ABOUT THE CENTER
Established in June 2017 as an initiative of NASPA and The Suder Foundation, the Center for First-generation Student Success (Center) drives innovation and advocacy as the premier source of evidence-based practices, professional development, and knowledge creation for the higher education community to advance the success of first-generation students. As college and university leaders and practitioners are actively seeking avenues to best meet the specific needs of first-generation students, the Center leads scholarly discussion, information sharing, networking, and program development and relies upon alignment with four strategic priority areas for success.

ABOUT RESOURCE GUIDES
In collaboration with experts in the field, the Center for First-generation Student Success has curated resource guides covering a variety of topics specific to first-generation student success. The purpose of the resource guides is to offer supplemental items and create stronger connections to topics covered. Each will include an overview, recommendations, a list of articles and/or examples featuring helpful approaches, and references. To remain current, these resource guides will be updated periodically.

AUTHOR
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Prior to CAC, Matt worked at both public and private universities in a variety of student affairs and enrollment management positions. At the Brown School of Social Work at Washington University he established the school's first need-based scholarship; a first-generation student support program; and campus wide financial literacy initiatives.

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OVERVIEW
In the United States, financial education is severely lacking which creates disparities in economic outcomes. According to the Council for Economic Education (2020), only 21 states require a personal finance course as a requirement for high school graduation, meaning only 17% of high school students are required to take such a course. The Study on Collegiate Financial Wellness (2020) found that compared with their continuing-generation peers, “first-generation students had significantly higher financial strain scores, but had significantly lower financial self-efficacy, financial optimism and financial knowledge scores” (p. 2). Additionally, research has shown parental behaviors strongly influence students’ money management habits (Cude, 2006), which can compound challenges faced by first-generation (FG) students – given the percentage that come from low-income families.

It is important to note, however, that first-generation students and low-income students should not be conflated and that each population faces distinct postsecondary journeys. First-generation students have a lower median family income than do their continuing-generation peers – $41,000 versus $90,000 (RTI International, 2019) – not every first-generation student faces financial challenges in college. To understand students’ intersectional identities, practitioners must support the “first-gen plus” status of their students (e.g., FG + BIPOC (Black, Indigenous, and People of Color), FG + Queer & Trans, FG + low-income, etc.).

Furquim (2017) found that first-generation students are more than their peers likely to take out loans and borrow in greater amounts. Unfortunately, Lee and Mueller (2014) discovered first-generation students also have less student loan debt literacy. This is, in part, due to the barriers "jargon" creates within the financial aid process and the gaps in college-going knowledge possessed by first-generation students that prevent them from understanding the system (Taylor & Bicak, 2020). First-generation students are also more likely than continuing-generation students to utilize private student loans and credit cards to pay for educational expenses (Study on Collegiate Financial Wellness, 2020) making comprehensive financial literacy even more critical. Colleges and universities should make every effort to provide financial literacy to their first-generation student populations.
RECOMMENDATIONS

- Be mindful of the language you employ. Financial literacy, financial wellness, money management, and money smarts have different connotations and meanings to various populations of students. Speak with your students to (a) identify the language that is comfortable for them and (b) clearly communicate the services being offered.

- Topics that are most critical to any financial literacy initiative include:
  - **Budgeting/basic money management**
    *For more accurate budgeting tools specific to an institution, be sure to connect with the financial aid office:
      - Saving
      - Understanding “take-home pay”
  - **Understanding tuition bills** and financial aid awards:
    - It is best to partner with the financial aid and/or bursar office(s) to develop these resources.
  - Student loan repayment options and strategies:
    - Federal student loans versus private student loans
  - Credit scores:
    - Understanding credit
    - Building and maintaining good credit
  - Investment and retirement basics
  - Graduate school financial planning
  - Salary negotiations:
    - Cost-of-living comparisons
  - Filing taxes

- It is extremely unlikely any single person or department will be an expert on all of these topics. Instead, utilize campus partners – including faculty – to develop resources, workshops, and programs:
  - For example, career services staff can discuss salary negotiations, while business school faculty can create tutorials for understanding credit and/or retirement planning.
  - Off-campus partners (e.g., the local Federal Reserve, credit unions/banks, chambers of commerce, nonprofits) are also extremely valuable.
• **Federal TRIO** programs are required to provide financial literacy programming for students. Find ways to partner with Student Support Services (SSS) colleagues to build additional workshops or resources. If there isn’t currently a TRIO program on your campus, the Council for Opportunity in Education provides guidance on locating regional TRIO associations.

• Debt literacy and repayment planning must be a priority. First-generation students are more likely than their continuing-generation peers to borrow loans. They also default at rates higher than those of their continuing-generation peers. More concerning is that nearly half of first-generation students who are also low-income default on their student loans. Creating debt management workshops is critical to supporting first-generation students:
  o Your institution's financial aid office should have debt management resources and programming available. Work with their counselors to offer workshops tailored to first-generation student needs.

• Often students will need resources in addition to knowledge and best practices for managing money. Resources that identify inexpensive, yet healthy food options, laundromats, low-cost childcare, and so forth can be just as helpful as information about budgeting and saving money:
  o This resource from the Money Education Center at Texas A&M University helps students understand and plan how to eat healthy on a budget.

• Build partnerships with career services offices to provide instruction for students as they prepare for jobs or further education after graduation. Possible workshops may include:
  o Negotiating your first salary after college
  o Comparing employer health insurance and benefit options
  o Cost-of-living expenses in different cities or regions
RESOURCES

- The Center will soon release a comprehensive toolkit that is turnkey and deliverable in multiple ways. This offering will be available for purchase by visiting the First Scholars page.
- First Generation Students in Higher Education Fact Sheet (2020) from Postsecondary National Policy Institute (PNPI).
  o Addressing the countless topics related to financial education, this report helps practitioners develop effective delivery strategies for their populations.
- Effective Financial Education: Five Principles and How to Use Them (2017) from the Consumer Financial Protection Bureau:
  o This report includes recommendations on not just what should be taught in financial education, but how lessons should be delivered.
- Decoding the Cost of College: The Case for Transparent Financial Aid Award Letters (2018) by New America and uAspire:
  o This study gives a clear picture of how many college and university award letters are confusing and misleading.
  o The report includes sample award letters to compare among institutions, as well as examples of the myriad award-letter terms employed across institutions.
- Study on Collegiate Financial Wellness (2020) from The Ohio State University.
- Several organizations offer “plug-and-play” financial literacy materials and resources, as well as customized modules and lessons for your students. Institutions may consider partnering with one of these organizations if their staff capacity is too limited. That said there may be a cost associated with the services. Below are the four most popular resources; only CashCourse is free:
  o Jump$tart
  o CashCourse
  o EverFi
  o iGrad
- Study on Collegiate Financial Wellness (2020)
- Institutional examples:
  o Student Money Management Center at Sam Houston State University
  o Scarlet and Gray Financial at The Ohio State University
YouTube has a variety of videos on financial education basics that you can incorporate into your curriculum or website. However, be sure to verify the expertise of the person or organization who created the video:
  - The 50/30/20 Rule from Whiteboard Finance
  - How to Get a Perfect Credit Score from NerdWallet

**ADDITIONAL RESOURCES**

- [Higher Education Financial Wellness Alliance](#)
- [Student Debt Crisis](#)
- **Podcasts:**
  - [The College Investor](#)
  - [You Need a Budget](#)
  - [Money Girl](#)
  - [Journey to Launch](#)

*The Center for First-generation Student Success, NASPA, does not endorse any third-party services; it is recommended that institutions appropriately vet any third-party platform or service.*
REFERENCES


