



First Gen Symposium

Monday, March 11, 2024

Addressing the Financial Capability Needs of First- Generation College Students

Economic Awareness
Council



First Generation Community College Students

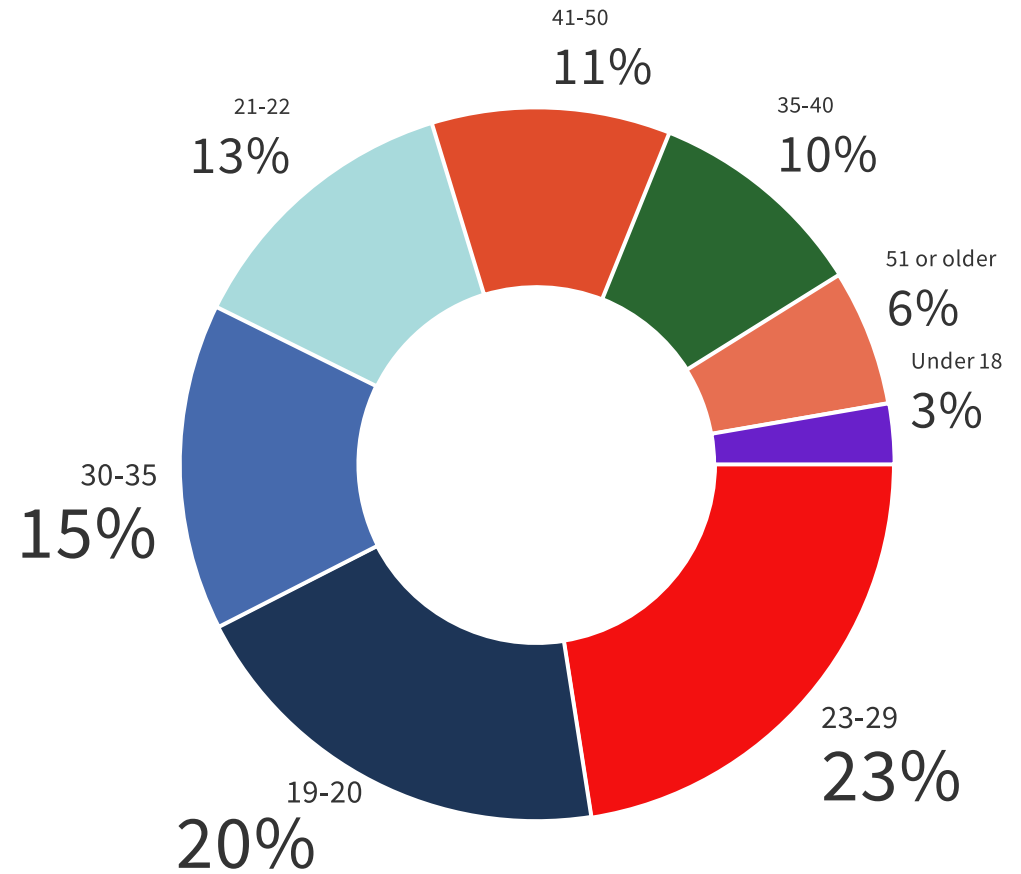
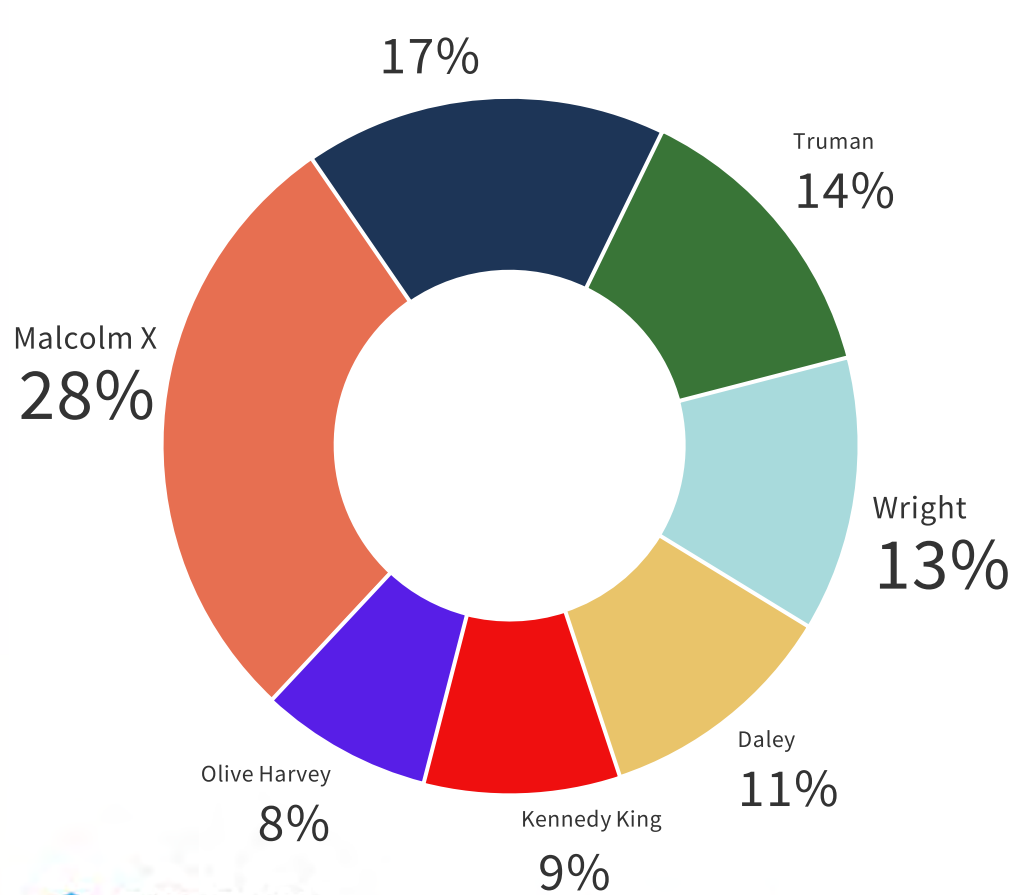
- Approximately 60% of the students from City Colleges of Chicago who obtained an associates degree in 2022 identified themselves as first-generation students.
- Within our Financial Capability program, approximately 87% of our Financial Aid Workshop students reported being first-generation.

Student Survey Results

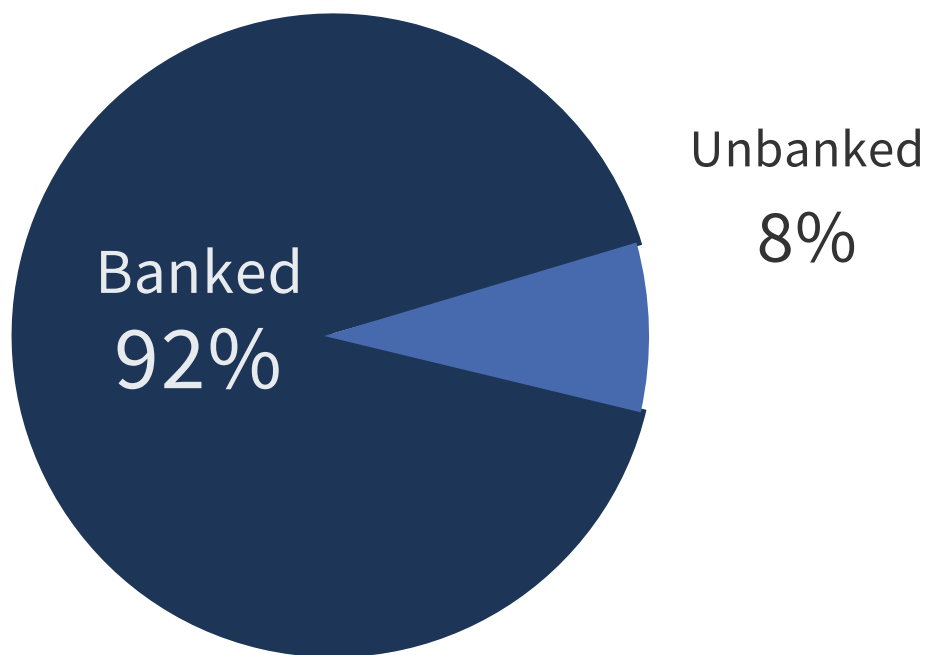
In Spring of 2023, we conducted a student survey in order to gain a deeper insight into the financial requirements/needs of City College Students. This survey was distributed to all City Colleges and remained open for two weeks.

2,645 Respondents

Representation from all colleges and age groups

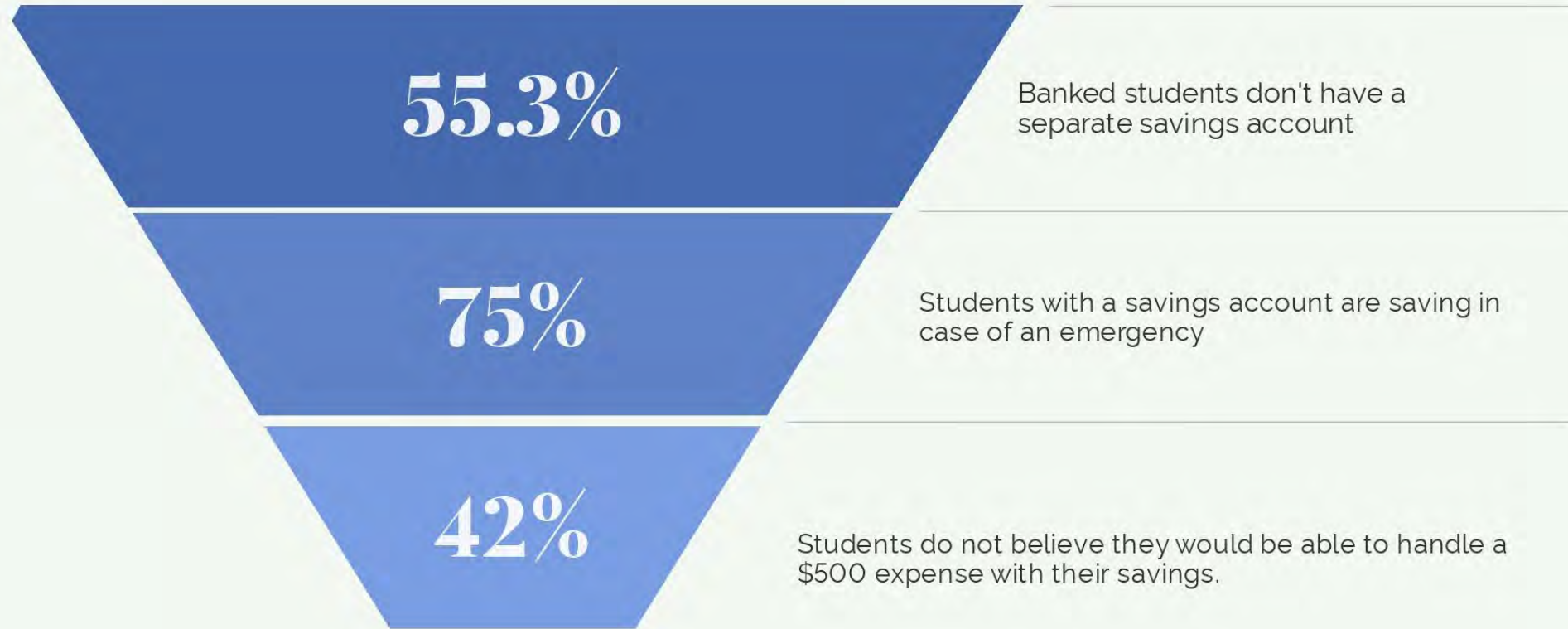


Checking Account Population



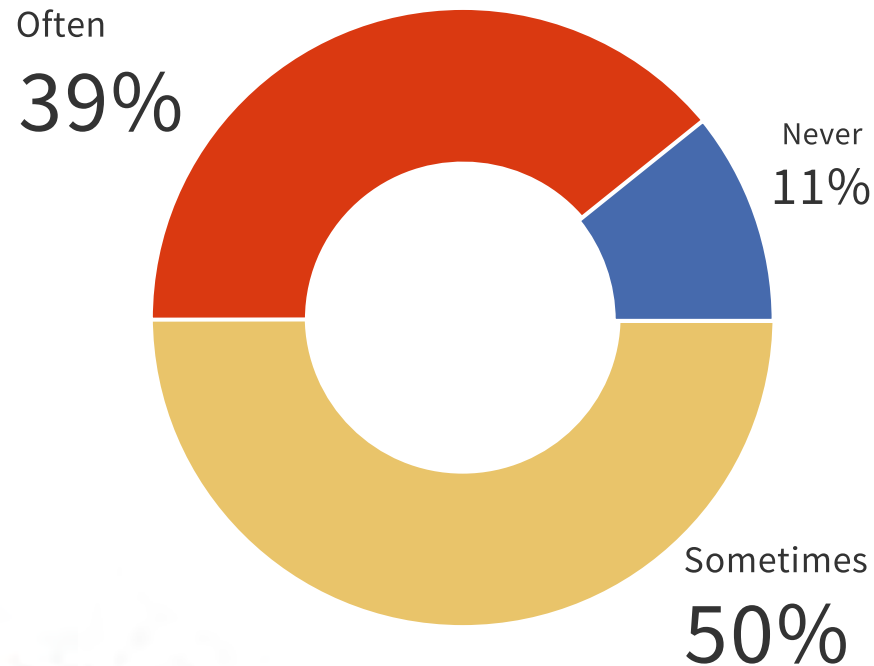
- A high percentage of CCC students are banked. Only 3% more CCC students are unbanked in comparison to the overall Chicago population.
- Most students get banked to get paid faster, be financially responsible, keep their money safe, and save.
- Most students who were unbanked did not think they had enough money, a misconception that we can try to address
- **Of the 92% of students banked, 38.4% of them don't use direct deposit.**

Savings Account Population

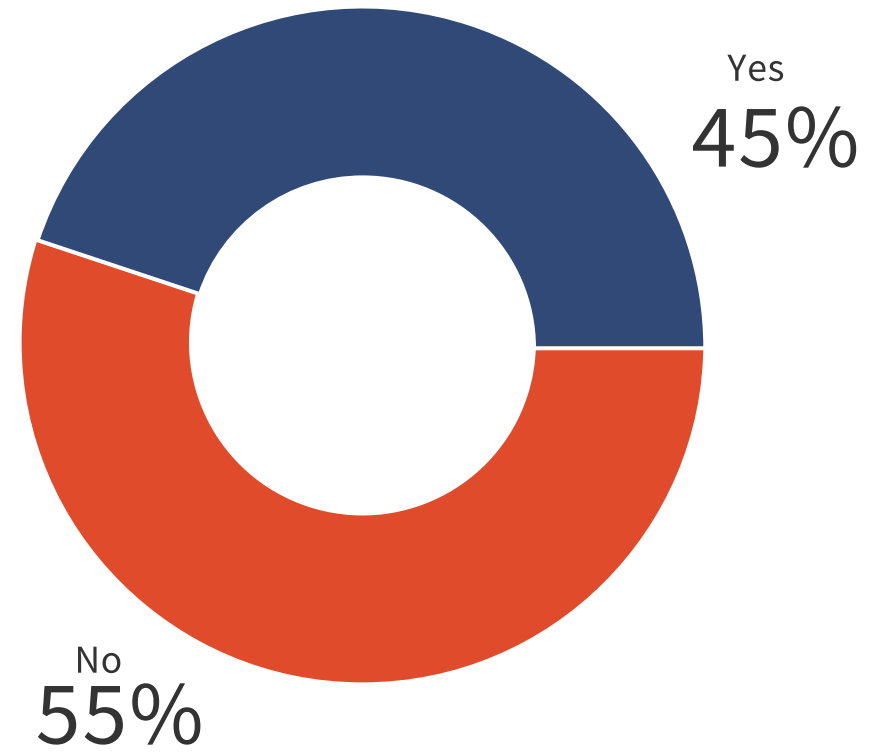


Budgeting Concerns

Number of Students who skip basic expenses such as food, personal items, school costs, etc. due to not having enough funds



Number of Students who use a budget.



Credit



41%

Have not started to build credit



25%

Of students have never checked their report



57%

Don't know where to go if their identity is stolen or compromised



24%

Are very confident in their ability to build good credit

College and Finance

Approximately 36% of respondents have reported that the cost of college has not met their prior expectations.

Approximately 58% of students have student loans and/or are receiving Financial Aid.

Of the 1,924 students who have student loans, approximately 1,371 (71%) do not know what the total cost of repayment will be.

77% of students with student loans are uncertain if their loans are subsidized or unsubsidized.

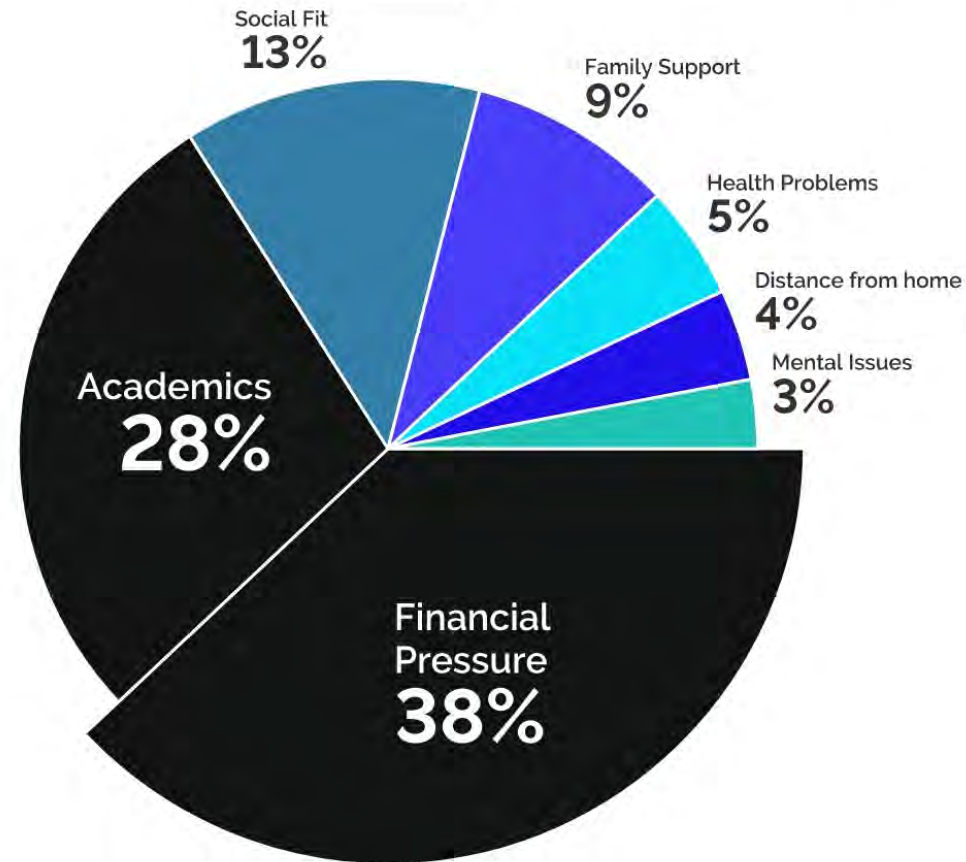
Tax and General Financial Confidence

- A majority of students, 57%, do not know how much of their pay goes to taxes.
- 80% do not know where they can have their taxes done for free at City Colleges.
- Only 15.4% of students are very confident in their ability to handle a financial challenge.

Award Letters Matter

- **Students need help in assessing the true costs of college**
- **Cost does not need to be the only factor in college choice but for most students it is a factor**
The average college student now graduates with \$30,000 in debt!
- **Help students to understand difference between grants/scholarships vs. loans**
- **Help students to understand the difference between sub/unsubsidized loans (77% did not know)**
- **Work study - flag the need to secure position on campus**
- **Help students to estimate total loan repayment costs - 71% don't know**
- **Warn students about unmet need**
Better Future Forward & Jewish Free Loans

What is the #1 reason for college drop out?



Financial Capability Workshop Impact

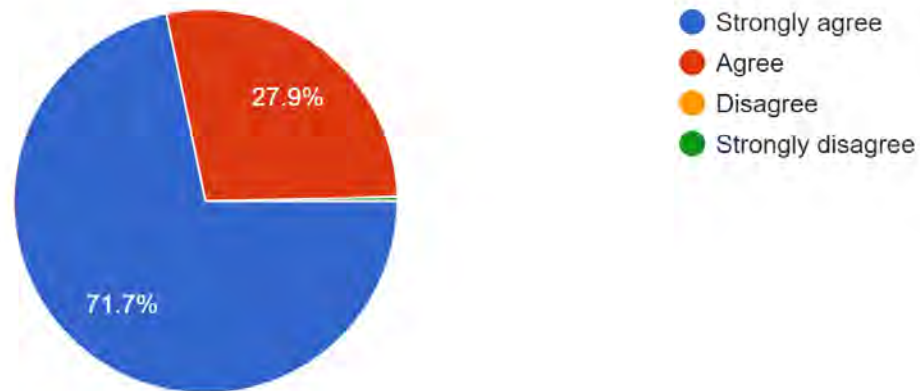
- Total Workshop impact
 - 466 students
- Total Coaching
 - 206 students
- Total Saving Incentives Shared
 - \$20,600

CITY COLLEGES[®]
OF CHICAGO

Student Post-Test Feedback for Financial Capability, Credit, and Financial Aid Workshops

I can use what I learned in the future.

251 responses



- We also asked if students were "more confident in managing their money" and "better able to navigate financial pressures so they do not impact my school or work life as much."
 - 95%-100% of students for the 3 workshops agreed or strongly agreed.

Pre-Test and Post-test Workshop results

- 81% of students noted that they did not have emergency savings prior to their session but 84% of students reported that they were planning to build emergency savings following the session.
- 65% of students who attended budgeting sessions reported that they did not have a budget but 95% reported that they planned to create one following the session.
- From the credit building workshops, the percentage of students who knew that you could check your credit for free once or more per year increased from 62% to 92% following the credit session.
- From the financial aid workshops, 93% of eligible students were able to complete the FAFSA during the workshop.
- Before the financial aid workshop, 57% of students did not know the difference between subsidized or unsubsidized loans, but 91% knew this after the session.



Sample Financial Capability Programming for Teens & Young Adults

How Can YOU Use Money Management in College?

- **Build emergency savings**
 - Save 3-6 months of basic living expenses-Save for an emergency or unexpected situation-Save for a future goal
- **Budget**
 - Identify what your income is and what expenses you have to cover-Remember there are expenses you can cut off if they are want items.

Fun fact: Students with savings are 4X more likely to stay college!



What else can you do? BUDGET

- You would spend on average \$_____ if buy burgers and fries for lunch every day for one year.

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Over \$4,015

What else can you do? BUDGET



- You would spend on average \$____ if buy burgers and fries for lunch every day for one year.
- You would spend on average \$____ if you purchase a bag of chips and soda every day for one year.

Over \$4,015

What else can you do? BUDGET



- You would spend on average \$____ if buy burgers and fries for lunch every day for one year.

Over \$4,015

- You would spend on average \$____ if you purchase a bag of chips and soda every day for one year.

Over \$1,278

Let's Try It: Track Your Spending Challenge

Try to think of the last 5-10 things that you purchased. Write down these items and how much money you spent.

Item	Amount (\$)
1)	
2)	
3)	
4)	
5)	
6)	
7)	
8)	
9)	
10)	

Budgeting Tools

- **Budget Builder**

- www.EconCouncil.org
 - www.CollegeBudgetBuilder.org (intended for college students to budget)*
 - www.SimpleBudgets.org (general budget builder tool for anyone trying to budget)*
- Have your award letter and other financial information accessible

- **Budget Apps**

- Mint
- PocketGuardWally

Note: You can create an account, save, and edit any information you put for both sites and apps. Tools require for you to input your best understanding of YOUR income and expenses for a given period of time.



Why budget?

Plan for expenses

- Short-term expenses happen in the next month
Mid-term expenses occur in between one month and a year
Long-term expenses are longer than one year

Save for future goals

With a budget, you can identify areas of extra spending and reallocate that money towards a future goal.

Save

- Cut spending and learn to spend wisely. Within your budget create savings category to put some money aside for your savings. Remember emergencies happen!

Develop lifelong money management skills

It usually involves making spending choices and prioritizing needs over wants. Comparison shop. Look at the lowest unit price (or price for the size of the item) get the best deal.

Use Bank App Tools to Better Manage Your Money

- Most banks have apps where you can view your activity.
- Apps have features where you can view what category (food, entertainment, gas, etc.) you are spending most of your money on a given time period.
- You can pay your bills through the bank app to ensure your bills/expenses are getting paid.
- You can set an alert on your bank app when a payment, purchase, deposit, is made.



Your Money Is Safe

250k \$\$\$\$

FDIC OR NCUA INSURED UP TO

What to Look for in a Bank (Checking & Savings Accounts)



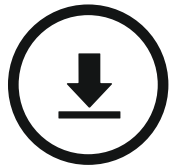
FDIC insured



allow you to have your own account



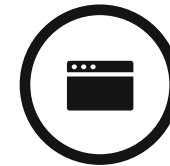
Mobile Banking



have low minimums



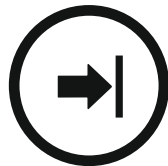
Convenience



Debit Card



no or low fees



allow direct deposit



opts you out of overdraft to save money in fees

Have students that want to get banked but do not know where to get started?

Have students that want to get banked but do not know where to get started?

1. BankOnIllinois: illinoiscomptroller.gov/constituent-services/public-services-community-programs/bankon-illinois
2. For Chicago residents: BankOnChicago.com

BankOn
Chicago

Did you know that more than 500,000 Chicagoans are **unbanked** or **underbanked**?

ARE YOU ONE?

The Bank On Chicago program aims to connect Illinoisans to safe, affordable, and equitable bank accounts. Over 15 certified Bank On products are available across the city.

Scan to learn more OR
visit BankOnChicago.com.



High interest topic for college students: Credit



We have resources:

- Financial Capability Workshops & Coaching
 - EAC, Journey Forward, CFA Society of Chicago, Bank On Chicago, Ladder Up, CFP/Advisers Give Bank
- Credit Building Workshops & Coaching
 - Working Credit
- Financial Aid Workshops & Coaching or 1-1 FAFSA Support
 - ISAC
- Additional Resources via Resource List
 - Includes referrals to AGB and JF for coaching
- Coming Soon ... Budgeting, Cost of Loan Repayment & Financial Aid Tools Via the FA Offices



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