

Financial Literacy

What we wish we'd known in high school

By UMF Financial Literacy Peer Education
Coordinator Sarah Hinman



Program Development, Mission, and Timeline

- UMF's Financial Literacy Peer Education Program: a classic "reboot" story
- 5 year implementation timeline
- Our mission: Show don't tell, financial wellness vs. financial deprivation, peer EDUCATORS- not advisors.
- Since April 1, 2018 the program has reached 559 UMF students, 174 local high school students, 218 educators, 14 parents and five alumni.

Why Peer Education?

- "Peer Power"- People are **400 times** more likely to do something when asked by a peer
- At the stage where there are a lot of adults still talking at them and having a shared experience creates a stronger connection. This makes a peer educator far less intimidating and "trust worthy".
- You get me because you know my experience

What is Financial Wellness?

- Financial Wellness is a holistic way of approaching financial literacy. Instead of simply taking into consideration one's financial status, it encompasses their attitudes, habits, and emotional connectedness to money.
- The concept of authentic financial wellness is measured by a combination of factors including the overall satisfaction with our current financial situation, actual financial behaviors (i.e., budgeting, saving, debt reduction), financial attitudes, financial knowledge, and objective financial status (Forbes, 2018)



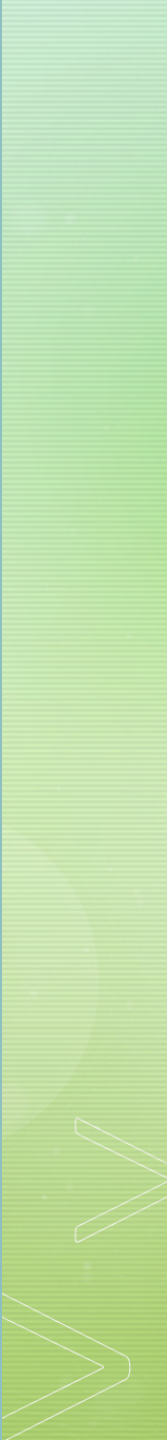
Financial Wellness

- Non-deprivation methods for budgeting
 - “If you give up your daily coffee you’ll save hundreds of dollars!”
 - What emotional needs are being met?
 - Audience question: What is an everyday luxury you enjoy?
- Peer Educators, not Advisors- help students develop strategies vs. telling them what to do
- Working to relieve stress/stigma/discomfort/fear around finances
 - Discover their money culture
 - How has their family/environment influenced them



Financial Literacy Topics

Basic Money Management

- Budgeting
 - Saving
 - Credit
 - Investing
- 

Shed Some Light On
Budgeting
With Financial Literacy
Peer Education

Deduct from Net Pay

up the percentage you save to afford more fun
spending like vacations and recreation.

3 Decide on Extras

Extras are good and healthy, and **should be a part of every budget**, but **paying for them shouldn't lead your budget**. Once you have the margin of available income after expenses, you can decide how to spend it. Just remember when choosing extras, **if you can't pay for it in the moment, don't risk debt by spending money you don't have.**

Make Reductions


This isn't your typical **"give up your daily latte"** speech. If there are regular, modest indulgences that you can afford and make you happy, don't feel pressure to give it up.

You can reduce your expenses by **calling your providers**, changing plans/servicers, or asking for a better deal as a loyal customer who doesn't want to change their servicer. Why cut something out to save money when you can **pay less for what you already have?**

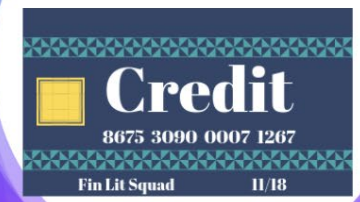
Other Helpful Tips

- Don't do the legwork yourself. This is 2018. If you don't want to or aren't able to work out all the details of your budget, you can use apps like Mint, Fudget, and MyPerfi to hold you accountable and show you how you're spending money.
- Pay off credit cards with bigger payments to help stop the interest from accruing. Getting to a place where you can pay off your credit card every month is best, but paying above the minimal payment will help break the cycle of reliance on credit cards.



Financial Literacy Peer Education
Program
Franklin Hall Room 201
Sarah Hinman
207.778.7840
sarah.hinman@maine.edu
 **FARMINGTON**

All About



What is
Credit

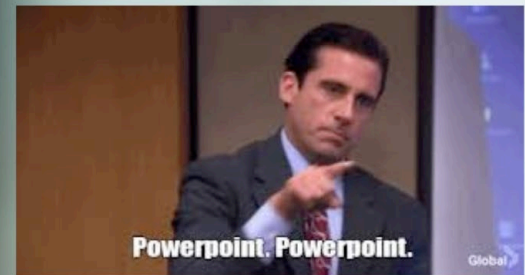
What makes a
good credit
score

What you
need to get
started

Myths
about credit

Know
yourself

Saving \$\$ w/ McKayla Marois + Michael Scott



Saving Tips
+
Examples

RETIREMENT

Goal Setting

Conclusion

Strategies

Personal
Savings
Journey

Agenda





Financial Literacy Topics

Financial Aid/Student Loans

- Understanding your bill and financial aid
 - Reducing Debt while in School
- How to view your loans and manage repayment
- How your academic choices can affect your debt
- What happens to your loans if you leave school

THE COST OF A CLAS\$

Financial Literacy

Add/Drop

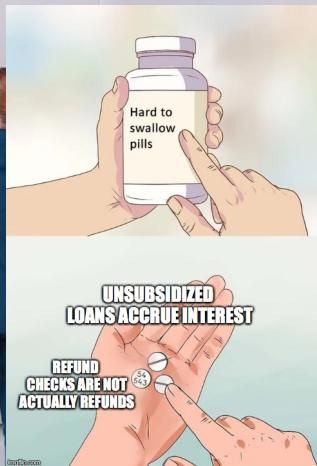
Long
Term
Cost

\$\$\$

Average
Debt

Class
Investment

Investing in
your future



PIZZA POWER



TAKE CONTROL OF YOUR LOANS

UNDERSTANDING YOUR STUDENT LOANS

MONDAY, MARCH, 11

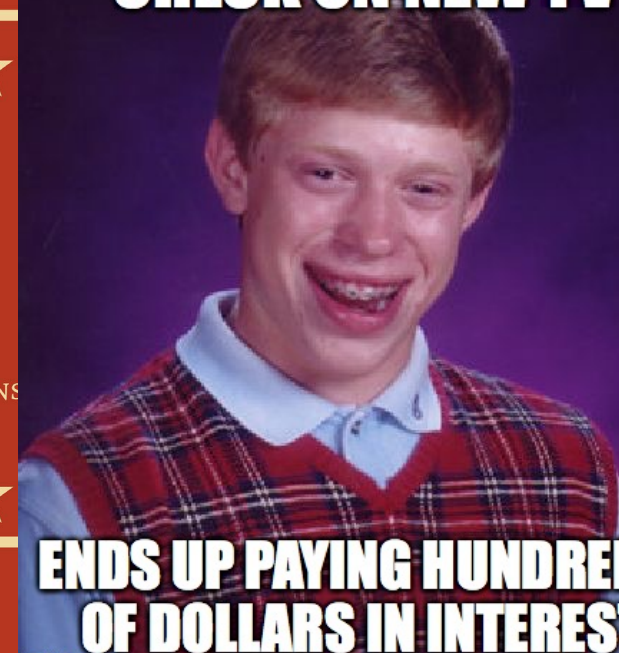


11:45-1:00 / IN THE LANDING



HOUR

SPENDS REFUND CHECK ON NEW TV



ENDS UP PAYING HUNDREDS OF DOLLARS IN INTEREST

Find Your Servicer

To find out who your servicer is, go to **NSLDS.ed.org** (fsa i.d. required)

Once there, you can see who your loan servicer is and how much you owe



Logging In

Next Step

Looking at
your loans

Repayment

What not to do:

WITHDRAWING

Every time you withdraw from a class and retake it you are increasing your student loan debt and your average monthly payment.

RETAKE CLASSES

also means it may take you longer to graduate which adds additional costs and delays employment. Remember- when you leave college, your student loan debt goes with you.



Your Debt
Follows

Financial Literacy Topics

Cost of living

- Reducing cost of living to reduce debt
 - Creating grocery budget
 - Cost of eating out vs. dining in
- How to create cost of living budget
- Comparing costs on vs. off campus

Rent / Mortgage

Finance expert Dave Ramsey suggests spending only 25% of one's income on housing

Giving	10%
Saving	10%
Food	10-15%
Utilities	5-10%
Housing	25%
Transportation	10%
Health	5-10%
Insurance	10-25%
Recreation	5-10%
Personal Spending	5-10%
Miscellaneous	5-10%

College Students

Post-Grad

Pie Chart

THE COST OF LIVING FOR UMF STUDENTS



Coffee Costs

Buying a Medium coffee vs. Making coffee at home

- Dunkin' Hot coffee: \$2.25 (14oz)
- Dunkin' Iced coffee: \$2.90 (24oz)



- Mainstays 5-Cup Coffee Maker: \$8.88
- Coffee filters: \$1.00
- Bubba reusable hot/cold cup: \$9.98
- 12oz bag of coffee: \$4.99

Hot coffee for a month (28): \$63
Iced coffee for a month (28): \$81.20

Makes 558 oz of coffee or...
39 medium hot coffees
23 iced coffees



Monthly total of:
\$63-\$81.20

Monthly total of:
\$24.87



Living Off-Campus

Is it cheaper, or more expensive?

Option 1: Studio Apartment (by yourself)

- Rent: \$530 a month
 - Utilities: all included
 - Groceries: \$140 a month
 - 12 month lease
- Average Monthly Cost = \$670
- Total Yearly Cost= \$8,040 (12 months)

Option 2: Three bedroom (with roommates)

- Rent: \$1,290 (divided by 3) = \$430 a month
 - Utilities: all included
 - Groceries: \$140 a month
 - 12 month lease
- Average Monthly Cost = \$570
- Total Yearly Cost= \$6,840 (12 months)

On-Campus: Double room (1 roommate)

- Yearly cost: \$ 9,726
 - No utility bills
 - No grocery costs, except for snacks
 - For 9 months
- Average Monthly Cost = \$1,080 (9 months)
- Total Yearly Cost=\$9,726



EATING OUT VS. EATING IN FINLIT SERIES Breakfast

BAGEL W/ CREAM CHEESE

DUNKIN: \$2.90

DUNKS FOR A WEEK: \$17.40

6 PACK OF BAGELS: \$3.28

16 OZ PACK OF CREAM CHEESE: \$2.87

WALMART FOR A WEEK: \$6.15

MONEY SAVED: \$11.25

BROUGHT TO YOU BY UMF FINANCIAL LITERACY
PEER EDUCATION PROGRAM

QUESTIONS? EMAIL:
SARAH.HINMAN@MAINE.EDU

Financial Literacy Topics

High School Presentations

- Why college/post-secondary certification is important
 - FAFSA/Financial Aid
 - Degree Smarts
 - Saving for college
 - Non-billable college costs

Things to consider before going out of state:

Can you get this degree in state?

If so, then you may want to consider going to an in-state school. A biology degree from UNH would be a lot more expensive than one from a UMaine school.



Are you receiving significant financial aid/scholarships from them?

If they are willing to give you lots of financial aid and make their school cheap and reasonable, A+!



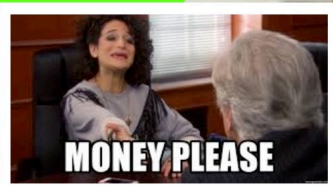
Can this school get you connections/jobs that you couldn't get in-state?

If this school is very well known for a particular program/has jobs that Maine wouldn't have, then you could safely go for it!



FINANCIAL AID

Financial Aid is any grant or scholarship, loan, or paid employment offered to help a student meet his/her college expenses. Such aid is usually provided by various sources such as federal and state agencies, colleges, high schools, foundations, and corporations.

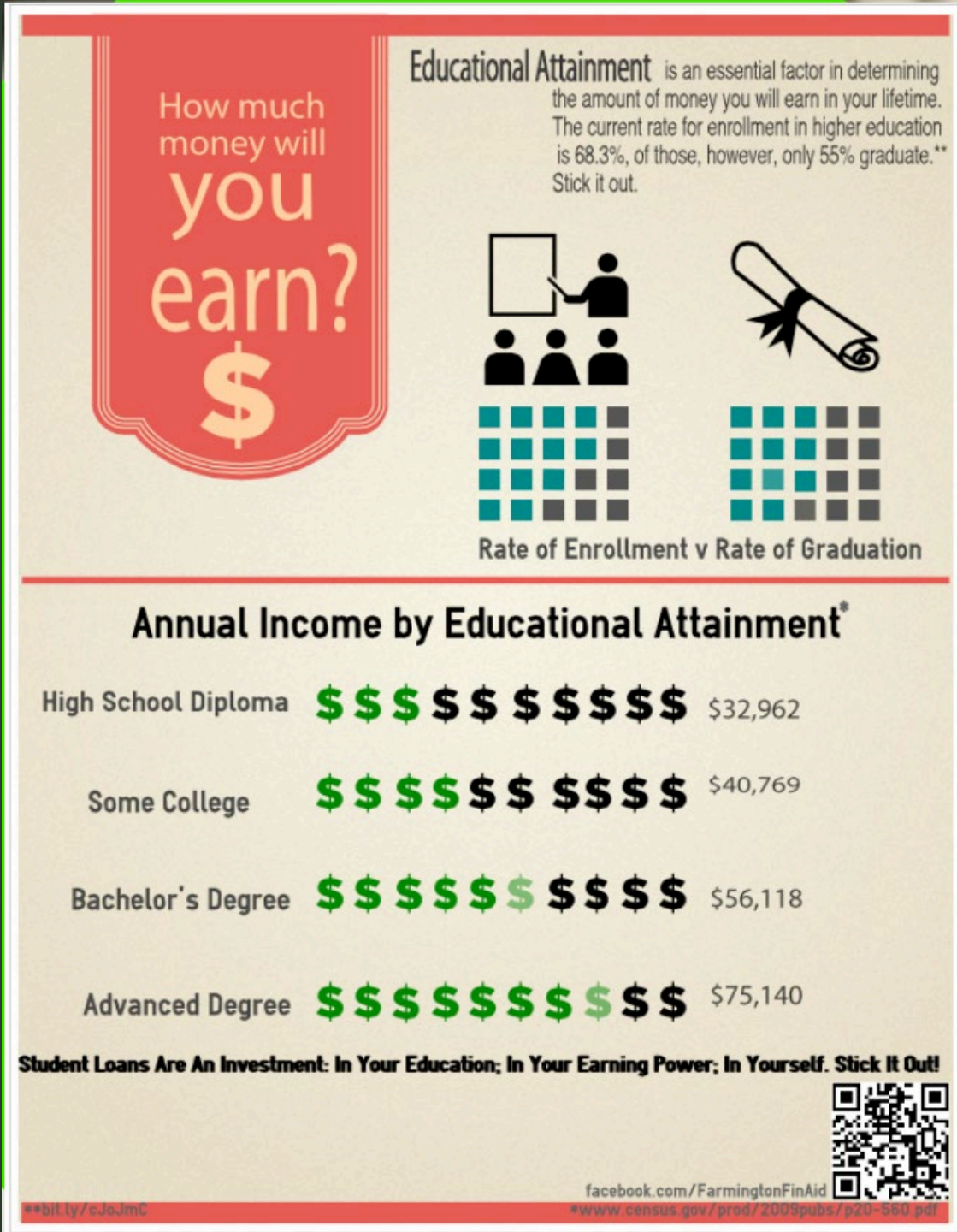


Loans

Free money!

Work-study

Payment Plan



Peer Educator

- **Meet one of our our educators!**
- **What they wish they'd known in HS**
- **Student Engagement**

Resources we use

- Next Gen Personal Finance (<https://www.ngpf.org/>)
- Finance Authority of Maine (<https://www.famemaine.com/>)
- Jump\$tart Coalition (<https://www.jumpstart.org/>)
- Higher Education Financial Wellness Summit (<https://www.hefwa2019.org/>)
- New Ventures Maine (<https://newventuresmaine.org/>)
- Ca\$h Coalition of Maine (<https://www.cashmaine.org/>)

Where to find us

- University of Maine Farmington, Franklin Hall Room 201
- Email: sarah.hinman@maine.edu
- Instagram: @umf_finlit
- Phone: 207-778-7840



Questions?

