In some cases, these services also provide specific financial products that can help individuals build their wealth.

The services offered through this pillar can be divided into three main groups:

**Financial education:** Teaching students, usually in a group setting, about a range of financial topics centered on financial literacy.

**Financial coaching:** A specific and tailored approach in which trained individuals provide one-on-one financial counseling to help students reach their financial goals.

**Asset building products and services:** Providing students with information and training on how to use suitable financial products that build wealth.

The matrix at the end of this section provides details on low-, medium-, and high-touch services.

**Financial education:** Colleges generally take two approaches to financial literacy training: 1) embedding financial literacy into established student success classes, and 2) providing dedicated financial literacy education either through specialized workshops or through online curricula. Using student success classes, which are often required of all entering first-year students, provides for the greatest numbers of students that can be reached. Some colleges devote several weeks to the concept of financial literacy, while others might integrate the issue throughout the course. Some sample curriculums are included as part of this tool kit.

Similarly varied approaches are taken in offering financial literacy training through workshops or online curriculum. Some colleges offer workshops on a particular subject matter such as household budgeting or saving for a home, and others offer more comprehensive workshops that cover a range of issues. In some cases, the workshops are offered as part of scheduled campus-wide events such as a Financial Literacy week promotion or a financial literacy fair.

Increasingly, colleges are providing some financial literacy through online materials. This might be through a dedicated website developed by the college or by linking to an already developed source. Links to some websites are provided as part of this tool kit.

**Financial coaching:** The most intensive type of financial and asset building service is financial coaching. Financial coaching typically involves one-on-one coaching sessions between a trained college staff member (faculty or staff) or community partner and a currently enrolled student. These sessions help students set financial goals and make plans to accomplish them. They work on

budgets, managing or eliminating personal debt and financial accountability. Financial coaching may consist of just one session or recurring sessions.

**Asset building and financial products:** If there is a criticism of financial education efforts, it is that the real issue facing many students is not information about how to manage their money but rather actual financial tools to build wealth. To provide students with information about these products, some colleges have partnered with local community-based organizations and in some cases, financial institutions. The products that can be offered include flexible checking accounts and alternative check-cashing services, low-cost loans for students who do not have a credit card, savings accounts and first-time homebuyer financing.

Among the most common financial products offered by colleges are emergency savings products that allow students to cope with sudden financial burdens. The Community College of Baltimore County has been exploring combining this type of product with some targeted financial coaching. There have been some efforts aimed at offering products that actually build student’s assets. Additionally, initial results from MDRC’s “Aid Like a Paycheck,” which provides for distributing financial aid over a period of time, are showing promising results in helping students maintain financial stability. An additional product that can be useful in the education context is an Individual Development Account (IDA). IDAs are special savings accounts that match the deposits of qualified individuals as long as those deposits are used towards increasing individual assets. Postsecondary education and job training are often seen as uses for IDAs.

In many cases, the most valuable information is how to avoid predatory lending practices. Unscrupulous check cashers or payday lenders can quickly undermine a student’s finances; presenting an affordable alternative to students is an effective way to help students build wealth.

	<b>Low-Touch</b>	<b>Medium-Touch</b>	<b>High-Touch</b>
<b>Financial Education</b>	Providing financial education services through student success courses; offering referrals to outside organizations or resources for financial ed training.	Workshops or fairs centered on financial literacy issues; college-based website on financial literacy.	Individualized follow-up from group financial literacy sessions. Monitoring financial progress and goals throughout semester.
<b>Financial coaching</b>	Offering information and referrals to partner organizations offering financial coaching.	Financial coaching offered by staff or faculty with other responsibilities; may be limited to one or two sessions with limited follow-up.	Dedicated staff employed as financial coaches with multiple follow-ups throughout enrollment.

<b>Asset building products and services</b>	Providing materials to individuals about available products in local institutions.	Targeted presentations about available resources including avoiding predatory practices.	Active partnerships with local financial institutions to provide asset-building services and products; frequent individualized meetings with students to discuss these products and services.
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## Examples

The **Community College of Baltimore County** incorporates financial literacy training into its student success classes. An important component of the program is encouraging savings by giving each student their own piggy bank to put away some savings during the semester. Although many students at first dismiss this as a gimmick, by the end of the semester they are excited to report how much they have saved and how setting a little aside each day goes a long way towards building assets.

**Houston Community College** hosts financial literacy weeks at several of its campuses. These events feature financial literacy workshops including speakers from local financial institutions who can speak about affordable asset building products.

Several colleges require financial coaching for students who receive scholarships. **Norwalk Community College** requires that scholarship grantees participate in coaching sessions to help them achieve their educational and financial goals. At **Des Moines Area Community College** participants in the college's Workforce Training Academy are required to participate in at least one financial coaching session.



## Tools, Materials, and Resources

- Student financial assessment: *Houston Community College, LAHC, Central New Mexico Community College, Norwalk*
- Financial resources for students: *Norwalk, Pulaski Technical College*
- Class curriculum: *Skyline, Houston Community College, Phillips Community College, Central New Mexico Community College*
- Financial coaching guide: *Skyline*