Developing a Personal Finance Program
for Students at Historically Black Colleges and Universities

UNCF Special Programs Corporation
April 2012

This research was supported by a grant from the FINRA Investor Education Foundation. All results, interpretations and conclusions expressed are those of the author(s) alone, and do not necessarily represent the views of the FINRA Investor Education Foundation or any of its affiliated companies.
Introduction

In 2009, UNCF Special Programs Corporation (UNCFSP) set out to develop empirically-based recommendations for the implementation of effective personal finance programs for students at the nation’s Historically Black Colleges and Universities (HBCUs). Multiple quantitative and qualitative data sources were developed to support the development of the recommendations included in this report:

- **A National Survey of HBCU Students.** An online survey of personal finance knowledge, attitudes and behaviors (the KAB survey) was administered to students at 22 HBCUs. The final data set consists of 2,286 records. See Exhibit A for details.

- **Focus Groups.** Focus groups at the University of Maryland Eastern Shore were convened to evaluate the pilot version of the survey. Following the preliminary analysis of survey data, post-survey focus groups were held with students from Coppin State University, Howard University, Spelman College and the University of the District of Columbia. The purpose of these groups was to help validate survey findings. Focus groups were also held with HBCU faculty and administrators to gain their perspective. See Exhibit A for details.

- **Financial Education Product Review Groups.** Teams of students from Howard University were recruited to review financial education products (e.g., books, web resources, games, etc.) to identify the characteristics of effective products. Reviewers completed rating forms for all products and participated in multiple debriefing sessions. These sessions were recorded, transcribed and subsequently analyzed. Details on product review groups are included in the report in the Methodology section of Exhibit B.

UNCFSP collected and analyzed data between April 2009 and August 2011. During the course of our study, we found that (1) HBCU students, faculty members and administrators agree that HBCUs should provide some level of effective financial education for their students; and (2) despite the universality of this intention, one obstacle to action is the lack of evidence-based insights on the financial education needs of HBCU students and what types of educational

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1The data book for the national survey is available from UNCF Special Programs Corporation.
interventions would be effective for this population. We were equally convinced that while HBCUs wish to provide an effective personal finance education to their students, they lack data-based and actionable recommendations on how to do so. This report addresses that need.

**Getting Started**

In this section, we offer three foundational recommendations for HBCU administrators who are ready to develop and implement a campus-wide program of personal finance education interventions for their students:

1. **Appoint financial education champions and support them.** Appoint appropriate member(s) of the faculty or staff to coordinate and facilitate financial education on campus. Give these champions sufficient release time to focus on this initiative. Have them report to the president or a senior administrator who reports directly to the president. Give them a physical space on campus where they can create a financial education resource center as well as sufficient staff support (e.g., work study student, part-time administrative assistant). Make their effectiveness as financial champions a factor in their work performance evaluation.

2. **Conduct a financial education audit.** Identify existing financial education activities and resources on campus and within the immediate community. Identify potential financial education partners (e.g., credit unions and other not-for-profit organizations.) Identify potential personal finance dangers (e.g., payday loan companies, check cashing companies, etc.) Identify hazards to good student financial decision-making caused by or potentially influenced by the institution (e.g. permitting a school “branded” credit card that does not contain the best possible terms and conditions for students or that provides incentives for the college based on poor student payment behavior.)

3. **Adopt clear and simple definitions of financial literacy, financial capability and good financial decision-making.** We strongly advise using established definitions. For example, the Center for Financial Services Innovation (CFSI) includes financial education as one of the five factors of financial capability, including:
   - Being able to cover monthly expenses with income
   - Tracking spending
• Planning ahead and saving for the future
• Selecting and managing financial products and services
• Gaining and exercising financial knowledge

Key Findings from the KAB Survey:
Implications for the Design of Effective Personal Finance Programs

Among the KAB survey findings (Exhibit A), we believe the following provide insight for the development of effective interventions and programs for HBCU students:

1. **In terms of making financial decisions, HBCU students often know the right thing to do, but will act in ways that are counter to their own best interests.** HBCU students operate within an ecology of interactive social systems that can undermine their intentions to behave in financially responsible ways.

2. **HBCU student financial literacy is low compared to national samples; however, it is weakly associated with responsible financial behavior.** Study data suggest that high and low levels of financial knowledge will not, on their own, predict responsible or risky financial behavior.

3. **HBCU students, faculty and staff believe their institutions have a responsibility to provide an effective financial education for their students, and students trust that their schools have their best interests at heart.** Colleges and universities should consider it their responsibility to provide educational opportunities, make policies and create a campus environment that encourages optimal financial decision-making by students.

4. **Lump-sum student loans present a particular financial challenge for HBCU students.** Study data suggest that HBCU students do not responsibly manage the lump-sum disbursement of their educational loans. In focus groups, students frequently referred to their disbursement checks as “refund checks,” and described treating disbursements as a windfall of disposable income.
5. **A campus-based financial education program should start as early as possible.** Students agree that personal finance interventions and education should start with prospective students and should be a major emphasis during students’ freshman year.

6. **Students want to be engaged by a campus financial education program that is interactive, customized and multi-modal.** Attractive financial education programs will include a variety of components: mandatory, elective, large-group, small-group and individual activities.

**Characteristics of Engaging Financial Education Methods and Materials**

Findings for this section of the report are derived from product review group participants’ individual written comments as well as from focus group discussions. The purpose of the research was not to recommend specific products or services, but instead to identify characteristics of financial education methods and materials that are appealing to HBCU students and relevant to their needs (see Exhibit B for details). The following insights emerged from the work:

1. **Engaging financial education methods and materials leverage HBCU students’ affinity for technology.** Whether technology is web-based (e.g., social networking sites) or hardware-based (e.g., smart phone app), student reviewers commented that HBCU students are drawn to technology as a means to both connect and compete with their peers – especially as part of a multi-modal program.

2. **Engaging financial education programs are relevant to student life.** Students want practical answers to their immediate financial education questions. They want to know what to do with a student disbursement, how to decide if they can afford to move off campus or how to buy a car. Students have a strong preference for financial education methods and materials that engage them “where they are” using clear, direct and informal language, followed by actionable advice. By the same token, HBCU students did not like materials that were overly academic or not relevant to their situation.
3. **Engaging financial education programs provide students with opportunities to apply what they have learned and get personal feedback.** Students want to be able to apply the lessons learned quickly from a financial education class or intervention and get immediate feedback on the effectiveness of their actions.

4. **Appealing financial education products allow students to exercise choice in several different ways.** First, students are attracted to financial education materials that present multiple entry points and thus do not have to be completed in a linear fashion. Students like the idea of being able to decide where to begin and end their engagement with a financial education resource. Reviewers also enjoyed interactive products that allow them to make decisions. Study participants describe a strong, positive and pleasant relationship among choice, problem-solving and decision-making. They were empowered by products that allowed them to practice personal finance decision-making safely.

5. **Engaging financial education products allow for personal discovery and reflection.** Reviewers commented that effective financial education products encouraged them to reflect on their personal finance knowledge, attitudes and behaviors. This reflection appears to be a prerequisite for revising inadequate knowledge, attitudes and behaviors. Students were empowered when financial education products encouraged them to identify unexamined personal finance attitudes and behaviors and make choices about how they will think and act in the future.

6. **Financial education interventions should address income generation.** Most financial education programs focus on saving. Students also want to learn how to generate more income.

7. **Engaging financial education methods and materials allow for social comparisons.** Study participants indicated that there is little social capital earned for being fiscally responsible on HBCU campuses. They were interested in the idea of a financial education experience that would allow them to compare their fiscal health to their peers – perhaps virtually through an avatar – and derive satisfaction from their good choices and standing among their peers.
8. Engaging financial education products present content in bite-size chunks. Students prefer to receive new financial information in manageably sized doses. This is particularly relevant for web-based resources, where there seems to be a temptation among providers to provide an exhaustive amount of information.
Applying the Findings

Differing institutional priorities and capacities will obviously affect the final design of financial education interventions and education programs on individual campuses. Nevertheless, UNCFSP recommends that successful on-campus financial education interventions will:

1. **Focus on behavior change.** With a clear internal understanding of the difference between “financial literacy” and “financial capability,” focus programming on behavioral change that will likely result from addressing financial decision-making.

2. **Start early.** Start your financial education program for students no later than freshmen year, but consider initiating it before students and their families first arrive on campus. The application process, admitted student period and pre-freshmen orientation process offer opportunities to have virtual and face-to-face interactions with prospective students and their families on the topic of personal finance. Waiting until students get to campus for their first semester means that some opportunities will be lost. For example, by the time they arrive for first-year student orientation, students will have already applied for student loans and have developed expectations and plans for how they might spend their student loan disbursement.

3. **Give students as much practical information specific to their situation as possible.** Provide students the information they need to prepare and make responsible financial choices. For example, include information for prospective applicants about how much first-year students tend to spend each month and on what; provide costs associated with joining a fraternity, sorority or club, etc.; provide the average cost of books for first-year students; provide the average starting salary for the 10 most popular majors. Ask current students and alumni to help develop reliable budget numbers.

4. **Use multiple education modes.** No one teaching method works equally well for all students. Plan on including an array of components in the program design including: mandatory, elective, curricular, co-curricular, large-group, small-group, one-on-one, virtual and face-to-face components.
5. **Target interventions for students’ “danger times.”** There are times when students are more vulnerable to poor financial decision-making, and it may be effective to target interventions to reach them during these times. Our study shows that danger times might include: all of freshman year; when students receive their student loan disbursement; spring break; weekends; when the semester changes; and homecoming week. Interventions could range from the easily implemented (e.g., highlighting available financial education coaching resources during freshman orientation) to the more difficult to implement (e.g., instituting Saturday morning courses that would shorten students’ weekends and therefore decrease the opportunities for them to be diverted from their spending plans by social pressure.)

6. **Continue financial education throughout the students’ time at the institution and possibly beyond.** An effective program is progressive and continual. Students who start the program should have the opportunity to continue learning and practicing responsible financial behaviors throughout their time in college. HBCUs may want to consider extending the program to young alumni to help them navigate their first-job and/or graduate school experiences.

7. **All interventions should be designed with a rigorous assessment and evaluation plan in place.** HBCUs need to collect formative and summative evaluation data to assess the effectiveness of their interventions. This should not be an afterthought, but rather integral to program design and administration from the earliest planning stages through implementation.
The Personal Finance Knowledge, Attitudes and Behaviors of Students Attending Historically Black Colleges and Universities: Implications for the Design of Effective Personal Finance Programs

UNCF Special Programs Corporation
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The UNCF Special Programs Corporation (UNCFSP) undertook this study of the personal finance knowledge, attitudes and behaviors (KABs) of students attending Historically Black Colleges and Universities (HBCUs) for the purpose of informing the discussion about effective interventions and personal finance programs for today’s HBCU students.

UNCFSP is especially grateful to the students, faculty members and administrators at the HBCUs that participated in this project.

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For electronic access to the survey data that forms the basis for this report, please contact the UNCF Special Programs Corporation.

Born from the long-standing tradition of the United Negro College Fund, Inc., the mission of UNCF Special Programs Corporation (UNCFSP) is to support the workforce development of underrepresented populations in the United States and to develop the institutional capacity of the educational organizations that serve them.

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Executive Summary

The recent financial crisis in the United States has focused attention on the financial actions of individuals within the larger economy. While recognizing that systemic forces play a significant role in the personal wealth of individuals, we acknowledge that an individual’s financial behaviors, whether risky or responsible, impact one’s wellness markers and personal wealth. UNCF Special Programs Corporation (UNCFSP) conducted this study of the personal finance knowledge, attitudes and behaviors of Historically Black College and University (HBCU) students to inform the discussion about interventions and programs that address the needs of today’s HBCU students.

During the course of our study, we found that HBCU students, faculty members and administrators agree that colleges have a unique opportunity, some say responsibility, to provide a financial education and a safe financial environment for HBCU students. This report provides the most comprehensive picture to date of HBCU students’ personal finances and their knowledge, attitudes and behaviors around money, and provides a starting point for the design of campus-based interventions. Given the fact that the voices of HBCU students have largely been absent from previous research about college students and personal finance, we believe their inclusion via this report represents an important contribution to the discussion. Of course, more research in this important area is needed to better and more fully understand financial literacy and capability levels among HBCU students and the optimal design for campus-based financial education programs and other interventions. And, importantly, the dataset created by this project could serve as an invaluable resource for future research in this field.

To gather data, we surveyed over 2,200 students at 22 HBCUs, and conducted a number of focus groups at five schools (two of which were also survey sites) to validate survey findings. We executed this work between April 2009 and October 2011 in five phases: Pre-Survey Focus Groups, Survey Development, Survey Deployment, Post-Survey Validation and Research Review and Reporting. In the end, the study involved nearly 3,000 students, faculty members and staff at 25 HBCUs.
Key Findings

Among the study’s findings, we believe the following provide insight for the development of effective interventions and programs for HBCU students:

1. **In terms of making financial decisions, HBCU students often know the right thing to do, but will act in ways that are counter to their own best interests.** HBCU students operate within an ecology of interactive social systems that can undermine their intentions to behave in financially responsible ways.

2. **HBCU student financial literacy is low compared to national samples; however, it is weakly associated with responsible financial behavior.** Study data suggest that high and low levels of financial knowledge will not, on their own, predict responsible or risky financial behavior.

3. **HBCU students, faculty members and staff believe that their institutions have a responsibility to provide an effective financial education for their students, and students trust that their schools have their best interests at heart.** Colleges and universities should consider it their responsibility to provide educational opportunities, make policies and create a campus environment that encourages optimal financial decision-making by students.

4. **Student loans present a particularly difficult financial challenge for HBCU students.** Study data suggest that HBCU students do not responsibly manage their educational loans or the lump-sum disbursement of those funds. In focus groups students frequently referred to their disbursement checks as “refund checks,” and described treating disbursements as a windfall of disposable income.

5. **An effective financial education program should start as early as possible.** Personal finance interventions and education should start with prospective students and should be a major emphasis during students’ freshman year.

6. **Effective financial education is interactive, customized and multi-modal.** Effective financial education programs will include a variety of components: mandatory, elective, large-group, small-group and individual activities.
Applying the Findings

UNCFSP recommends that HBCU administrators consider the following as they develop personal finance intervention and education strategies for their campuses:

1. **Start early.** Once freshmen are on campus many critical financial decisions have already been made. A comprehensive program should consider the needs of prospective students. The needs of first-year students also require special focus and consideration.

2. **Continue throughout the students’ tenure at the institution and possibly beyond.** The program should be progressive, should build on previous lessons and activities, and should be tied to students’ needs through graduation and into their first job and/or graduate school.

3. **Give students practical information specific to their institution and their personal experiences and challenges.** Avoid vague aphorisms like “save more” and instead offer students specific solutions and strategies for navigating the financial environment at their institution and in their community.

4. **Focus on financial capability and competency.** Resist the temptation to deliver financial content for students’ knowledge sake, and instead focus on measurable changes in behavior or outcomes.

5. **Target interventions for times that are known to present challenges to students.** Students are vulnerable to irresponsible financial behavior during predictable events such as the time period immediately following student loan check disbursement, Spring Break and Homecoming Weekend.

Study Purpose and Report Structure

The primary goal of this project and final report is to provide insight into HBCU students’ personal finance knowledge, attitudes and behaviors and to encourage and inform the development and implementation of on-campus interventions and financial education programs. In order to achieve this goal, we collected both quantitative and qualitative data from HBCU students.
The report is organized as follows. We first look at the racial wealth gap in the United States through the lens of financial literacy and financial behavior among college students. Then we explain the significance of research on HBCU students’ personal finance knowledge, attitudes and behaviors. Further, we present key findings from the study, discuss their implications and suggest how HBCU administrators might use the findings to create interventions tailored to the needs of their own campuses. The study methodology and sample description are included in the Appendices.
Introduction: Wealth, Race and Personal Finance Behaviors

There is a significant racial wealth gap in the United States. Estimates suggest the net worth of white households is five to ten times greater than black households (Gittleman & Wolff, 2004, DeVaney, S. A., Anong, S. T., & Yang, Y., 2007). A recent report from the Pew Research Center estimated the wealth of the median white household has grown to 20 times that of the median black family following the Great Recession that ended in 2009 (Kochhar, Fry & Taylor, 2011).

Conventional wisdom argues that one’s ability to generate wealth is affected by one’s financial literacy, and researchers have identified race as a significant factor in predicting college students’ financial literacy. Black students are the least financially literate among all ethnic groups (Chen & Volpe, 1998) and have lower financial literacy scores than their white peers (Lusardi & Mitchell, 2005). Developing a personal finance education program for black students may help bridge this knowledge gap (Joo, Grabell & Bagwell, 2003) and thereby help narrow the racial wealth gap by improving individuals’ financial decision making.

The recent financial crisis in the United States has put a national spotlight on improving the financial decision-making ability of the general public, and a number of organizations have committed themselves to address personal financial literacy and capacity as a national priority. These organizations include federal entities such as the Financial Literacy and Education Commission, the President’s Advisory Council on Financial Capability and the National Financial Capability Challenge. Additionally, not-for-profit organizations such as the National Endowment for Financial Education, the RAND Financial Literacy Center, and the JumpStart Coalition for Personal Financial Literacy have increased their efforts to build the financial capability of citizens across the United States.

Numerous colleges and universities in the United States have responded to the national environment by initiating, expanding and institutionalizing financial education programs designed to improve their students’ capacity to make responsible financial decisions. A number of these programs have received national recognition, including the Red to Black program at Texas Tech, the Credit Wise Cats program at the University of Arizona, the Peer Financial Counseling program at the University of Georgia and the Wright Financial Path program at Wright University (Low, 2009). These institutions are committed to providing curricular and co-curricular financial education initiatives as part of their mission to educate “the whole student.”
Among institutions of higher learning, HBCUs play a particularly important role in the United States. They shape not only students, but entire communities. And they have played a critical role in helping to create wealth for the black middle class. While HBCUs represent only three percent of colleges and universities in the United States, they confer 23.6 percent, 13.1 percent, and 10.6 percent of bachelors, masters and doctorate degrees, respectively, earned by black students each year (Hill & Johnson, 2001 as cited by Humphreys & Korb, 2006). Over their working lifetime, black students with bachelor’s degrees can expect to earn 70 percent more than if they only earned a high school diploma, and black students with advanced degrees can expect to earn 57 percent more than if they only earned a bachelor’s degree (Hill & Johnson, 2001 as cited by Humphreys & Korb, 2006). This translates into substantial increases in working life income for black college graduates over their non-degree earning peers. Given these facts, we argue that a financial education program that promotes the ability of HBCU students to successfully earn their undergraduate and graduate degrees will ultimately benefit the black middle-class community.

Additionally, improving their students’ financial capacity is in the interests of HBCUs themselves. Rising college costs, the accumulation of greater loan debt and a challenging national economy can make it difficult for graduated students to meet their student loan repayment obligations. In fact, student loan default rates are rising at all higher education institutions. The U.S. Department of Education reported that student default rates among the 2009 cohort of college students rose from 7.0 percent to 8.8 percent across all sectors (i.e., public, private and for-profit schools) (U.S. Department of Education, 2011). When looking at data from the 2007 cohort, HBCUs as a whole had default rates of 11.5 percent with 10 schools having rates above 30 percent (Dillon and Smiles, 2010). HBCUs with excessive default rates may lose funding for federal student financial aid programs, and this could have a particularly negative impact on their enrollment given the large percentage of HBCU students who finance their education with some form of federal assistance. For example, Integrated Postsecondary Education Data Systems (IPEDS) data for students enrolled at HBCUs in the 2008-2009 academic year show 67.3 percent of full-time first-year students received federal grants, and 65.9 percent of full-time students received some form of federal student loans.

The ultimate purpose of this study is to encourage the implementation of personal finance education and interventions on HBCU campuses that maximize the likelihood that students will
engage in responsible financial behaviors and minimize the likelihood that they will engage in risky financial behaviors. Theoretically, developing an effective financial education program for college students, whether or not they attend HBCUs, requires an understanding about their personal finance knowledge, attitudes and behaviors. A number of such studies have been conducted with college students. Studies, for example, have examined the associations between money management behavior and attitudes towards credit cards (Roberts & Jones, 2001; Xiao, Noring & Anderson, 1995). Additionally, studies have identified a positive association between financial knowledge and responsible money management behaviors (Chen & Volpe, 1998; Borden, Lee, Serido & Collins, 2008).

As we reviewed these and other personal finance studies, we identified a gap in the research literature: HBCU students are largely absent from the scholarly discussion of personal finance, and as a result the requisite data to develop effective personal financial education interventions for this population may not exist.

To collect the data necessary to fulfill this study’s purpose, our research focused on three broad questions:

1. **Personal Financial Knowledge.** What personal finance knowledge do HBCU students have? What differences, if any, are there in personal finance knowledge in terms of student classification (freshman, sophomore, junior, senior and graduate student), gender or other demographic factors?

2. **Personal Financial Attitudes.** What attitudes do HBCU students have related to financial and investment literacy? What differences, if any, are there in personal finance attitudes by student classification, gender or other demographics?

3. **Personal Financial Behavior.** What behaviors do HBCU students’ exhibit related to their personal finances? What differences, if any, are there in personal finance behaviors by student classification and gender?

The data that forms the basis for this report was collected through a national survey and focus groups of HBCU students from April 2009 to August 2011.

1. **National Survey of HBCU Students.** An online survey of personal finance knowledge, attitudes and behaviors was administered to students at 22 HBCUs. The final data set consists of 2,286 records. Details on survey development, deployment and validation are included in this report in the Methodology section of the Appendix.
2. **Focus Groups.** Focus groups at the University of Maryland Eastern Shore were convened to evaluate the pilot version of the online survey. Following the preliminary analysis of survey data, post-survey focus groups were held with students from four HBCUs: Coppin State University, Howard University, Spelman College and the University of the District of Columbia. The purpose of these groups was to help validate survey findings. These focus group sessions were recorded, transcribed and subsequently analyzed. Details on focus groups are included in this report in the Methodology section of the Appendix.

During the course of collecting this data, we have become more convinced of the urgent need for HBCUs to provide an effective financial education for their students. We became equally convinced that HBCUs actually do wish to provide an effective personal finance education to their students, but lack data-based and actionable recommendations on how to do so. This report addresses that need.

Our personal finance study involved more than 2,200 students, faculty and staff at 22 HBCUs where an online survey was administered and three additional HBCUs where focus groups were conducted (two of the survey sites also hosted focus groups). As a result, a large body of quantitative and qualitative data was collected. While summarizing all these data is beyond the scope of this report, the following key findings were used to address the purpose of this study – the development of a financial education program for HBCU students.
Key Study Findings

1. **In terms of making financial decisions, HBCU students often know the right thing to do, but will act in ways that are counter to their own best interests.**

   Our study found that even though they may know the responsible thing to do in any particular financial situation, HBCU students often do not act in their own best interest. For example, 96.1 percent (2,174) of HBCU students surveyed agreed or strongly agreed that having a spending plan was important, but only 69.1 percent (1,525) indicated they usually or always stick to their financial plans. Further, 79 percent (1,801) of HBCU students surveyed agreed and strongly agreed that they know how to manage their money, but do not always do what they know they should do. In focus group discussions, HBCU students identified a number of factors that can undermine their intention to stick to their financial plans, including the mercurial nature of their plans, unrealistic budgets, social pressure from peers to overspend, college culture and changing financial circumstances.

   **Mercurial nature of students’ plans.** Focus group participants described how students’ spending plans change frequently, because their priorities change frequently – often as a result of their classes and extracurricular activities. For example, participants described how their budgets change at least every semester and that it might be more effective for students to focus on financial goals rather than on financial plans.

   “[HBCU students’ financial] plans are not necessarily set in stone. It is not concretized. Plans change daily, weekly, monthly. So I think it’s very idealistic, optimistic for them to stick to the plans that they have…. If you have a goal you can make your own unique plan. Not necessarily vice- versa, because if you have a plan, you're not necessarily going to meet your goal.” – HBCU student

   HBCU students’ change in spending patterns is often affected by how much free time they have, their class schedules, the direct costs associated with their classes, their major (e.g., materials) and the people they spend time with as a result of their new class schedule.

   **Unrealistic budgets.** Often students do not stick to their budgets because they developed them based on incorrect assumptions or with incomplete information. Out-of-state students, for example, may develop a budget based on how much things cost at home, not realizing that things at college (e.g., books, food) may be more expensive. For example, 45.4 percent (1,020) of
HBCU students surveyed indicated they spend more than their income. New students are also not always aware of the costs associated with many campus activities (e.g., Homecoming Week). Such added expenses can quickly derail their budgets. Finally, many HBCU students are unaware of their own spending patterns and develop budgets that are aspirational rather than based on their actual behavior and sometimes unexamined priorities.

“Because you don’t realize what you’re spending your money on until you actually see it. ‘Oh wow. I’ve put up $200 a week towards fast food. And that could go to something else. I could save up for savings.’ It could go to [pay] an extra bill, to get out of debt, and it could help you save money for books if you need the extra money. Or it would help you to see what you’re actually spending your money on, and then realizing you can put that somewhere else.” – HBCU student

**Social Pressure.** Spending associated with social activities has the greatest negative impact in terms of throwing students off their spending plans. Focus group participants described how social activities quickly ate into their budgets and how this became even more of an issue if they were trying to fit into the school’s social scene or that of a particular peer group, as one might be prone to do as a new first-year student. For example, 37.9 percent (830) of HBCU students surveyed indicated they always, usually or sometimes buy things to fit in with their friends. The act of spending money was equated with the value students placed on social relationships.

“I have friends who love going out to eat, and I just like, I don’t like spending money on food. So for me [to tell them that]… they see it as, ‘Oh, you don’t want to spend time with me.’ So it is like this argument we have. I don’t like spending money on food. So it’s just like, you are constantly around people who… want to spend money, [because] they have daddy or mommy at home who just sends them a check every other week… it’s going to make you feel weird, and that’s a part of this whole social thing. So you can have a budget, but that budget may not actually work unless you’re surrounded by people who have the same process.” – HBCU student

Additionally, overspending could be a product of competition with other students – effectively an HBCU version of “Keeping Up With the Joneses.” Popularized in a comic strip created by cartoonist Arthur R. Momand in 1913, the phrase refers to when people strive for a standard of living in relation to their peers. Also called “conspicuous consumption” and researched scholarly as “signaling theory,” Keeping up with the Joneses can encourage
individuals to live beyond their means. 55.6 percent (1,747) of HBCU students surveyed indicated they always, usually or sometimes buy things even when they can’t afford them.

“Before I came to [this HBCU]… [I was] a black student at a majority university [where] I felt less pressured to be like, I guess, dressed up nice. [At that college] it doesn’t matter what you wear. You’re already a black student and that’s enough… but at [this HBCU], I think in black people’s brains, it’s [been] instilled [that] you’re supposed to look a certain way, dress and talk a certain way…we like to look good socially.” – *HBCU student*

“African-Americans in general care about their appearance. So therefore you are not going to come out looking crazy even [if you are down to] your last 20 bucks… you do not want to look like you are broke. So even if you are broke, you want to try to disguise it up your best.” – *HBCU student*

**Campus culture.** In combination with social pressure, college events can cause students to overspend. Focus group students identified Homecoming Week activities and Spring Break as times when they feel pressured to spend beyond their means. Study participants also indicated that the boredom and free time they have on weekends encourages overspending. This was compounded by focus group data indicating that the weekend lasts for three days. Students described how the weekend starts with recreational drinking and partying on “Thirsty Thursday” evenings.

As a whole, study data fit the human ecological model of personal finance. The human ecological model was first introduced by Bronfrenbrenner (1979) to describe how individuals are dynamic actors interacting with expanding systems of influences: microsystem, mesosystem, exosystem and macrosystem. Our data suggest that HBCU students’ irresponsible financial behavior might be explained by the interaction of their responsible-behavior oriented intentions with these various systems. The box below explains how these four systems are aligned to study data.
When considering the fundamental nature of financial counseling and planning, attendees of the November 2006 annual conference of the Association for Financial Counseling and Planning Education addressed the question, “What scientific theories provide the foundation for the work?” They identified four: the Human Ecological Model, Family Management Systems, Discounted Utility Model and the Life Cycle Hypothesis of Savings. Human Ecological Framework theory was developed by Bronfenbrenner (1979) to describe the interaction among individuals and the systems in which they are embedded. Individuals both influence and are influenced by four systems. Expanding outward, these are the microsystem, mesosystem, exosystem and macrosystem.

- **Microsystem.** Immediate family, friends, peers, faculty members and staff members are included in the microsystem.

- **Mesosystem.** The mesosystem refers to the interaction of the various parts of the microsystem. For example, the interaction of personal finance knowledge, attitudes and behaviors (KABs) that HBCU students bring with them from their home environment and the personal finance KABs of their roommates and classmates.

- **Exosystem.** The exosystem includes groups, organizations or entities influencing the microsystem. For HBCU students these may include: fraternities, sororities, major departments, HBCUs themselves, athletic teams and student organizations.

- **Macrosystem.** The cultural values, social conditions and economic conditions that surround and influence all other systems (e.g., national recession, high unemployment rates).
In light of this finding, HBCU administrators wishing to develop a personal finance education program for their students should understand that **interacting social systems may explain the gap between financial knowledge and responsible financial behavior among HBCU students.** In developing financial education interventions, HBCU administrators might consider the following:

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<th>Proposed Initiatives</th>
<th>Supporting Data</th>
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<tr>
<td>• Include social awareness components to financial education interventions, so that students are cognizant of forces that might undermine their success and can develop strategies to address those potential pitfalls. For example, include realistic budget planning tools for prospective students that include the average student expense for Homecoming Weekend, sorority/fraternity rush and Spring Break.</td>
<td>• 82.5 percent (1,882) of HBCU students indicated it was of high or moderate importance for them to understand the influence of family and friends on their financial decisions.</td>
</tr>
<tr>
<td>• Review policies with regard to on-campus marketing activities. For example, do students understand what it means to carry a credit card with the school brand? Can colleges and universities do better by their students with regard to these agreements and/or the transparency of the terms? Include media literacy as a component of personal financial education. Provide students with an opportunity to reflect on how their spending and the spending of their friends and family are influenced by marketing.</td>
<td>• 26.3 percent (601) of HBCU students surveyed believed that a credit card with their school’s logo was designed to give them the best terms and interest rates possible. • 51.1 percent (1,166) of HBCU students indicate the media has an effect on their financial attitudes and behaviors. • 67.6 percent (1,541) of HBCU students indicate the media creates a distorted perception of what is normal and average about money and spending. • 78.6 percent (1,796) of HBCU students indicated it was of high or moderate importance for all college students to develop media literacy in order to understand its impact on personal financial decisions.</td>
</tr>
</tbody>
</table>
Use peer-to-peer education to influence responsible behavior. For example, explore ways to involve student groups in a campus-wide social marketing campaign or contest.

Engage fraternities and sororities in the effort to develop students’ financial literacy. For example, by encouraging financial education mentoring by fraternity and sorority alumni/ae or incentivizing an intra-fraternity contest related to saving and investing.

55.5 percent (1,260) of HBCU students indicated their close friends had some current influence on their financial behavior.

Of those HBCU students indicating their close friends has some influence on their financial behavior, 76.1 percent (912) indicated that influence as positive.

65 percent (1,483) of HBCU students agree or strongly agree that their close friends and peers could (or should) have an impactful role in teaching them about money management and personal finance.

Only 26.1 percent (586) of students surveyed indicated that their fraternity or sorority had any influence at all on their current financial behavior. Among students who were influenced by their fraternity or sorority, 68 percent (366) said the influence was positive.

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**Proposed Initiatives**

- Involve students’ parents and families in the financial education program. Consider, for example, how to involve parents in student loan decision-making. Is there a way to make their participation mandatory?

- Provide learning and teaching opportunities in financial education for all HBCU community members, including faculty members, financial aid staff, employees, residence life staff, student life personnel, healthcare providers and mental health services providers.

**Supporting Data**

- 77 percent (1,749) of HBCU students surveyed indicated their family has some influence on their current financial behavior.

- Of those HBCU students indicating their family has some influence on their financial behavior, 84.5 percent (1,436) characterize that influence as positive.

- 67.5 percent (1,540) of HBCU students indicated college administrators could (or should) have an impactful role in teaching college students about money management and personal finance.

- 70 percent (1,599) of HBCU students indicated that college professors could (or should) have an impactful role in teaching college students about money management and personal finance.

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- Consider ways to overcome student schedules that encourage bad habits. For example, “shorten” weekends by offering more core courses in patterns that include Friday classes, and consider Saturday morning classes in core subjects.
- Offer attractive, inexpensive alternative social events to compete with events that cause students to overspend.
- Focus group data indicates that students tend to overspend on short weeks and long weekends when they have more free time and when there are more social activities.

2. **HBCU student financial literacy is low compared to national samples; however, it is weakly associated with responsible financial behavior.**

Eight financial knowledge questions were included in the study survey. The eight items were taken from other national studies of personal finance knowledge. Four questions came from the 2008 Survey of Personal Financial Literacy Among College Students conducted by the Jump$tart Coalition, and four questions came from the 2009 National Financial Capability Study (NFCS).

HBCU students were less financially knowledgeable than their Jump$tart counterparts. On average, HBCU students correctly answered 32 percent ($M=1.28, SD=0.91, n=2,286$) of the questions, while Jump$tart respondents correctly answered 53 percent ($M=2.12, SD=0.94, n=1,030$) of the questions. The difference in means between the Jump$tart sample and the HBCU sample is statistically significant ($p=0.0001$). Additionally, only 4.3 percent (99) of HBCU students correctly answered all four financial knowledge questions compared to 12.8 percent (191) of Jump$tart respondents.

HBCU students also were less financially knowledgeable than their NFCS counterparts as demonstrated by their performance on the four NFCS questions that were included in our survey. On average, HBCU students correctly answered 47 percent ($M=1.88, SD=0.97, n=2,286$) of those questions, while their NFCS counterparts correctly answered 56.3 percent ($M=2.25, SD=1.14, n=1,488$). The difference in means between the NFCS sample and the HBCU sample is statistically significant ($p=0.0001$). Additionally, only 1.8 percent (24) of HBCU students correctly answered all four NFCS questions, while 6.2 percent (62) of NFCS respondents correctly answered all four of the same questions.

Our study found HBCU students’ financial knowledge is only weakly correlated with financial behavior. Correlation coefficients were computed for risky financial behavior,
responsible financial behavior and financial knowledge for all survey respondents. Risky financial behavior scores had a significant (p=0.01) but very weak and negative correlation (-0.103) with financial knowledge. Additionally, responsible financial behavior also had a significant, but very weak and negative correlation (-0.047) with financial knowledge. Finally, risky financial behavior scores had a significant (p=0.05), but very weak and negative correlation with responsible financial behavior. These results suggest that as HBCU students’ financial knowledge increases, they are slightly more likely to engage in both risky and responsible financial behaviors. In other words, financial knowledge does not appear to be a reliable predictor for either risky or responsible financial behavior. Again this could be explained by Human Ecology Theory, which would posit that the HBCU students’ interactions with social systems are a more reliable predictor of their financial behavior than their individual characteristics (i.e., knowledge). As explained in the below, HBCU administrators wishing to develop an effective financial education program for their students, may want to focus on the larger issue of students’ overall financial capability and not just their financial knowledge and literacy.

### Focus on Financial Capability

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<th>Focus on Financial Capability</th>
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<tbody>
<tr>
<td>Our study showed a weak relationship between financial knowledge and financial behavior. Therefore HBCUs may be well served to resist the temptation of increasing students’ knowledge for knowledge sake. It might be more effective to focus on students’ financial capacity, defined as their ability to effectively manage financial resources and the five core competencies identified by the U.S. Department of Treasury’s national strategy for financial literacy (Financial Literacy and Education Commission, 2011).</td>
</tr>
</tbody>
</table>
  1. **Earning**
  2. **Spending**
  3. **Saving and interest**
  4. **Borrowing**; and
  5. **Protecting against risk** |
In light of this finding, HBCU administrators wishing to develop a personal finance education program for their students should understand that focusing on increasing students’ overall financial knowledge may not lead to either increases in responsible financial behavior or decreases in risky financial behavior. In developing financial education interventions, HBCU administrators might consider the following:

<table>
<thead>
<tr>
<th>Easier initiative . . .</th>
<th>Supporting Data</th>
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<tbody>
<tr>
<td>Proposed Initiative</td>
<td>Supporting Data</td>
</tr>
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</table>
| Focus financial education program activities more on strategies and application of those strategies than on financial literacy and knowledge. | - Small correlation coefficients between financial knowledge and risky financial behavior.  
- 79.3 percent (1,749) of HBCU students indicate they know how to manage their money in all or most situations.  
- 55.6 percent (1,747) of HBCU students surveyed always, usually or sometimes buy things they can’t afford.  
- 39.46 percent (807) of HBCU students sometimes, usually or always write checks or use their debit cards knowing that their account funds are insufficient. |

. . . and the following more challenging initiative . . .

<table>
<thead>
<tr>
<th>Proposed Initiative</th>
<th>Supporting Data</th>
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<tbody>
<tr>
<td>Include an experiential component to the financial education program by providing students with opportunities to immediately practice what they learned in classroom-based programs.</td>
<td>- 59.2 percent (1,395) of HBCU students agreed and strongly agreed that trial and error was the best way for college students to learn about financial management.</td>
</tr>
</tbody>
</table>
3. HBCU students, faculty members and staff believe their institutions have a responsibility to provide an effective financial education for their students, and students trust that their schools have their best interest at heart.

HBCU students want their institutions to provide them a high-quality financial education. In fact, survey data show that students believe HBCUs have a responsibility for doing so.

- 88.7 percent (2,026) of students agreed or strongly agreed that they want to learn about personal finance while they are in college;
- 76.57 percent (1,748) of students agreed or strongly agreed that a college has an obligation to help its students make good financial decisions.
- 73.4 percent (1,677) of students believed HBCUs have a responsibility to provide students a required personal finance course;
- 82.3 percent (1,879) of students believed HBCUs have a responsibility to provide students an optional personal finance course;
- 64.1 percent (1,464) of students believed HBCUs should provide mandatory, one-on-one financial coaching and counseling for students; and
- 80.7 percent (1,842) of students believed HBCUs should provide optional one-on-one financial coaching and counseling for students.

HBCU faculty and staff members share students’ sentiment that their institutions should provide personal finance education to students and paint a picture where financial education resources are generally scarce, episodic and only somewhat effective at providing an introduction to personal finance topics. Faculty and staff members describe a situation where there are few personal finance education resources on campus. For example, excluding courses offered for business majors, only 13.6 percent (3) of HBCUs that participated in the survey portion of our study had personal finance education courses for their students, and only 68.2 percent (15) have some sort of club, program or staff member dedicated to financial education. In addition to being scarce, study project liaisons report that existing personal finance education resources are episodic and uncoordinated.

“I think they [the existing resources] are effective in terms of introducing the [personal finance] topic. But they don’t go beyond the surface. And it would really take a student who had the initiative to look beyond to get more out of it. So it’s an introduction, but the students may benefit from something that goes a little deeper than the introduction.”
– HBCU stakeholder
Despite what appears to be a general consensus that HBCUs should offer coordinated and effective personal finance education resources to students, study participants identified a number of obstacles, including obtaining financial support for such initiatives, securing appropriate staffing levels for financial education programs, generating student participation in financial education activities and identifying appropriate channels for delivering financial education to students.

When asked to predict what types of individuals could or should have an impactful role in teaching college students about money management and personal finance, HBCU students’ ratings show an affinity for people with high levels of financial knowledge and individuals with whom students have strong one-on-one relationships.

- 86.0 percent (1,483) of HBCU students felt close friends and peers should/could provide impactful personal finance instruction;
- 83.0 percent (1,894) of HBCU students felt family members should/could provide impactful personal finance instruction;
- 80.0 percent (1,756) of HBCU students felt mentors should/could provide impactful personal finance instruction;
- 79.9 percent (1,825) of HBCU students felt financial professionals external to the school should/could provide impactful personal finance instruction;
- 68.9 percent (1,571) of HBCU students felt church leaders should/could provide impactful personal finance instruction; and
- 56.3 percent (1,286) of HBCU students felt fraternity or sorority leaders should/could provide impactful personal finance instruction.

HBCU students felt strongly that particular types of stakeholders at their institutions should or could provide impactful personal finance instruction.

- 80.4 percent (1,835) of HBCU students felt financial aid counselors should/could provide impactful personal finance instruction;
- 70.0 percent (1,599) of HBCU students felt professors should/could provide impactful personal finance instruction; and
- 64.5 percent (1,540) of HBCU students felt college administrators should/could provide impactful personal finance instruction.
HBCU students seem to have considerable amounts of trust in their institutions, which would likely support their engagement in an HBCU-based financial education program. However, students’ trust in their schools comes with potential pitfalls. For example, despite the fact that it is not the case, 26.3 percent (601) of HBCU students surveyed believed that a credit card with their school’s logo was designed to give them the best terms and interest rates possible.

In light of this finding, HBCU administrators wishing to develop a personal finance education for their students should understand that HBCU students and stakeholders want to see effective personal finance education programs established on their campus. In developing financial education interventions, HBCU administrators might consider the following:

<table>
<thead>
<tr>
<th>Proposed Initiative</th>
<th>Supporting Data</th>
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</table>
| • Include both mandatory and optional components in the financial education program. | • 73.4 percent (1,677) and 82.3 percent (1,879) of HBCU students indicated their school should provide a required or optional personal finance course respectively.  
• Focus group participants clarified that HBCU students want both mandatory and optional courses, not either mandatory or optional courses. |

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<tr>
<th>Proposed Initiatives</th>
<th>Supporting Data</th>
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</table>
| • Develop a progressive personal finance education program for students starting in their first year (or earlier) and extending through graduation. | • 88.7 percent (2,026) of HBCU students indicated they want to learn about personal finance while they are in college.  
• 76.6 percent (1,748) of HBCU students indicated their college has an obligation to help students make good financial decisions. |

4. **Student loans present a particularly difficult financial challenge for HBCU students.**

Survey and focus group data indicate that student loans may be more of a danger to HBCU students’ financial well-being than credit card debt. Among HBCU students, loans are certainly more ubiquitous than credit cards; only 57.1 percent (1,300) of HBCU students have a credit
card, including gasoline and department store charge cards, while 73.2 percent (1,647) are using loans to help fund their education. HBCU students have ambivalent feelings regarding their student loans. When HBCU students who are using loans to fund their education were asked to evaluate if the benefits of their student loans outweighed the disadvantages, 49.8 percent (813) agreed or strongly agreed that benefits outweighed disadvantages, while 50.2 percent (819) disagreed, strongly disagreed or had no opinion.

Both student and stakeholder study participants described a situation on HBCU campuses where many students engage in risky financial behavior once they receive their student loan disbursement, often referred to as a “refund check.” According to study participants, many students receiving these disbursement checks think of them as windfall earnings, “like [an] income tax check, you know, like extra . . . free money.”

“I believe the best way to teach college students about saving and investing is to hold seminars around the time refund checks are coming out. This is a real life situation and problem where kids get really happy when they see those extra dollars but don't know how to budget that money for a better use than rims and new clothing.” – HBCU student

“A lot of students sign up based on the fact that we are going to windfall on the refund check, and [are] not even thinking about the repercussions of what happens when I spend that money because I do not have to worry about paying it back for another four or five years.” – HBCU stakeholder

“Yeah, as I was saying earlier . . . let’s just teach students, like, not to use your refund check for luxurious things. Because I know a student, like, she goes to like a shopping spree. . . . I think the maximum you [can] get is $27,000 and she takes all the $27,000. She does not need the $27,000 but she just goes on a shopping spree and go[es] to Target and all these expensive stores. . . . You have to keep in mind that you have to pay that back, you know, and pay the interest, but people just think about now, like ‘Now I have $27,000; I am going to buy myself a car or buy myself this or that.’” – HBCU student

In light of this finding, HBCU administrators wishing to develop a personal finance education program for their students should understand that HBCU students need more effective counseling and support on how to manage their student loans. In developing financial education interventions, HBCU administrators might consider the following:
### Easier initiative . . .

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<th>Proposed Initiative</th>
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<tbody>
<tr>
<td>• Include a student loan education component in any financial education program.</td>
<td>• 73.2 percent (1,647) of HBCU students surveyed used loans to help fund their education.</td>
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<td></td>
<td>• Of those HBCU students who have educational loans, 17.3 percent (281) said they are not knowledgeable or are not sure whether or not they are knowledgeable about their student loans.</td>
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<td></td>
<td>• Of those students who have educational loans, only 49.8 percent (813) indicate the benefits of their student loans outweigh the advantages.</td>
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<td></td>
<td>• 86.3 percent (1,969) of HBCU students feel learning about student loans is of high or moderate importance.</td>
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### . . . and the following more challenging initiative . . .

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<th>Proposed Initiative</th>
<th>Supporting Data</th>
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<tbody>
<tr>
<td>• Provide educational loan counseling to freshmen, pre-freshmen, and their families.</td>
<td>• 61.7 percent (1,410) of HBCU students indicated it would be most effective for students to learn about student loans in their first (e.g., freshman) year.</td>
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<td></td>
<td>• Focus group data indicates that personal financial education should start as soon as possible – perhaps even before students begin their freshman year.</td>
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5. **An effective financial education program should start as early as possible.**

There was consensus among students and stakeholders participating in our study that financial education should start as early as possible. When given a list of 22 financial education topics (e.g., auto loans, credit cards, mortgages and homeownership, understanding risk as it relates to investing, etc.), and asked when it would be most effective for HBCU students to learn about each topic, survey respondents indicated that freshman year would be the most effective time for 21 (95.5 percent) of the 22 topics presented. The one exception was retirement accounts, which respondents believed would be best taught during students’ senior year. These data are more fully displayed in the overall databook (See Appendix D).
Focus group participants clarified why survey respondents overwhelmingly suggested freshman year is so important in terms of financial education: Freshman year is a financially hazardous time. Because it is the first time many freshmen experience great amounts of freedom in terms of how they spend their time, focus group participants described freshman year as a dangerous time. The combination of free time and reduced parental monitoring and influence can allow freshmen to get themselves into financial trouble through overspending. Interestingly, focus group participants described parents’ impact on their children as both limiting and supportive. While parents limit the amounts of freedom their children can have, they also provide a safety net for them during their high school years. That net can disappear during college. Focus group participants described how freshmen testing the limits of their new-found freedom away from their parents can get themselves into unfortunate financial situations, because their parents are not readily available to help them.

Focus group students also described freshman year as an opportunity for HBCUs to provide a meaningful financial education to students who, though they may be overwhelmed by social opportunities, are often very engaged academically and are appropriately impressionable.

In light of this finding, HBCU administrators wishing to develop a personal finance education program for their students should understand that it is imperative to involve HBCU students and their families in the program as early as possible. In developing financial education interventions, HBCU administrators might consider the following:

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<td>Proposed Initiative</td>
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<tr>
<td>• Incorporate financial education into the curricular and/or co-curricular program for first-year students.</td>
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</table>
**Proposed Initiative**

- Provide financial education as part of the activities for pre-freshmen and their families (e.g., college fairs, pre-frosh weekends, prospective student events, accepted student events).

**Supporting Data**

- 77 percent (1,749) of HBCU students surveyed indicated their family has some influence on their current financial behavior.
- Of those HBCU students indicating their family has some influence on their financial behavior, 84.5 percent (1,436) characterize that influence as positive.
- Students cited family, religious beliefs and their own personal goals and values as the top positive influences on their financial behavior.

#### 6. Effective financial education is interactive, customized and multi-modal.

Our survey asked respondents to rate the effectiveness of 15 different methods of teaching personal finance (e.g., in a course, online, podcast). Overall, 70 percent of survey respondents said each method was effective. Focus group participants clarified this situation by explaining that an effective financial education program is diverse and multi-modal. They suggested it would be most effective to reach students through a number of different types of activities, because no one type of activity would work equally well for all students. In other words, the most effective financial education programs offer some degree of customization to the students’ learning styles and their personal finance challenges and problems.

**One-on-one coaching** was widely seen as a highly effective means of providing customization and relevance to any personal finance education program. This is consistent with findings from other studies. For example, a recent report by the Project on Student Debt found that required counseling done by telephone or in-person is likely to be more effective than communication exclusively via electronic means (Reed, Asher, Frotman and Cochran, 2011). Researchers found that providing specific and customized information at “teachable moments” was more effective than providing general information in advance. Further, the one-on-one counseling environment might benefit students who are facing financial challenges that they might find embarrassing to discuss in group settings.
“Not everyone likes to talk about money . . . especially if you have a student who is living in less than ideal situations . . . they’re not going to really want to talk about their situation in a group settings. If it’s a one-on-one situation, it may be a little easier.” – HBCU student

Additionally, the financial education program should be both experiential and interactive. Focus group participants believed that, to increase the relevance of a program, students enrolled in a financial education program should use their own finances as data whenever possible to make the experience more real and practical. An experiential program is likely to engage students more because it is more interactive than a presentation or lecture.

According to our study, an effective financial education program would contain the following components

- Mandatory elements;
- Optional elements;
- Large-group activities (e.g., seminars, lectures, kick-off events);
- Small-group activities (e.g., peer-led workshops, cohort activities); and
- Individual activities (e.g., one-on-one coaching, online learning).

In light of this finding, HBCU administrators wishing to develop a personal finance education for their students should understand that it is more important to customize the program to students’ learning styles and needs than to go the traditional route and present a prescribed finance curriculum that starts with savings accounts and ends with retirement accounts. In developing financial education interventions, HBCU administrators might consider the following:

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<th>Proposed Initiative</th>
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<tr>
<td>Provide workshop-type programming on relevant student financial challenges (such as moving off-campus, buying a car, paying for Spring Break or paying off your credit card) instead of financial topics (such as savings accounts, retirement accounts and credit scores).</td>
<td>Focus group data suggesting HBCU students prefer just-in-time, specific financial advice over more general financial education.</td>
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<tr>
<td>Proposed Initiative</td>
<td>Supporting Data</td>
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<tr>
<td>Provide one-on-one financial coaching on request <em>and</em> as a follow-up to other programs. For example, students may take a class on buying a car followed by individual coaching sessions to determine their individual readiness for car ownership.</td>
<td>77.9 percent (1,777) of HBCU students agreed or strongly agreed that one-on-one counseling would be an effective way to teach college students about money management.</td>
</tr>
<tr>
<td>77.9 percent (1,777) of HBCU students agreed or strongly agreed that one-on-one counseling would be an effective way to teach college students about money management.</td>
<td>80.4 percent (645) of HBCU students indicated that their current financial behavior is influenced in a positive way by a mentor or other adult. Only religious beliefs (87.3 percent), personal values (86.7 percent) and family (84.5 percent) have a greater positive influence.</td>
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</tbody>
</table>
| Nearly 81 percent of HBCU students indicated that their college should provide *optional* one-on-one financial coaching or counseling. 64 percent of students surveyed felt that one-on-one coaching and counseling should be *mandatory*. | }
References


Appendix A: Participating HBCUs

A total of 25 HBCUs participated in the one or more portions of this study. Twenty-two participated in the survey phase, two participated in both the survey and focus group phases and three participated in the focus-group phase only.

**Survey Phase Only**

1. Albany State College (GA)
2. Benedict College (SC)
3. Bennett College for Women (NC)
4. Bethune-Cookman College (FL)
5. Central State University (OH)
6. Concordia College (AL)
7. Delaware State University (DE)
8. Kentucky State University (KY)
9. Lincoln University of Pennsylvania (PA)
10. Miles College (AL)
11. Paine College (GA)
12. Philander Smith College (AR)
13. Rust College (MS)
14. Saint Paul’s College (VA)
15. Saint Philip’s Community College (TX)
16. Savannah State University
17. Shaw University
18. Stillman College (AL)
19. Virginia Union University (VA)
20. Voorhees College (SC)

**Survey and Focus Group Phases**

21. Howard University (DC)
22. University of the District of Columbia (DC)

**Focus Group Only**

23. Coppin State University (MD)
24. Spelman College (GA)
25. University of Maryland, Eastern Shore (MD)
Appendix B: Survey Sample Description

Students from 22 HBCUs participated in an online survey of personal finance knowledge, attitudes and behaviors. Table 1 below describes student participation by institution, while Table 2 below compares demographics of the study sample to the greater population of HBCU students.

Table 1: Survey Participation by Institution

<table>
<thead>
<tr>
<th>Institution</th>
<th>State</th>
<th>Type</th>
<th>n</th>
<th>% of Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albany State University</td>
<td>GA</td>
<td>Public</td>
<td>75</td>
<td>3.3%</td>
</tr>
<tr>
<td>Benedict College</td>
<td>SC</td>
<td>Private</td>
<td>195</td>
<td>8.5%</td>
</tr>
<tr>
<td>Bennett College for Women</td>
<td>NC</td>
<td>Private</td>
<td>107</td>
<td>4.7%</td>
</tr>
<tr>
<td>Bethune-Cookman University</td>
<td>FL</td>
<td>Private</td>
<td>182</td>
<td>8.0%</td>
</tr>
<tr>
<td>Central State University</td>
<td>OH</td>
<td>Public</td>
<td>78</td>
<td>3.4%</td>
</tr>
<tr>
<td>Concordia College</td>
<td>AL</td>
<td>Private</td>
<td>80</td>
<td>3.5%</td>
</tr>
<tr>
<td>Delaware State University</td>
<td>DE</td>
<td>Public</td>
<td>131</td>
<td>5.7%</td>
</tr>
<tr>
<td>Howard University</td>
<td>DC</td>
<td>Private</td>
<td>141</td>
<td>6.2%</td>
</tr>
<tr>
<td>Kentucky State University</td>
<td>KY</td>
<td>Public</td>
<td>111</td>
<td>4.9%</td>
</tr>
<tr>
<td>Lincoln University of Pennsylvania</td>
<td>PA</td>
<td>Public</td>
<td>164</td>
<td>7.2%</td>
</tr>
<tr>
<td>Miles College</td>
<td>AL</td>
<td>Private</td>
<td>97</td>
<td>4.2%</td>
</tr>
<tr>
<td>Paine College</td>
<td>GA</td>
<td>Private</td>
<td>85</td>
<td>3.7%</td>
</tr>
<tr>
<td>Philander Smith College</td>
<td>AR</td>
<td>Private</td>
<td>115</td>
<td>5.0%</td>
</tr>
<tr>
<td>Rust College</td>
<td>MS</td>
<td>Private</td>
<td>100</td>
<td>4.4%</td>
</tr>
<tr>
<td>Saint Paul’s College</td>
<td>VA</td>
<td>Private</td>
<td>83</td>
<td>3.6%</td>
</tr>
<tr>
<td>Saint Philip’s Community College</td>
<td>TX</td>
<td>Public</td>
<td>71</td>
<td>3.1%</td>
</tr>
<tr>
<td>Savannah State University</td>
<td>GA</td>
<td>Public</td>
<td>131</td>
<td>5.7%</td>
</tr>
<tr>
<td>Shaw University</td>
<td>NC</td>
<td>Private</td>
<td>100</td>
<td>4.4%</td>
</tr>
<tr>
<td>Stillman College</td>
<td>AL</td>
<td>Private</td>
<td>96</td>
<td>4.2%</td>
</tr>
<tr>
<td>University of the District of Columbia</td>
<td>DC</td>
<td>Public</td>
<td>14</td>
<td>0.6%</td>
</tr>
<tr>
<td>Virginia Union University</td>
<td>VA</td>
<td>Private</td>
<td>61</td>
<td>2.7%</td>
</tr>
<tr>
<td>Voorhees College</td>
<td>SC</td>
<td>Private</td>
<td>69</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

2,286
### Table 2: Survey Sample Characteristics

<table>
<thead>
<tr>
<th></th>
<th>Sample (n=2,286)</th>
<th>Population (N=321,569)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent Female</td>
<td>65.1%</td>
<td>61.1%</td>
</tr>
<tr>
<td>Percent Male</td>
<td>34.9%</td>
<td>38.9%</td>
</tr>
<tr>
<td><strong>Enrollment by College Type</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attending Private HBCUs</td>
<td>66.1%</td>
<td>23.7%</td>
</tr>
<tr>
<td>Attending Public HBCUs</td>
<td>33.9%</td>
<td>76.3%</td>
</tr>
<tr>
<td><strong>Enrollment Status</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>First-time Undergraduates (e.g., Freshmen)</td>
<td>22.2%</td>
<td>22.0%</td>
</tr>
<tr>
<td>Percent Undergraduate Students</td>
<td>97.6%</td>
<td>88.5%</td>
</tr>
<tr>
<td>Percent Graduate Students</td>
<td>2.4%</td>
<td>11.5%</td>
</tr>
<tr>
<td><strong>Ethnicity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hispanic or Latino</td>
<td>8.6%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Not Hispanic or Latino</td>
<td>91.4%</td>
<td>97.0%</td>
</tr>
<tr>
<td><strong>Race</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>American Indian or Native American</td>
<td>2.2%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Asian</td>
<td>1.7%</td>
<td>0.7%</td>
</tr>
<tr>
<td>Black or African American</td>
<td>87.4%</td>
<td>77.1%</td>
</tr>
<tr>
<td>Native Hawaiian or Other Pacific Islander</td>
<td>1.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>White</td>
<td>3.0%</td>
<td>15.0%</td>
</tr>
<tr>
<td>Two or More Races</td>
<td>4.7%</td>
<td>-----</td>
</tr>
</tbody>
</table>

\(^2\) Population race percentages were derived from the 38 HBCUs (of the 99 expected) that had submitted Fall 2009 enrollment demographic data to IPEDS by the time of this report.

33
Appendix C: Methodology

Survey Methodology

The purpose of this study was to inform a data-based personal finance education program for students attending Historically Black Colleges and Universities (HBCUs). The survey portion of this project took place between April 2009 and August 2011, and consisted of four interrelated phases: (1) pre-survey focus groups; (2) survey development; (3) survey deployment; and (4) post-survey validation.

Phase 1: Pre-Survey Focus Groups – April 2009 to June 2009

UNCFSP conducted focus groups at HBCUs to develop an overview of key issues related to students’ personal finance KABs. Focus group findings informed survey instrument development. UNCFSP held a total of six focus groups: one stakeholder (i.e., university staff and faculty) group and one student group at Coppin University (MD), Howard University (DC) and the University of the District of Columbia (DC). At each institution, UNCFSP identified a faculty liaison who recruited focus group participants via email invitation. A total of 72 individuals (33 stakeholders and 39 students) participated in pre-survey focus groups. Attendees received a $15 gift card for participation in the focus group. Each focus group discussion lasted 60 minutes and was audio recorded for transcription purposes.

Phase 2: Survey Development – July 2009 to June 2010

Informed by findings from the pre-survey focus groups, a review of relevant literature and corroborated by their professional experience with HBCUs and personal finance, UNCFSP and FINRA Foundation representatives developed survey instrument items. Item development took place over multiple rounds. After ensuring face validity, the item pool was used to formulate a 95-question online survey that was piloted at the University of Maryland Eastern Shore (UMES) during a two-week period in February/March 2010. Students were offered $15 gift cards as incentive to participate in the survey. At the completion of the survey period, two student focus groups were held at UMES to evaluate construct validity and the overall survey experience. Focus group findings were used to revise the survey into the final 62-question instrument.
Phase 3: Survey Deployment – July 2010 to May 2011

Fifty-two HBCUs were invited to participate in the survey and 22 institutions actually participated. A list of participating HBCUs is included in this report in Appendix A. Invitations were issued on a “rolling” basis so as not to recruit more schools than could be fully supported by the FINRA Foundation grant. Accreditation and geographic diversity were factors in terms of identifying which of the 105 existing HBCUs were invited to participate in the study. Invitations were issued by email to the president and at least one more point of contact (e.g., executive assistant, senior administrator).

HBCUs that responded positively to the invitation identified a faculty or staff member to serve as the campus liaison. Liaisons signed a participation agreement with UNCFSP and completed an online training developed to standardize survey deployment (e.g., participant recruitment, incentive distribution) at each school. Each liaison recruited students using methods consistent with their training and that would likely yield at least 100 students to complete the online survey. Approved recruitment techniques gave all students at each institution equal opportunity to see the study announcement and therefore equal opportunity to participate in the online survey. Recruitment methods included: (1) emails to all registered students’ official email address; (2) flyers posted in the student center, dining hall(s) and library; (3) announcements placed on the school’s Facebook page; (4) announcements made on the campus radio station; and (5) announcements distributed to all students via the campus’ Blackboard system.

Additionally, liaisons supported UNCFSP’s application to each institution’s human subject research approval entity – or Institutional Review Board (IRB). Once IRB clearance was secured, liaisons recruited students to participate in the online survey and coordinated the distribution of $20 gift card incentives to students in accordance with the cash control procedures established by their institution. For their involvement, each campus liaison received a $500 stipend.

Phase 4: Post-Survey Validation – August 2010 to August 2011

At the end of the survey period at each HBCU, UNCFSP conducted a telephone interview with the campus liaison. This interview had a number of purposes: (1) to confirm the manner in which students were recruited for the survey was consistent with the methods described in the liaison training; (2) to identify what financial education resources (e.g., courses,
programs, requirements) currently exist at each HBCU; and (3) to receive general feedback on the survey deployment process.

Additionally, UNCFSP and FINRA Investor Education Foundation representatives developed a pool of focus group questions based on an initial review of survey data. Questions were prioritized based on their expected ability to generate data that would either (1) support the design of an effective personal finance education program for students at HBCUs; or (2) assist UNCFSP researchers in interpreting survey data and validating preliminary survey findings. After piloting the focus group questions, UNCFSP finalized a survey protocol before conducting a total of seven focus groups with a total of 44 participants from three colleges.

Focus group participants were recruited from three types of HBCU campuses: (1) a residential HBCU, (2) a commuter HBCU, and (3) an all-women’s HBCU, which were represented by Howard University (Washington, DC), the University of the District of Columbia (Washington, DC), and Spelman College (Atlanta, GA), respectively. Focus group participants were recruited via a combination of convenience and snowballing sampling method initiated by flyers and emails to campus liaisons. To encourage participation, each focus group participant was offered a $20 gift card. Each session lasted approximately one hour.
Appendix D: Study Data Book

Available upon Request

UNCF Special Programs Corporation
6402 Arlington Boulevard, Suite 600
Falls Church, VA 22042
(703) 677-3400
www.uncfsp.org
Students of Historically Black Colleges and Universities
and Characteristics of Engaging Personal Financial Education
Methods and Materials

UNCF Special Programs Corporation
April 2012

This research was supported by a grant from the FINRA Investor Education Foundation. All results, interpretations and conclusions expressed are those of the author(s) alone, and do not necessarily represent the views of the FINRA Investor Education Foundation or any of its affiliated companies.
As part of a study of the personal finance knowledge, attitudes and behaviors of Historically Black College and University (HBCU) students, the UNCF Special Programs Corporation (UNCFSP) undertook an effort to determine which general characteristics of financial education materials, methods, products and services appealed to the target audience.

**Qualitative Research Methodology**

To address this question using qualitative research techniques, UNCFSP recruited students from Howard University in Washington, DC, to review an array of financial education books, games, websites and curricula and to discuss their preferences in a series of focus groups. Twelve students were recruited by a faculty member from the School of Business using a convenience sampling method. The first group participated in the study during the spring 2010 semester, and the second group during the spring 2011 semester. (A list of the materials reviewed is included as Attachment A).

Both groups attended an orientation meeting where the researcher gave an overview of the project, clarified expectations and addressed participant questions and concerns. (A handout presented during the orientation meeting is included as Attachment B).

All participants were asked to complete product evaluation forms to help them think about the strengths and weaknesses of the representative financial education products along a number of dimensions. (A copy of the evaluation form is included as Attachment C). Participants were also randomly assigned into two-person teams and scheduled for three debriefings each to discuss their product ratings and the study research question. Participants were given copies of the materials they reviewed and a $20 gift card for their participation in each focus group session.

**Delimitations**

Researchers restricted the scope of financial education product reviews by establishing a number of delimitations, including:

1. **The factorial nature of the study design.** Not all participants evaluated all selected financial education products. This would have proved too unwieldy for participants, who were juggling academic and other demands. Researchers decided to assign products randomly to pairs of reviewers in order to ensure each product was reviewed by multiple teams.
2. **Sampling.** Participants were identified using a convenience sample. Specifically, all of them had a relationship with the Howard University faculty member serving as the point of contact for UNCFSP’s larger study. As a result, all study participants were either finance or accounting majors.

3. **Product selection.** It would not be feasible for students to review all existing financial education products, so a small sample was identified. The final list of materials included examples that were easily available to HBCU students, represented a variety of media and formats, and are generally popular with the public at large.

**Limitations**

The ability to generalize the findings of this study to the larger population of HBCU students may be limited by a number of factors, including:

1. **Study participant demographics.** Despite attempts to recruit additional participants from other HBCUs, specifically the University of the District of Columbia (Washington, DC) and Coppin State University (Baltimore, MD), all study participants were from one institution: Howard University (Washington, DC).

2. **Participant attrition.** There was substantial attrition among the Group One participants. Whereas six students started the review process, only two students completed all three debriefing sessions.

3. **Impact of group opinion.** As with all focus groups, some group influence may have impacted individual opinions expressed or not expressed during the focus group session. Researchers attempted to mitigate this influence by asking participants to complete their evaluation forms individually and prior to the focus group session, with the exception of the session where participants played a group-oriented game in the presence of the researcher.

4. **Time-based effects.** The products were evaluated at different points in time – spring 2010 and spring of 2011. The product evaluations could have been affected by the different market and economic conditions prevailing during the evaluation period.
Participant Demographics

Among the 12 focus group participants, four (33.3 percent) were female and eight (66.7 percent) were male. Participant ages ranged from 18 to 23 years for an average age of 22 (SD=0.67). Eleven (91.67 percent) participants identified themselves as Black/African-American, and one (8.33 percent) identified himself as “Black African.” None of the 12 participants (0%) self-identified as Hispanic or Latino. Two participants (16.67 percent) identified themselves as freshmen, five (41.67 percent) identified themselves as juniors and five (41.67 percent) identified themselves as seniors. All were accounting or finance majors.

Characteristics of Engaging Financial Education Products

Findings for this report are derived from participants’ individual written comments, as well as from focus group discussions. The purpose of the research was not to recommend specific products or services, but instead to identify characteristics of financial education methods and materials that are appealing to HBCU students and relevant to their needs. The following insights emerged from the work:

1. Engaging financial education methods and materials leverage HBCU students’ affinity for technology. Whether technology is web-based (e.g., social networking sites) or hardware-based (e.g., smart phone apps), student reviewers commented that HBCU students are drawn to technology as a means to both connect and compete with their peers – especially as part of a multi-modal program.

2. Engaging financial education programs are relevant to student life. Students want practical answers to their immediate financial education questions. They want to know what to do with a student loan disbursement, how to decide if they can afford to move off campus or how to buy a car. Students have a strong preference for financial education methods and materials that engage them “where they are” using clear, direct and informal language, followed by actionable advice. By the same token, HBCU students did not like materials that were overly academic or not relevant to their situation.

3. Engaging financial education programs provide students with opportunities to apply what they have learned and get personal feedback. Students want to be able to apply the
lessons learned quickly from a financial education class or intervention and get immediate feedback on the effectiveness of their actions.

4. **Appealing financial education products allow students to exercise choice in several different ways.** First, students are attracted to financial education materials that present multiple entry points and thus do not have to be completed in a linear fashion. Students like the idea of being able to decide where to begin and end their engagement with a financial education resource. Reviewers also enjoyed interactive products that allow them to make decisions. Study participants described a strong, positive and pleasant relationship among choice, problem-solving and decision-making. They were empowered by products that allowed them to practice personal finance decision-making safely.

5. **Engaging financial education products allow for personal discovery and reflection.** Reviewers commented that effective financial education products encouraged them to reflect on their personal finance knowledge, attitudes and behaviors. This reflection appears to be a prerequisite for revising less-effective knowledge, attitudes and behaviors. Students were empowered when financial education products encouraged them to identify unexamined personal finance attitudes and behaviors and make choices about how they will think and act in the future.

6. **Financial education interventions should address income generation.** Most financial education products focus on saving. Students also want to learn how to generate more income.

7. **Engaging financial education methods and materials allow for social comparisons.** Study participants indicated that there is little social capital earned for being fiscally responsible on HBCU campuses. They were interested in the idea of a financial education experience that would allow them to compare their fiscal health to their peers – perhaps virtually through an avatar – and derive satisfaction from their good choices and standing among their peers.

8. **Engaging financial education products present content in bite-size chunks.** Students prefer to receive new financial information in manageably sized doses. This is particularly relevant for web-based resources, where there seems to be a temptation among providers to provide an exhaustive amount of information.
Attachment A:

Financial Education Products Reviewed

Below is a list of all the personal finance education products reviewed by HBCU students as a part of this study. The final two columns indicate whether reviewers in Group #1 or Group #2 evaluated the product.

<table>
<thead>
<tr>
<th>Product</th>
<th>Description</th>
<th>Reviewed by…</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Group#1:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Spring 2010</td>
</tr>
<tr>
<td>Automatic Wealth for Grads… and Anyone Else Just Starting Out.</td>
<td>Book by Michael Masterson</td>
<td>Yes</td>
</tr>
<tr>
<td>Bite Club</td>
<td>An online game created by Financial Entertainment</td>
<td>No</td>
</tr>
<tr>
<td>Cashcourse</td>
<td><a href="http://www.cashcourse.com">www.cashcourse.com</a> Study participants reviewed the site: <a href="http://www.cashcourse.org/und">http://www.cashcourse.org/und</a></td>
<td>Yes</td>
</tr>
<tr>
<td>Cashflow</td>
<td>Board game</td>
<td>Yes</td>
</tr>
<tr>
<td>Farm Blitz</td>
<td>An online game created by Financial Entertainment</td>
<td>No</td>
</tr>
<tr>
<td>Get a Financial Life: Personal Finance in Your Twenties and Thirties</td>
<td>Book by Beth Kobliner</td>
<td>Yes</td>
</tr>
<tr>
<td>Learn to Earn: A Beginner’s Guide to the Basics of Investing and Business</td>
<td>Book by Peter Lynch and John Rothchild</td>
<td>Yes</td>
</tr>
<tr>
<td>Refund Rush</td>
<td>An online game created by Financial Entertainment</td>
<td>No</td>
</tr>
<tr>
<td>Product</td>
<td>Description</td>
<td>Reviewed by...</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Rich Dad Poor Dad: What the Rich Teach Their Kids about Money – that the Poor and Middle Class Do Not</td>
<td>Book by Robert T. Kiyosaki</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Smartstocks</td>
<td><a href="http://www.smartstocks.com">www.smartstocks.com</a></td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>The Money Book for the Young, Fabulous &amp; Broke</td>
<td>Book by Suze Orman</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>The Richest Man in Babylon</td>
<td>Book by George S. Clason</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Total Money Makeover: A Proven Plan for Financial Fitness</td>
<td>Book by Dave Ramsey</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>Your Money or Your Life: 9 Steps to Transforming Your Relationship with Money and Achieving Financial Independence</td>
<td>Book by Vicki Robin &amp; Joe Dominguez</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Yes</td>
</tr>
</tbody>
</table>
FAT POCKETS STUDENT EVALUATOR

OVERVIEW

What is the FAT POCKETS Program?
UNCFSP’s FAT POCKETS program is a wealth education program designed for HBCU students ages 18 to 25. In order to develop the program, UNCFSP is gathering data from HBCU students in three ways:

Survey. An online survey will be distributed to students at 23 HBCUs. The survey will explore students’ personal finance knowledge, attitudes and behaviors.

Focus-groups. Focus groups of students will be held to validate the survey findings. Focus groups of faculty and administrators will be held to gain their perspective.

Product reviews. Groups of students at 3 HBCUs will evaluate a number of financial education products to identify their strengths and weaknesses.

What exactly will student evaluator do?
Student reviewers will work individually and as a group under the guidance of a UNCFSP representative. Using a provided review form, each student evaluator will independently review a set of personal financial education products that have been pre-selected by UNCFSP. Then student reviewers will meet in pairs with a UNCFSP representative to talk about the strengths and weaknesses of the product.

What will happen during the group meetings?
The purpose of the group meetings is to determine the strengths and weaknesses of each of the financial products. This information will be very helpful as UNCFSP works to create an effective wealth education program for HBCU students. A UNCFSP representative will facilitate these group meetings. These group meetings will be audio recorded and transcribed. In the transcriptions, students will not be identified by name. Rather, they will be identified as Student 1, Student 2, etc. At the end of the meeting students will receive a $15 Visa gift card, and an additional set of products to review.

What’s in it for you?
UNCFSP appreciates your willingness to help us develop a successful wealth education program for HBCU students. In addition to our heartfelt thanks, each student evaluator will be allowed to keep the financial education books they receive. Finally, for each set of products they review, students will receive a $20 Visa/MasterCard gift card.

How many meetings will there be?
After the initial orientation we expect there will be 3 meetings. Student evaluators should expect each meeting to last an hour.
### FAT POCKETS STUDENT EVALUATOR – REVIEW FORM

**Name of item:** ____________________________________________________________

**Item type (circle one):**
- Book
- Pamphlet
- Website
- Curriculum
- Simulation
- Game
- Video

**PRODUCT ASSESSMENT:**
We want to find out how well the item you reviewed helped you to understand personal finance. Please indicate how well the item you reviewed addressed the topics below.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Degree to which the topic was addressed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A lot</td>
</tr>
<tr>
<td><strong>Financial products</strong></td>
<td></td>
</tr>
<tr>
<td>1. Bonds</td>
<td></td>
</tr>
<tr>
<td>2. Certificates of Deposit (CDs)</td>
<td></td>
</tr>
<tr>
<td>3. Credit cards</td>
<td></td>
</tr>
<tr>
<td>4. Credit rating/FICO Score</td>
<td></td>
</tr>
<tr>
<td>5. Mutual funds</td>
<td></td>
</tr>
<tr>
<td>6. Retirement accounts (e.g., 401k, Roth)</td>
<td></td>
</tr>
<tr>
<td>7. Stocks</td>
<td></td>
</tr>
<tr>
<td><strong>Financial decision-making factors</strong></td>
<td></td>
</tr>
<tr>
<td>8. Family influence</td>
<td></td>
</tr>
<tr>
<td>9. Making choices</td>
<td></td>
</tr>
<tr>
<td>10. Distinguishing needs from wants</td>
<td></td>
</tr>
<tr>
<td>11. Peer influence</td>
<td></td>
</tr>
<tr>
<td>12. Risk / Risk tolerance</td>
<td></td>
</tr>
<tr>
<td>13. Role of emotion</td>
<td></td>
</tr>
<tr>
<td>14. Time value of money</td>
<td></td>
</tr>
</tbody>
</table>
Financial actions

15. Banking
16. Budgeting (income and expenses)
17. Charitable giving
18. Owning a home
19. Paying taxes
20. Saving for retirement
21. Saving for financial goals
22. Setting financial goals
23. Working with a financial professional

We want to understand how helpful the item you reviewed might be in helping HBCU students ages 18-24 learn about investing and how to build wealth. For each of the six factors below, rate the item you reviewed as excellent, very good, good, average, or poor, by checking the appropriate box.

<table>
<thead>
<tr>
<th>Factor</th>
<th>Description</th>
<th>Excellent</th>
<th>Very good</th>
<th>Good</th>
<th>Average</th>
<th>Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>24. Accuracy</td>
<td>Does the content appear to be factual and reliable?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25. Clarity</td>
<td>Was the item easy to understand?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>26. Engagement</td>
<td>Did you want to spend more time reading/playing/reviewing the item? Did you enjoy yourself?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>27. Presentation</td>
<td>Was the material presented in a logical and attractive manner?</td>
<td></td>
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</tr>
<tr>
<td>28. Relevance</td>
<td>Does the content appear to be up-to-date? Does the item give you information you can use right now or in the near future?</td>
<td></td>
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<tr>
<td>29. Value</td>
<td>Does the item present information that is important?</td>
<td></td>
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</tr>
</tbody>
</table>

30. What are the two most important take-aways from the item you reviewed?

31. Would you recommend this product for use with other HBCU students? Yes No Maybe (circle one).
Why do you feel this way?

32. Is there anything else you want us to know about the item you reviewed?
33. How much time did you spend reviewing this item? (check one)

___ less than 1 hour | ___1 - 2 hours | ___2 – 3 hours | ___3 – 4 hours | ___more than 4 hours

34. For what type of student would this item be helpful? (Circle all that apply)

Freshmen    Sophomores    Juniors    Seniors    Graduate students

REVIEWER INFORMATION:

Year: Freshman    Sophomore    Junior    Senior    Graduate student

College: Coppin    Howard    UDC

Major: __________________________

Age: _________

Gender: Male    Female
(circle one)

Ethnicity: Hispanic or Latino
(circle one) Not Hispanic or Latino

Race: American Indian or Alaska Native
(circle one) Asian
Black of African American
Native Hawaiian or Other Pacific Islander
White
Two or More Races