

## How to Create a Rate Reducing Default Management Program without Spending a Dime

51<sup>st</sup> Annual MASFAA Conference  
 Pearl River Resort, Philadelphia, Mississippi  
 June 13 - 15, 2018

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### Road Blocks



- Most schools realize the significance of financial wellness and default prevention...however, lack of time and resources are road blocks to implementing these important initiatives




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### Critical Issues

- Even though CDRs have decreased over the last few years, individual debt has increased.
- The class of 2015 averages:
  - Student loan debt - \$35,051\*
  - Credit card debt - \$3,173\*\*

Sources: \*Wall Street Journal, May 2015;  
 \*\*Statisticbrain.com




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## Agenda

- 1.** What to consider when utilizing free resources

**2.** Free financial wellness resources

**3.** How to engage students
- 4.** Free default management tools

**5.** Free vs. fee-based default management tools

**6.** Conclusion and resources




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## What to Consider When Utilizing Free Resources

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## Smartphone Apps

- Apps are available in two forms
  - Free
    - Includes advertisement
  - Paid
    - Little to no advertisement
    - Additional functionality




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### Free Apps Can Have a Privacy Cost

- Risk theft of private information
- By giving an app permissions, you may also be giving the app access to your:



Location



Photographs



Phone Contacts



Search History




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### How to Protect Self with App Use

- Read the permissions before loading an app
- Do not download anything that asks for access it doesn't need
- Set permissions for apps on a case-by-case basis
- Uninstall any apps that go unused




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### What to Consider with Websites

- Know who is responsible for the website
- Websites should provide the contact of organization or webmaster
- Determine if the content developers are experts




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### What to Consider with Websites

- Make sure the content is current
- Click on the links on the site
  - Not broken
  - Connect to reliable and trusted sites




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### What to Consider with Websites

- Advertisement and sponsors should be labeled
- Check to see if site is supported by donations, public funding, or advertising
- Read privacy policy to verify if a user's privacy is being protected




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### How Much Advertisement is Too Much?




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## Free Financial Wellness Resources

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How do you provide financial literacy to your students?



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## Teaching Financial Wellness

- Use various delivery methods to meet different learning styles
  - In-person presentations
  - Online training
  - Podcasts and audio tutorials



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### Learning Styles Vary



Auditory



Visual



Kinesthetic



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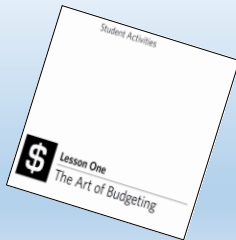
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### Presentation Materials

- Practical Money Skills
  - Lesson plans
    - Presentations
    - Teacher's guides
    - Student activities



Practicalmoneyskills.com

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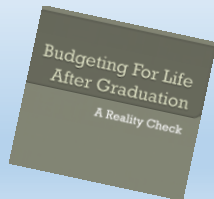
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### Presentation Materials

- National Endowment for Financial Education
  - Financial Workshop Kits
    - Presentation materials
    - Script
    - Handout
    - FAQs
    - Resources



Financialworkshopkits.org

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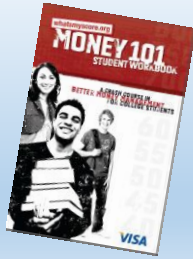
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### Presentation Materials

- What's My Score
  - Money 101 Curriculum
    - Student workbook
    - Presenter's guide
    - PowerPoint presentation



WhatsMyScore.org

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### Presentation Materials

- FDIC
  - Money Smarts for Adults
    - Instructor's script
    - PowerPoint presentation
    - PDFs
    - Take-home guides
    - Available in nine languages



Fdic.gov

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### Online Programs

- GradReady
  - School-branded
  - 16 money management lessons
  - Engaging videos and interacting tools
  - Quizzes and final exams to measure student improvement



Nseds.com

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### Online Programs

- Money Smart for Adults
  - Computer-based instruction
  - 11 modules; each can be completed within 30 minutes
  - Participants will receive a certificate of completion after successful completion of each module



Fdic.gov

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### Online Programs

- MoneySKILL
  - Interactive curriculum to teach basic money management fundamentals
  - Includes written text, audio narration, pre-and post tests, and quizzes



Moneyskill.org

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### Online Programs

- CashCourse
  - Customizable website that schools can use to create assignments for students to teach them about money and financial management



Cashcourse.org

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### Online Programs

- LifeSmarts
  - Virtual classroom where students can complete self-study lessons on various financial concepts



LifeSmarts.org

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### Podcasts are the New Black

- Free
- Work best for those with shorter attention spans and for multi-taskers
- Break down dense information into digestible lessons




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### Podcasts

- NPR
  - Money Counts: Young Adults and Financial Literacy
  - [npr.org/series/136275928/money-counts-young-adults-and-financial-literacy](http://npr.org/series/136275928/money-counts-young-adults-and-financial-literacy)
- Practical Money Skills
  - Podcast Center
  - [practicalmoneyskills.com/resources/podcast.php](http://practicalmoneyskills.com/resources/podcast.php)




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### Podcasts

- FDIC
  - Money Smart Podcast Network
  - moneysmart.fdic.gov
- Listen Money Matters
  - Money School Podcasts
  - listenmoneymatters.com/school/
- Indiana University
  - MoneySmarts Podcasts
  - moneysmarts.iu.edu/tips/basics/index.shtml




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### Games

- Practical Money Skills
  - Financial Football
  - Financial Soccer




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### Smart Phone Apps

- Provide free apps to students they can use to learn about financial literacy concepts and manage their funds

Consumers spend 86% of their smartphone time on apps




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### Expense Tracker App



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### Good Budget App



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### Spending Tracker App



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### Additional Apps



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### Teaching Financial Wellness

- Make learning fun by incorporating technology



Games



Web Searches



Individual and Collaborative Exercises



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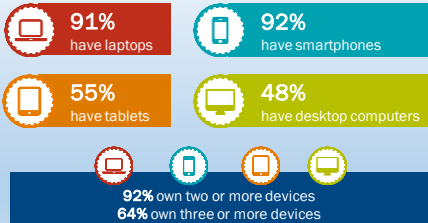
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### How Connected are Students?



Source: EDAR Study of Undergraduate Students and Information Technology, 2015



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### Benefits of Using Technology

- It increases active engagement
  - The degree of attention, curiosity, interest, optimism, and passion that a student shows when they are learning or being taught
- It connects students to real world experts
  - Students can learn from industry professionals
  - Learning becomes more relevant and authentic when it can be delivered from an expert in the field



Source: The Glossary of Education Reform




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### Benefits of Using Technology

- Students are technology natives
- It expands the variety of vehicles used to deliver information
- It increases the volume of resources available
- It can stimulate interaction and participation




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### Benefits of Using Technology

- It can be fun and memorable
- It switches the focus from the presenter/instructor to the content
- It allows for increased accessibility and individualized learning
- It prepares students for the future




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## Free Default Management Tools

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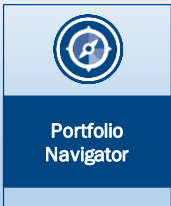
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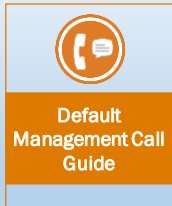
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## Default Management Tools



Portfolio Navigator



Default Management Call Guide



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## Great Lakes' Portfolio Navigator



- Manage Data
- Portfolio Summary
- Action Center
- Great Lakes and All Servicer Summaries



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## Great Lakes' Portfolio Navigator



- Securely upload Great Lakes-served data
- Securely upload and easily filter NSLDS data for all of your students' federal loans




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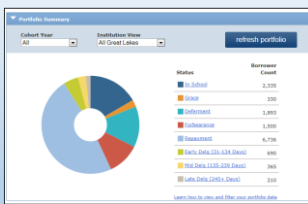
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## Great Lakes' Portfolio Navigator



- Filter and view your school's federal loan data in numerous ways for easy reporting and outreach




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## Great Lakes' Portfolio Navigator



- Action Center
- Help borrowers in repayment
- Help borrowers prepare for repayment




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### Great Lakes' Portfolio Navigator



- Helps you identify and reach out to borrowers that need additional support
- Offers three Action Tracks so you can choose the outreach efforts that best fit your schedule
- Provides messaging to send to target groups of delinquent borrowers




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### Great Lakes' Default Management Call Guide

- "Making Your Calls Count" provides a step-by-step guide to making default prevention calls
  - Includes a call script and helpful tips




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### New Users

For access to the Great Lakes Tools  
 Contact: Great Lakes Client Services

- (888) 686-6919
- [clientservices@glhec.org](mailto:clientservices@glhec.org)




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## Free vs. Fee-Based Default Management Resources

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### Pros and Cons of Free Tools

**Pros**

- Free
- Flexibility
- Students may respond to school rather than outside vendor

**Cons**

- Requires more time and/or people
- May need to use multiple tools
- Training required
- Salary expense
- Employee turnover



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### Pros and Cons of Fee-based Tools

**Pros**

- Proven strategies and results
- More resources
- Expanded availability

**Cons**

- Cost
- Fee structure may be complex
- Limited to one company
- Lack of transparency



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## Conclusion and Resources

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### Conclusion

- Utilize free tools and resources when possible
  - Confirm the source
  - Select ones with little to no advertisements
  - Beware of trials
- Determine amount of internal time and resources available



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### Additional Resources

- Cohort Default Rate Guide
  - ifap.ed.gov/DefaultManagement/CDRGuideMaster.html



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### Additional Resources

- Mygreatlakes.org
- Nseds.com
- Smartaboutmoney.org
- Spendster.org
- 360financialliteracy.org




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### Additional Resources

- Mint.com
- Annualcreditreport.com
- Bankrate.com
- Mymoney.gov
- Everydollar.com




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# THANK YOU!

MASFAA would like to thank our Vendors for their support!

Please be sure to visit with them and let each of them know how much we appreciate their support of MASFAA!




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