

VP PRIORITY # 2

New Mexico State University
 New Initiatives Supporting Vision 2020 Goals and Objectives
 For Allocation of President’s Performance Fund – Fiscal Year 2013-2014

Date of Request:	September 23, 2013	
Submitted By:	Anthony S. Marin	Phone: 646-1416
College or Unit:	Student Affairs and Enrollment Management	
Department:	Career Services	
Project Name: (Short description): Financial Literacy-Red to Green Money Management Program		
<input checked="" type="checkbox"/>	Recurring for:	Amount Recurring Funding Requested per year:
	<input type="checkbox"/> One Year	Year 1: \$ 10,000.00
	<input type="checkbox"/> Two Years	Year 2: \$ 10,000.00
	<input checked="" type="checkbox"/> Three Years	Year 3: \$ 10,000.00
<input type="checkbox"/>	Non-Recurring	Amount Non-Recurring Funding Requested: \$
Description of request		
<p><u>Background</u></p> <p>The Young Americans Center for Financial Education (2012) reports that a large percentage of individuals of all ages, incomes, and education lack the basic financial knowledge and skills to ensure financial success. Further, the YACFE reported that over a ten year period, declared bankruptcies among 18 to 24 year olds increased by 96%. This alarming statistic is of no surprise if one recognizes that in addition to student loan debt, 56% of college seniors carry four or more credit cards with an average balance of \$2,864 (Nellie Mae, 2007). Just as worrisome is that only 26% of teens surveyed understood credit-card interest and fees (Charles Schwab Teens and Money Survey, 2007). By the time these college students enter the workforce, they are spending twenty-five cents for each dollar earned on debt repayment (Draut, 2006). Further, the 2010 three-year student loan default rate for the New Mexico State University system stands at 18.5%. Since financial literacy curriculum is an elective course for New Mexico high school students, many students enter college without knowledge of financial literacy in areas such as credit score, credit reporting, budgeting, financial planning, student loan repayment, and money values/goals. An understanding of student financial aid and personal money management must be developed early in the student’s college career. The overarching goal of the Red to Green Money Management Program is to enhance financial literacy services to the University student community through various mediums such as web-based modules, classroom/workshop presentations, individualized peer advisement, and other evidenced based strategies. The program receives \$10,000.00 annually from Wells Fargo in support of financial literacy outreach; a match of an equal amount would further solidify the Program’s standing and ability to address more intensively issues of financial literacy particularly as it relates to responsible student loan borrowing.</p> <p><u>Higher Education Affordability & Student Loans</u></p> <p>Inceptia, a not-for-profit loan guarantor, estimates that more than half of entering college freshmen utilize the student loan system to finance their higher education. Measuring Up (2010) assigned New Mexico a grade of “F” in the category of affordability of higher education. According to Measuring Up, state financial aid spending for students in New Mexico is insufficient, concluding “for every dollar in Pell Grant aid to students, the state spends only twenty cents”. According to the Project on Student Debt, Pell Grant recipients are more likely to incur greater student loan debt in comparison to students who did not receive a Pell Grant. Consequently, New</p>		

Mexico as a state ranks 48th in average debt and 29th in proportion with debt among graduates of the state’s colleges and universities. At New Mexico State University, the average debt of 2010 graduates was \$16,619.00 and those graduates leaving school with debt proportion of 60%. A sobering fact for students who have utilized the student loan system and do not make it to graduation are more than ten (10) times as likely to default on their student loans (Moneyu.com, 2012). According to the United States Department of Education (ED), “the percentage of borrowers who defaulted on their federal student loans within two years of their first payment jumped to 9.1% in fiscal year 2011, up from 8.8% for the previous fiscal year. Student loan default rates do not only impact individual borrowers who have defaulted, they may also impact the ability of institutions of higher education to award federal student aid.

New Mexico Legislative Lottery Scholarship

The New Mexico Legislative Lottery Scholarship (NMLLS) provides tuition assistance for New Mexico high school graduates attending one of the state’s institutions of higher education. The NMLLS is a non-need based award limited to the cost of tuition. The NMLLS is structured into two tiers: Eligibility and Renewal. Eligibility requirements for the NMLLS include the following: high school graduates must: 1) enroll in the first regular semester immediately following graduation from a New Mexico high school or upon receiving a New Mexico GED; 2) be a New Mexico Resident; 3) be degree seeking; 4) meet a minimum enrollment of 12 credit hours; 5) complete 12 new graded credit hours at the end of the first semester, and 6) achieve a 2.5 semester GPA for first semester (NMSU Office of Student Financial Aid/Scholarship Services, 2012). NMSU students who meet the Eligibility tier start to receive full tuition aid during their second semester. The Renewable tier of the NMLLS is performance based and requires the following: 1) minimum enrollment of 12 new credit hours each semester; 2) completion of 12 new graded credit hours each semester, and 3) 2.5 cumulative GPA each semester. If the Renewal criteria are met, students may receive the NMLLS for up to eight semesters at a 4-year institution or until attainment of a Bachelor’s Degree, whichever occurs first (NMHED, 2012). Table 1 presents data for fall 2011 first-time freshmen who were eligible to receive the NMLLS in spring 2012 (NMSU Institutional Analysis, 2012). The data shows that one-third or 526 students of the entering Fall 2011 freshmen class who were NMLLS eligible did not meet the criteria to receive funding in spring 2012.

Table 1 NMLLS			
Fall 2011 First-Time Freshmen Receiving NMLLS by Eligibility Status			
Cohort	NMLLS Eligible Number	NMLLS Recipients Number	NMLLS Recipients Percentage
Fall 2011	1,609	1,083	67.0%

Activities Overview

The Red to Green Money Management Program will facilitate activities to enhance participants’ knowledge of financial success. The activities will include Internet based modules, workshops, classroom presentations, individualized peer led financial success sessions, a mid-semester course entitled Money Matter\$, a Financial Success Fair, use of social media, and the development of a financial success website. NMSU students will receive valuable information related to financial and economic literacy. Specifically, services will educate students about identity theft, credit score and reporting, credit card use, locating resources for financing college, and developing a knowledge base related to student loan borrowing and repayment plans. Students receiving services will learn to self-advocate in managing their money and developing a financial plan for the future. To develop

economic literacy, students need to understand how the global economy ultimately connects to their personal finances and livelihood. Lectures and workshops by experts will be conducted twice a semester in a manner that is engaging and personal for the participant. One example is oil/propane consumption as related to supply, demand and inflation. Gas prices are affected by supply/demand; therefore impacting their personal budgets. Awareness of the concepts of supply, demand and inflation will help students make adjustments to their personal budgets in the present and future. Consultation from appropriate campus experts, College of Business Faculty, and the Office of Student Financial Aid and Scholarship Services will ensure accuracy of information presented. Table 2 provides an overview of the Program’s services including the method and frequency of service delivery. The narrative that follows will provide a more detailed view of curriculum to be covered.

Table 2 Services NMSU Red to Green Money Management						
	Services	Daily	Weekly	Monthly	Semester	Annual
Activity	Inceptia Financial Avenue, Cash Course, Wells Fargo Modules	✓				
	Financial Success Workshops		✓	✓		
	Classroom Presentations		✓	✓		
	Individual Financial Success Sessions	✓				
	UNIV 114-Money Matter\$ Course				✓	
	Financial Success Fair					✓
	Social Media Blitz			✓		
	Financial Success Website			✓		

Inceptia Financial Avenue, Cash Course, Wells Fargo Modules

Inceptia & Wells Fargo have provided a foundation of financial literacy that encompasses the scope of services to be provided by the Red to Green Money Management Program. The marketing of both firm’s available on-line modules will be promoted through various forms to include presentations, workshops, social media, a financial success website, and other electronic forms of communication. Financial Literacy Coaches will provide peer lead individualized advising sessions in which modules will be utilized to provide students with an interactive learning experience.

Financial Success Workshops/Classroom Presentations

Financial Literacy Coaches, professional staff, faculty, and graduate assistants will provide weekly financial success workshops and upon request classroom presentations. Topics will include the student financial aid process; specifically assistance in completing and submitting the FAFSA, comprehending the Satisfactory Academic Progress policy, New Mexico Legislative Lottery Scholarship eligibility and renewal criteria, student loan borrowing and repayment, and the different types of student financial aid. Complementing the financial aid strand, additional strands such as identity theft, credit score and reporting, credit card use, and understanding the impacts of financial success on the global market will be conducted by NMSU professional staff, faculty, graduate assistants, and as appropriate private industry experts in the respective aforementioned areas. Resources such as the U.S. Department of Education’s Funding Your Education and Wells Fargo’s My Financial Guide will be incorporated into the development of the financial success workshops.

Individual Financial Success Sessions

Financial Literacy Coaches will lead individualized financial success sessions. Financial Literacy Coaches will be trained on all appropriate topics offered by the Red to Green Money Management Program. For example, Financial Literacy Coaches will assist students in researching scholarship opportunities through federal, state, institutional, and private entities and the University’s Scholar Dollar scholarship database will be utilized as a tool for all students. Rather than accumulating loan and credit card debt, students will be encouraged to apply for scholarships to offset the costs of their education. Staff from the Office of Student Financial Aid and Scholarship Services will train the Financial Literacy Coaches to assist participants understand student financial aid and when warranted to make the appropriate referral to their office. This model will also encompass trained Financial Literacy Coaches who will conduct peer lead sessions on budgeting, credit, debt management, and other financial success topics.

University 114 Financial Literacy Money Matter\$ Course

A mid-semester two (2) credit graded course focusing on financial success will be offered twice an academic year. The curriculum will include the basic financial success topic such as building credit to more complex topics such as retirement planning and investing.

Financial Success Fair

In conjunction with financial literacy month (April), a financial success fair will be held to bring awareness to the importance of financial success as well as the marketing of the Red to Green Money Management Program. Private, government, and university constituencies will be invited to participate in the financial success fair. A sampling of these entities includes banks, insurance companies, investment firms, credit counselors, the Internal Revenue Service, and financial aid advisors. A variety of consultations related to money management will be conducted along with an informational fair that will provide NMSU students the opportunity to interface with entities on campus.

Social Media Blitz/Financial Success Website

Social media outlets such as Twitter and Facebook will be utilized to promote financial success strategies to those students whose preference is to review information in these respective settings. A weekly Money Matter\$ Tip will be disseminated through the appropriate social media outlets. In addition, a financial success website will be created to provide students with yet another medium in which to ascertain critical information related to money management.

Budget

The Red to Green Money Management Program’s annual budget, \$10,000.00 (\$30,000.00-3 Year Period), for the proposed activities is cost effective and adequate to ensure optimum operation of the Program. The budget is necessary to provide direct services and is supplemented by NMSU financial, human, and physical resources. The itemized budget narrative for the program is outlined in Table 3.

Table 3 Budget NMSU Red to Green Money Management	
Project Line Item	Amount
Personnel (2 Student Employees)	\$5,000.00
Fringe Benefits (1.0%)	\$50.00
Program Marketing & Consumables	
Posters	\$1,000.00
Marketing Materials Brochures	\$1,000.00
Educational Materials Handouts	\$950.00
Other	
Financial Success Fairs	\$1,000.00
Promotional Incentives	\$1,000.00
Total	\$10,000.00

Evaluation

In designing the Red to Green Money Management Program, care was taken to ensure program services and components are 1) measureable and 2) meet the student’s needs. The continuous evaluation of the Red to Green Money Management Program integrates the use of both quantitative and qualitative methods and will encompass all facets of the program’s design. Quantitative methods are appropriate given the design of the program’s services. Each service is connected to a specified set of results, that, when quantified, will demonstrate the program’s success. Qualitative methods will be implemented through the use of surveys to evaluate program design and components. Evaluations will be administered to participants at the conclusion of each activity (e.g. workshops) to evaluate effectiveness. Program Staff will be responsible for formative/summative data collection and management. All formative and summative results, utilizing qualitative and quantitative evaluation measures, will be used to make needed program modifications to address students’ needs and achieve program objectives.

Request Justification

The impacts of the Great Recession have indicated how critical the need for understanding financial matters related to individual economic success. The Promoting Financial Success in the United States: National Strategy for Financial Literacy 2011 report, developed by the Federal Government, outlined the following four goals to as the means of ensuring financial success of the nation: 1) increase awareness of and access to effective financial education; 2) determine and integrate core financial competencies; 3) improve financial education infrastructure; and 4) identify, enhance and share effective practices. The vision of the national strategy is to ensure “sustained financial well-being for U.S. individuals and families”. (Promoting Financial Success in the United States: National Strategy for Financial Literacy, 2011). The national strategy requires a collaboration of numerous constituencies including the business and education sectors. The Red to Green Money Management Program will reinforce and expand existing financial success services that are currently available to NMSU students.

2014 Budget Form – President’s Performance Fund

Support Vision 2020 Goals (select as many Vision 2020 goals as apply below).	
<input checked="" type="checkbox"/>	1. Graduation – Teaching, Learning & Programs - Provide effective academic programs, stellar teaching and learning, and enhanced student engagement to advance highly capable graduates
<input type="checkbox"/>	2. Diversity – Be a model of student, faculty and staff diversity at all levels
<input type="checkbox"/>	3. Internationalization - Effectively prepare students for a global society
<input type="checkbox"/>	4. Research & Creative Activity -- Be the catalyst for promoting discovery, encouraging innovation, sparking economic advancement, and inspiring creative achievement
<input type="checkbox"/>	5. Economic Development -- Be a driving force for economic progress in New Mexico
<input type="checkbox"/>	6. Resource Stewardship -- Increase philanthropy and alternative revenue to support teaching, research and service
<input type="checkbox"/>	7. Community - Service, Extension & Outreach -- Be a model for community engagement at all levels through innovative and exceptional outreach activity
<input type="checkbox"/>	Specific objectives: (Complete attached Performance Data Matrix)

Approvals (please print and sign)			
Submitted by	<u>Anthony J. Mani</u> Print	<u>[Signature]</u> Signature	<u>9/27/13</u> Date
Director/ Department Approval	<u>Lenny L. Cook</u> Print	<u>[Signature]</u> Signature	<u>9/30/13</u> Date
College Dean/ Division VP Approval	<u>BERNADETTE MONTOLA</u> Print	<u>[Signature]</u> Signature	<u>9/30/13</u> Date

Internal Use Only				
University Budget Committee:	Tier Assignment:	<input type="checkbox"/> Tier I	<input type="checkbox"/> Tier II	<input type="checkbox"/> Tier III
	Ranking No.:	_____	Date:	_____
Comments:				
President’s Academic Council:	<input type="checkbox"/> Approved	<input type="checkbox"/> Disapproved	Date:	_____
Comments:				

2014 Budget Form – President’s Performance Fund, supplement

**New Mexico State University
New Initiatives Supporting Vision 2020 Goals and Objectives
Performance Data Matrix
Fiscal Year 2013 - 2014**

The Vision 2020 Strategic Plan provides goals, objectives and key performance indicators for the University. Using the goal(s) you have check marked on the request form, please indicate which of the stated objectives this request is projected to positively impact, how the request is tied to the selected objective and propose a performance measure(s). Then indicate the target performance improvement goals over an annual timeline not to exceed three (3) years. Add rows as needed.

All Presidents’ Performance Fund awards are subject to annual review of comparative performance as a condition of continuing award. The required conditions of continuing funding will be identified at the time of award from the President’s Performance Fund.

Goal Number	Vision 2020 Objective	Explain how request is tied to this objective	Performance Measure	FY 2013-2014 Target	FY 2014-2015 Target	FY 2015-2016 Target
Graduation-Teaching, Learning, and Programs	4-Provide effective financial support to recruit and retain graduate students contributing to the mission	The impacts of the Great Recession have indicated how critical the need for understanding financial matters related to individual economic success. The request will provide financial literacy assistance to NMSU students that may be utilized during their academic and post-baccalaureate careers. The proposed activities are designed for students at all levels of the educational spectrum and include the integration of technology, classroom teaching, the utilization of on-campus experts, and	Inceptia & Wells Fargo Modules Inceptia & Wells Fargo have provided a foundation of financial literacy that encompasses the scope of services to be provided by the Red to Green Money Management Program. The marketing of both firm’s available on-line modules will be promoted through various forms to include presentations, workshops, social media, a financial success website, and other electronic forms of communication. Financial Literacy Coaches will provide peer lead individualized advising sessions in which modules will be utilized to provide students with an interactive learning experience. Financial Success Workshops/Classroom Presentations Financial Literacy Coaches, professional staff, faculty, and graduate assistants will provide weekly	75% proficiency level on all post-test assessment scores.	80% proficiency level on all post-test assessments scores.	85% proficiency level on all post-test assessment scores.
				Establish baseline of number of workshops/classroom presentations	Increase number of presentations by 25%	Increase number of presentations by 30%

2014 Budget Form – President’s Performance Fund, supplement

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<p>peer mentoring via the financial success coaches.</p>	<p>financial success workshops and upon request classroom presentations. Topics will include the student financial aid process; specifically assistance in completing and submitting the FAFSA, comprehending the Satisfactory Academic Progress policy, New Mexico Legislative Lottery Scholarship eligibility and renewal criteria, student loan borrowing and repayment, and the different types of student financial aid. Complementing the financial aid strand, additional strands such as identity theft, credit score and reporting, credit card use, and understanding the impacts of financial success on the global market will be conducted by NMSU professional staff, faculty, graduate assistants, and as appropriate private industry experts in the respective aforementioned areas. Resources such as the U.S. Department of Education’s Funding Your Education and Wells Fargo’s My Financial Guide will be incorporated into the development of the financial success workshops.</p> <p>Individual Financial Success Sessions Financial Literacy Coaches will lead individualized financial success sessions. Financial Literacy Coaches will be trained on all appropriate topics offered by the Red to Green</p>	<p>Establish baseline for student satisfaction with presentations</p>	<p>Increase by 25% students reporting satisfaction with presentations.</p>	<p>Increase by 30% students reporting satisfaction with presentations.</p>
		<p>Establish baseline for student satisfaction with sessions</p>	<p>Increase by 25% students reporting satisfaction with sessions.</p>	<p>Increase by 30% students reporting satisfaction with sessions</p>

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	<p>Money Management Program. For example, Financial Literacy Coaches will assist students in researching scholarship opportunities through federal, state, institutional, and private entities and the University’s Scholar Dollar scholarship database will be utilized as a tool for all students. Rather than accumulating loan and credit card debt, students will be encouraged to apply for scholarships to offset the costs of their education. Staff from the Office of Student Financial Aid and Scholarship Services will train the Financial Literacy Coaches to assist participants understand student financial aid and when warranted to make the appropriate referral to their office.</p> <p>University 114 Money Matters Course A mid-semester two (2) credit graded course focusing on financial success will be offered twice an academic year. The curriculum will include basic financial success topics such as building credit to more complex topics such as retirement planning and investing.</p> <p>Financial Success Fair In conjunction with financial literacy month (April), a financial success fair will be held to bring awareness to the importance of financial success. Private, government, and university constituencies will be invited to</p>	<p>75% proficiency level on all post-test assessment scores.</p> <p>Establish baseline for student participation in the Financial Success Fair.</p>	<p>80% proficiency level on all post-test assessment scores.</p> <p>Increase by 25% student participation.</p>	<p>85% proficiency level on all post-test assessment scores.</p> <p>Increase by 30% student participation.</p>
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2014 Budget Form – President’s Performance Fund, supplement

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 Fiscal Year 2013 - 2014

		<p>participate in the financial success fair. A sampling of these entities includes banks, insurance companies, investment firms, credit counselors, the Internal Revenue Service, and financial aid advisors. A variety of consultations related to money management will be conducted for NMSU Students throughout the fair.</p> <p>Social Media Blitz/Financial Success Website Social media outlets such as Twitter and Facebook will be utilized to promote financial success strategies to those students whose preference is to review information in these respective settings. A weekly Money Matter\$ Tip will be disseminated through the appropriate social media outlets. In addition, a financial success website will be created to provide students with another medium to ascertain critical information related to money management.</p>	<p>Establish baseline (analytics) for social media/website.</p>	<p>Increase by 15% analytics for social media/website.</p>	<p>Increase by 20% analytics for social media/website.</p>
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