



Texas Student Loan Default Prevention Pilot Program

Year Two Summary Presentation
September 2016



Participating Institutions

Two-year Public

- Austin Community College
- El Paso Community College
- Tarrant County College

Four-year Public

- Prairie View A&M University
- Texas A&M International University
- Texas State University

Four-year Private

- St. Mary's University
- Texas Chiropractic College

Career College

- Western Technical College

Pilot Features

- Default Prevention Planning for Institutions
- Financial Education and Student Loan Counseling Training for Institutions
- Learning Center Online Financial Education for Students
- Financial Coaching for Students
- Financial and College Articles/Tips (Mighty Money Minute) for Students

Pilot Activities Demonstrate Significant Knowledge Gains and Satisfaction

- In Person Financial Education
 - **Over 3,300 Texas students participated in an in-person student financial education session and showed large, short-term knowledge gains.**
 - Average knowledge gain of **23.6** percentage points across all modules
 - **6 of 9** schools had post-test knowledge scores of **80** percent or higher
- Online Financial Education
 - **Over 750 Texas students completed an online financial education session.**
 - Average knowledge gain of **13.6** percentage points across all modules
 - Students on average went from a failing grade before the module (**60.5%**) to a passing grade after (**74.1%**)
- Financial Coaching
 - **High customer satisfaction scores (1 – 10 scale)**
 - **8.8** for event helpfulness
 - **9.5** for coach helpfulness
 - *“[My coach] answered all my questions, was friendly, non-judgmental, very knowledgeable, and helped me create a plan to move forward with.”*

Student Finances Are A Campus Wide Issue

Promising Practices

➤ **Cross-Departmental Responsibility Sharing**

- Pilot schools that promoted cross-department collaboration removed some of the implementation burden from their financial aid department and connected students with Pilot features in new, innovative ways.

➤ **Leveraging “Mandatory Venues”**

- Schools that integrated Pilot features into mandatory student events and venues saw much higher usage numbers.

➤ **Connecting Default Prevention, Financial Wellness, and Student Success**

- More schools now see the Pilot as a holistic student support program, rather than exclusively a default prevention program.

Student Engagement Presents Challenges

Barriers to Success

➤ **Staff Constraints and Turnover**

- Unexpected staff turnover disrupted Pilot implementation at several schools. In addition, school staff frequently reported not having enough time for the Pilot; particularly when Pilot implementation was added to staff work load with no corresponding reduction in job duties.

➤ **Competition for “Mandatory Venues”**

- Many Pilot schools said they had to compete for time at “mandatory venues” – such as orientation and first-year experience courses – for students. These venues offer the best vehicle for promoting the Pilot but are much in demand by other departments.

➤ **Cross-Departmental Collaboration and Leadership Buy-In**

- Some Pilot schools struggled to explain Pilot benefits and get buy-in from school leadership and campus departments. Other departments sometimes see the Pilot program as a “financial aid department project.”

Students Desire And Expect Financial Support Services

Insights on Student Life, Financial Vulnerability, and Outreach/Marketing

➤ **Student Financial Anxiety**

- Many students express anxiety about their finances and about loan repayment. They feel financially vulnerable and want guidance and education.

➤ **Student Time Constraints**

- Students want to participate in activities and events that can help them make more informed financial, academic and career decisions. However, this desire often competes with the time available outside of classes, which students reserve for work and study.

➤ **Outreach and Marketing**

- Students report inconsistent use of their school email, making outreach challenging for Pilot schools. Students want financial education and coaching resources to be available and easy to find when they have a financial crisis or need guidance for an important decision.

➤ **Financial Disconnect Between Students and Institutions**

- Students expressed frustration that schools didn't seem to understand their financial realities.

Service Improvement in Year Three

Based on feedback from school staff and students, the Pilot is exploring enhancements to the following Pilot services for Year Three:

- Re-design of select student financial education and loan counseling presentations to allow school staff more flexibility in their ability to customize sessions.
- Exploring how a new learning management systems might improve the user experience with the Learning Center, the Pilot's online student financial education system.
- Development of materials to support institutions' marketing and outreach of Pilot features.
- Development of inter-office marketing materials to support greater collaboration between departments at Pilot institutions.
- Working with multiple departments on Pilot campuses beyond financial aid.
- Helping institutions to share successful outreach strategies with other Pilot schools in order to compare methods, results, and lessons learned.

Questions?

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