

**2015
COLLEGE CHANGES EVERYTHING
CONFERENCE**

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Examining The Challenges Of Today's Young Adults

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AMERICAN STUDENT
— ASSISTANCE —

\$ALTTM

Money knowledge for college—and beyond.

Agenda

- Your experiences and perceptions
- Realities
- Action planning

Your Experiences

- What do you think today's young adults are saying about their financial challenges?
- What are they most concerned about?

THE REALITIES

2012 AND 2013

ASA's Online Community *SALT Insiders*

- Between June and November 2012, 299 community members participated in the following:
 - 25 research activities
 - 47 community building activities
 - 4,550 contributions
- This group has subsequently continued activities and grown in size/scope.

Defining Financially Stable

- About half consider themselves “financially stable.”
 - Primary definition: Being able to **pay your bills** and cover your necessities.
 - Goals: Cutting back on **spending**; Finding a **well-paying job**.

*“Currently I am financially stable. I am unfortunately **living paycheck to paycheck**, during the year that is a work study paycheck which does not help with my bills very much. But for right now I am doing alright, making some money during the summer to save for the future and for the rest of the year.”*

*“Fairly stable, though I have little money of my own and have to **rely on loans and family support.**”*

[Being financially stable means]

“...not being afraid of checking the mailbox because you know that it's bill time again, not having to dig inside the couch and under your car seats for change, never seeing a cut-off notice, not having a panic attack when the kids need new everything, not having to break into the piggy bank when you just started putting something into it last week, not having more numbers of bill collectors on your caller ID than friends and family, and being able to say the word financially ‘stable’ without laughing.”

Stressors And Taboos

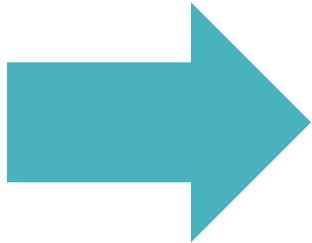
- Finance are the biggest stressor for many
 - School and family rank as high
- Debt and income are the most personal!

*“For me, debt is the biggest taboo to talk about. I don't like for others to know my business in that regard because I feel like **it's personal**. All of my bills get paid, but being a student sometimes sucks my bank account dry, **leaving me to feel inadequate** if I struggle to know where my next funds for necessities will come from.”*

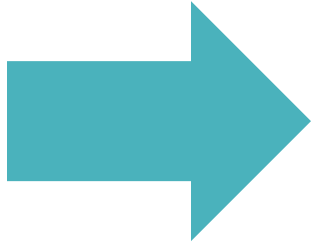
*“I think that people do not want to discuss **debt** because yes it means a lack of money, but it also means that they will always have that trailing them because they cannot pay it off. Most people are ashamed that they are not able to pay it all back right away. It may not always mean they have a lack of money. It could mean that they **just are not spending their money in the smartest way possible.**”*

...taying away from credit cards.

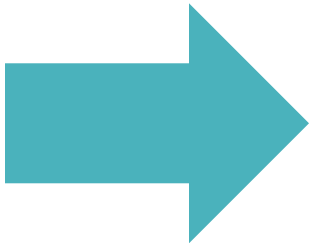
Note To Former Self



“I would tell my former self to SAVE! SAVE! SAVE! I would say save as much as possible and spend as little as possible.”

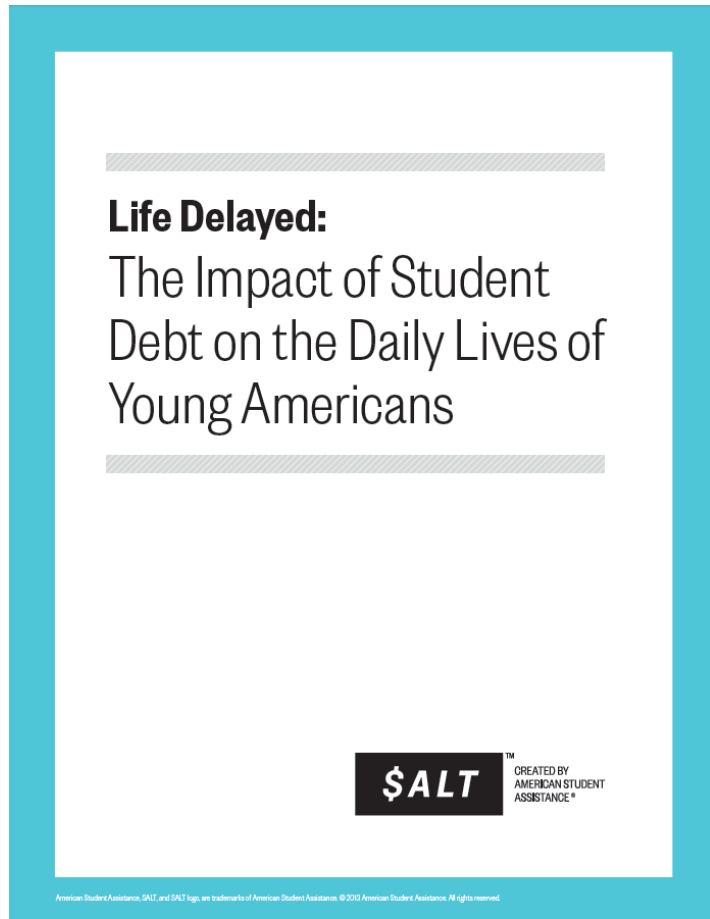


“I would tell myself to be more responsible and keep track of every dollar earned and spent. I would also say SAVE!!! Save every time you can and it will add up.”



“If I were to write a letter to myself I think the only thing I could honestly say would be to Save. I have never been all that great at saving money, though I am getting better now. But having a savings that equals about 2 months worth of bills is a good thing to have, so I would definitely tell myself to work on savings, because it would come in handy many times.”

ASA's Research Question



How does student debt affect the daily lives of young Americans?

Source: *Life Delayed: The Impact of Student Debt on the Daily Lives of Young Americans*. American Student Assistance, 2013.

ASA's Survey

Survey Logistics

Open invitation survey of young professionals nationwide

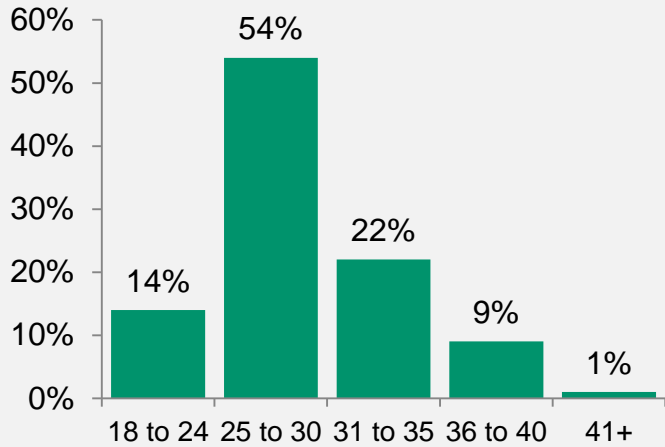
1,000 surveys emailed and 259 responses

No incentive to participate

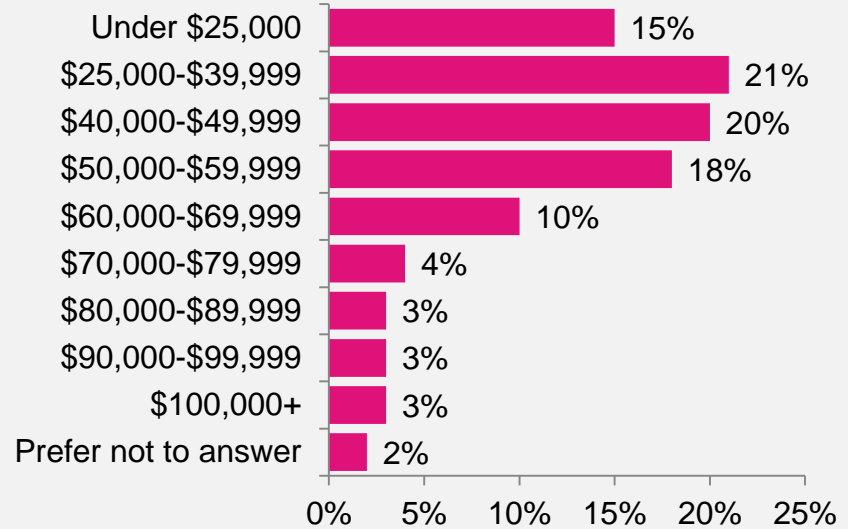
Survey open from May 14, 2013 – May 31, 2013

Survey Demographics

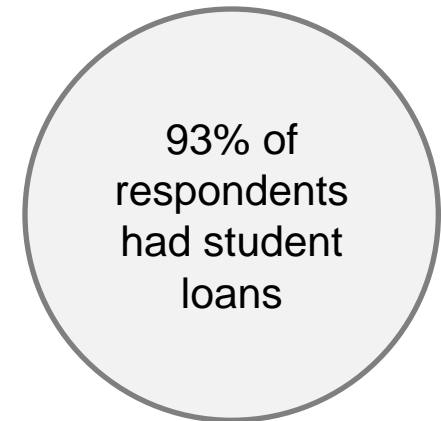
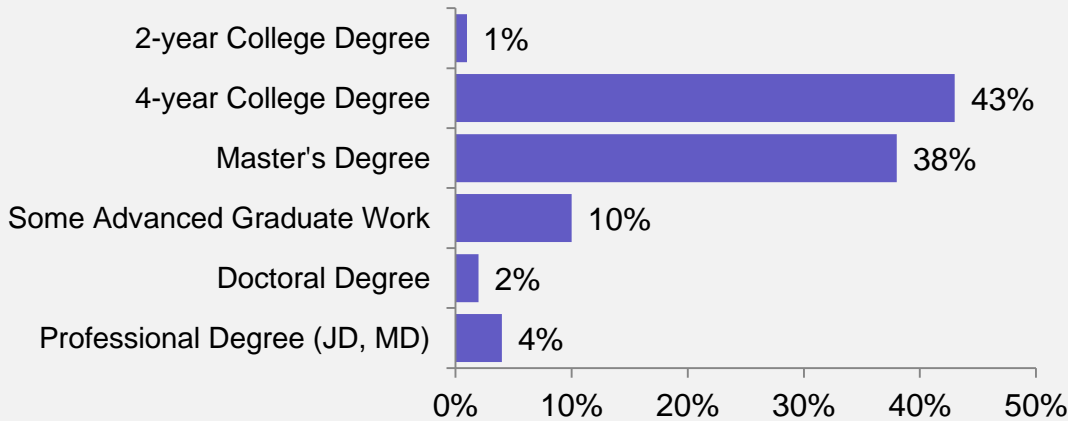
Age



Annual Salary



Highest Level of Education



“My college experience...”

“was valuable to my personal fulfillment, but I wish I had a job in the field.”

“was valuable, however it is NOT worth the amount of debt I have.”

“was valuable but I could have probably gotten the same value going to a cheaper college.”

“was valuable to my personal fulfillment, but I wish I had a job in the field.”

“was transformative, but I’m not sure it was worth the expensive price tag.”

“was great and opened up opportunities for me. However, student loan debt has made my life challenging after, especially to pursue a career in the field I want to. I get by every month, but it is tough.”

“was valuable and left me better off, but the debt is seriously holding me back significantly.”

Impact Of Student Debt

Survey Results

27% found it difficult to **buy daily necessities**.

For **75%** impacted their ability or decision to **purchase a home**.

For **63%** impacted their ability or decision to **make larger purchases (i.e. car)**

For **47%** impacted their decision not to **start a business**

For **30%** had considerable impact, on the **choice of career field**.

For **27%**, influenced the decision to **move back home**

73% have **put off saving for retirement** or other investments.

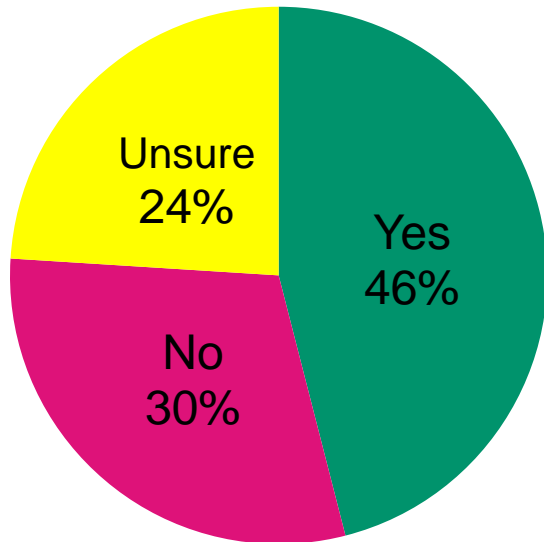
29% have **put off marriage**.

43% have delayed their **decision to start a family**.

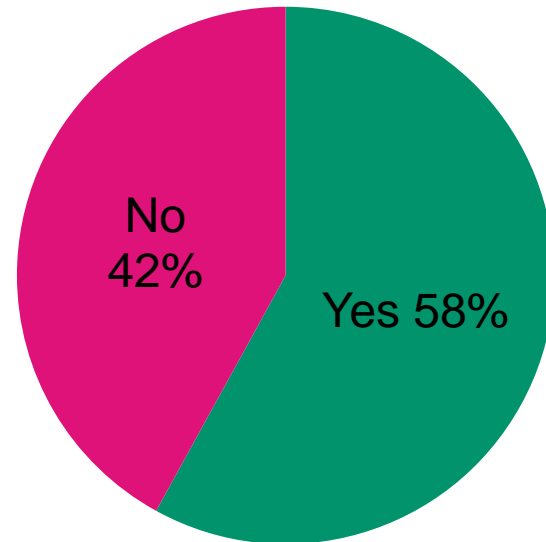
Source: *College Life Debt: The Impact of Student Debt on the Daily Lives of Young Americans*. American Student Assistance, 2013.

Education Decisions

Would you have made the same college decision?

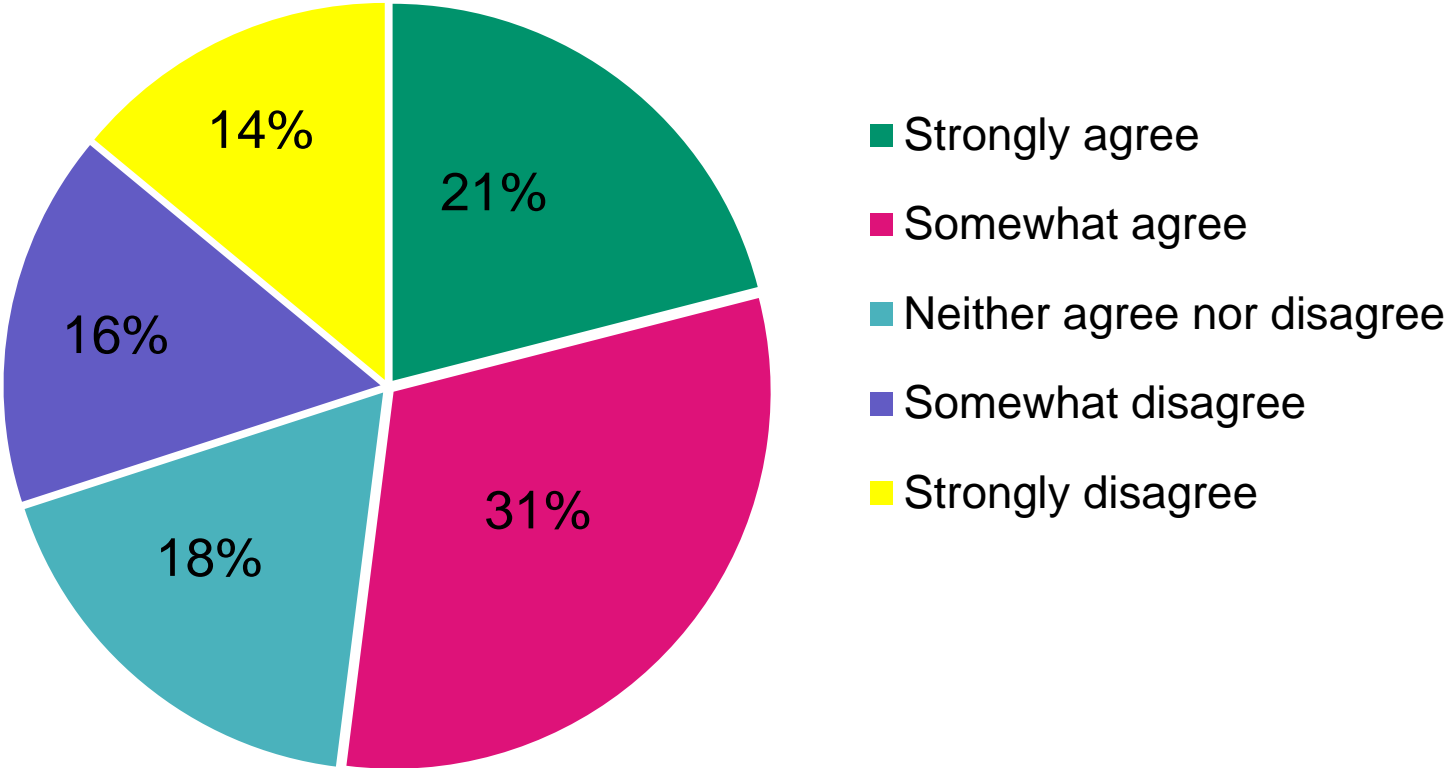


Has your student loan debt impacted your decision to further your education?



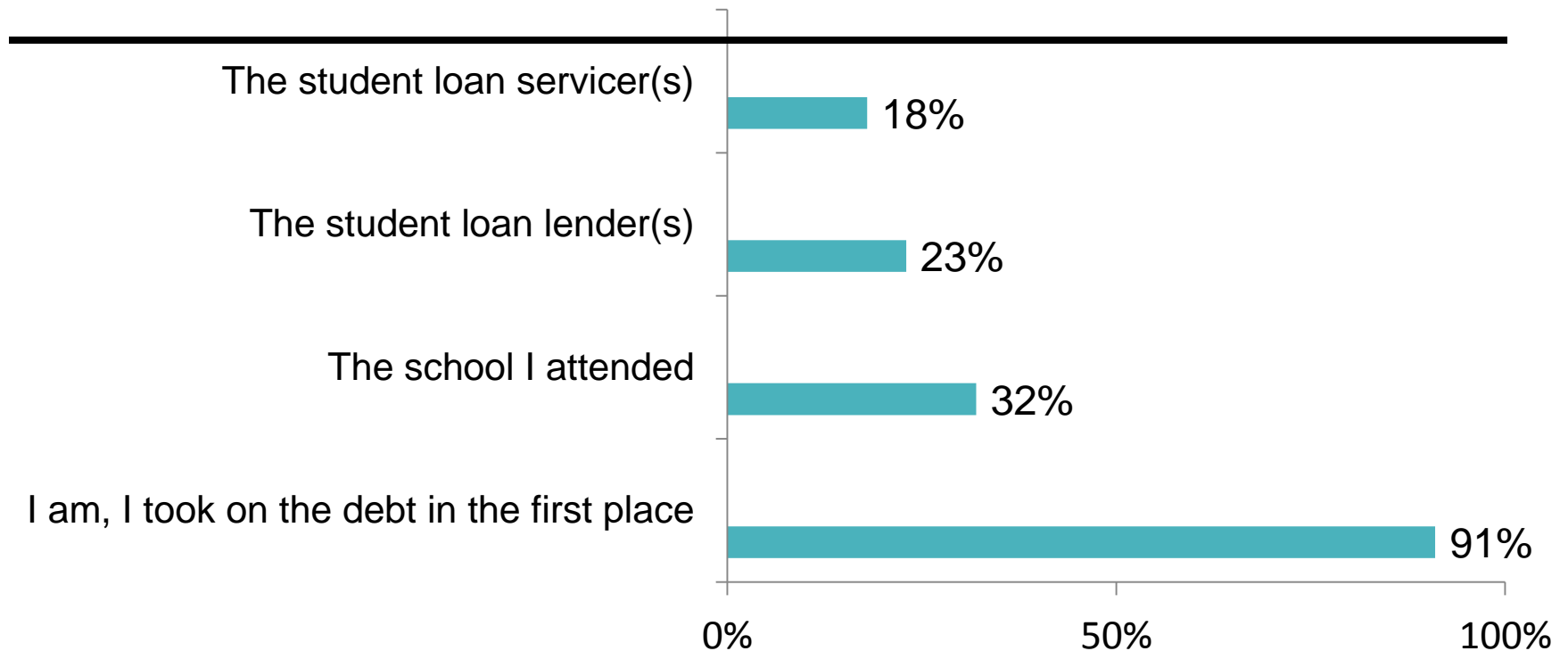
Career Choices

My need to pay student loan debt is hampering my ability to further my career



Student Loan Responsibility

Who do you feel is responsible for your student loan debt?



Giving Back

	YES
Should your alma mater help you manage your debt?	60%
Does your student debt impact your ability to donate to your alma mater?	77%
Does your student debt impact your willingness to donate to your alma mater?	72%

Source: *Life Delayed: The Impact of Student Debt on the Daily Lives of Young Americans*. American Student Assistance, 2013.

ACTION PLANNING

Principles Of Effective Programs

- Teachable moments
- Active, experiential, and problem-based learning
- Evaluation

Implications For Program Development & Success

- Simplify and focus
 - Start small and build from there
 - Leverage existing resources
- Determine your measurement priorities
 - Begin with the end in mind
 - Identify how to best demonstrate results
 - Outcomes can take time
- Scalability and sustainability

The Right Information at the Right Time

- September
 - Factors to consider when selecting a bank, setting up a budget for the year
- October
 - Building an emergency fund, understanding credit
- November
 - Tracking student loan borrowing
- December
 - Sticking to a budget during the holiday season, identity theft
- January
 - Applying for financial aid, revisiting the spring semester budget
- February
 - Spring break on a budget, smart borrowing tips
- March
 - Searching for summer internships
- April
 - Tax basics, searching for scholarships
- May
 - Summer savings, planning for repayment

Moving Forward

- Short Term
 - Identify three actions you would like to take that will have an immediate positive impact – for either current students or alumni.

- Long Term
 - Consider the ideal state.
 - What resources do you need to make this happen?
 - Who do you need to partner with?
 - What does the final plan look like?

Thank You

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