

Case Study | 2

Peer-To-Peer Mentoring: Valencia College Financial Learning Ambassador Program



City, State	Orlando, FL
City population estimate 2013	255,483 ¹
Campus setting	City: Midsize
Fall 2013 student enrollment	42,180
Part-time	61%
Female	55%
White	33%
Latino or Hispanic	32%
Black or African American	17%
Other	18%
Pell grants received by full-time beginning undergraduate students	67%
Federal student loans received by full-time beginning undergraduate students	28%

Source: U.S. Department of Education, Institute of Education Sciences, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), 2013–14, <http://nces.ed.gov/ipeds/datacenter/>.

Valencia College (formerly Valencia Community College) is located in Central Florida and has five campuses — Winter Park (in Winter Park, FL), Osceola (in Kissimmee, FL), Lake Nona, East Orlando and West Orlando. Of the 28 two-year public institutions granting associate's degrees in the state, Valencia is the second largest, with a fall 2013 enrollment of 42,180.²

Summary

Concerned that many student-loan borrowers lack information and guidance surrounding financial decision making, a Valencia College financial aid coordinator experimented with ways to fill the gap through peer mentoring. In 2009, the Osceola campus coordinator worked with three work-study students to set up tables outside the financial aid office to engage with peers about their financial aid refund checks and offer tips on how to manage and save more of those financial aid disbursements each semester. Following an opportunity to apply for grant funding from USA Funds, Valencia expanded its ad hoc operation into a multicampus peer mentoring effort called the Financial Learning Ambassador Program.³ In the 2012–13 academic year, the program delivered content to at least 5,000 Valencia College students.⁴

Area of Need

About 30 students per day sought counseling focused on finances and options for financial aid, thus highlighting the magnitude of financial illiteracy among students at the college. The Osceola campus coordinator of financial aid observed that aside from the verification process, student loans are rather easy to get, have the potential to destroy a student's credit if not managed responsibly, and come with little or no guidance. Despite Valencia's relatively low tuition rate of \$99.06 per credit (approximately \$1,188 per full-time semester) and the high rate of Pell Grant eligibility among the students at the college, they tended to borrow excessively, upwards of \$10,500 per year in some cases. Students with poor personal financial management skills are at risk of failing to repay these loans, which can severely threaten their future financial well-being. The financial aid coordinator was motivated by a realization that students needed to be connected to resources that would help position them to make informed financial decisions.

Program Description

Valencia's Financial Learning Ambassador (FLA) Program offers peer-to-peer mentoring, workshops, and interactive events. Having three to six trained Financial Learning Ambassadors on each of Valencia's campuses, the program reaches a large cross-section of Valencia's student population. Across the campuses, two main mechanisms are used to engage students.

First, the program has made a deliberate effort to build an internal brand. The FLA mentors wear branded and highly visible lime-green-colored shirts, so they are instantly recognizable to students who tend to pass through campus quickly. Collateral materials share the same lime-green color and a consistent logo. Students can quickly identify who to speak with to receive FLA peer mentoring about personal finances and to learn about related activities.

Secondly, while the content and delivery methods may differ on the basis of student or cohort need, one consistency in the approach of FLA mentors is a strong emphasis on tailored outreach. These include setting up tables for monthly peer-to-peer events to initiate discussions about spending and saving habits, delivering presentations on personal finance

during scheduled class time, or organizing themed events. The FLA mentors are trained not only in content but also in proactive and timely engagement techniques. Examples of unique outreach tactics include the following:

- Creating haunted houses filled with identity thieves and victims at Halloween in October
- Centering activities in November around “Thanksgiving on a Budget”
- Organizing fashion shows, such as “Project Runway to Savings,” that promote tips for affordable clothes shopping
- Devising contract agreements that commit students to save from \$10 to \$20 each month in a FLA–provided piggy bank in exchange for a chance to win a gift card awarded to the student who saves the most by the time of Financial Literacy Week
- Intercepting students who are picking up their caps and gowns on graduation day to discuss student loan repayment and debt management
- Each month Valencia students encounter different points of engagement with the FLA Program. At a minimum within a given month, FLA mentors host one “Skill-shop,” a workshop designed to offer tips on credit, budgeting, and money management. On a less frequent basis, the program may bring in guest speakers who share personal accounts, such as an author and mother who shared details from letters she had written to her daughter about her own financial experiences including accruing student loan debt.

Exploration and Adoption Phases

In 2009, the then director of financial aid at Valencia College had been engaged in conversations with USA Funds about a financial literacy initiative and suitable options for meeting the needs of Valencia students. In the meantime, concerned by the staggering growth of student loan debt nationwide and over-borrowing trends among students, Valencia’s coordinator of financial aid began experimenting with peer-to-peer financial mentoring carried out by three work-study students.

The student workers set up a table outside the financial aid office to intercept students exiting the office after receiving disbursements of financial aid. At the time, a comment such as: “Hey, how are you going to use your financial aid refund check?” initiated the dialogue. Starting out as an ad hoc operation, the experiment served as a point of leverage when Valencia’s financial aid director approached USA Funds about supporting a more robust financial capabilities initiative. USA Funds later provided grant funding of \$25,000 for an expanded peer-to-peer financial literacy initiative. Valencia had the beginnings of a model that would eventually be extended to all the college’s five campuses.

In addition to leveraging USA Funds, staff members leading the effort collaborated with the college’s student development department, which was in a position to allocate funds to student programs such as the FLA Program.

Implementation Phase

The early experiment, when work-study students began to offer peer mentoring, shared some aspects with the later, more robust FLA initiative. The financial aid coordinator, who

led the effort, thought that peer mentoring was an ideal way to employ work-study students. Dual benefits would accrue by means of strengthening the financial capabilities of both the work-study students and their peers. The FLA Program recruited and trained ambassadors from the pool of Valencia's work-study students across the five campuses. Concerns about a negative stigma being associated with the label "work-study" prompted the staff members who were designing the program to refer to the peer mentors as "ambassadors."

The qualifications required to be part of the FLA Program include a desire and the motivation to become a trained peer mentor. The student development department considers the applicant pool for Valencia's Student Leader Program to be a source of students for the FLA Program. To engage in active outreach requires an understanding of pertinent material and a level of comfort in public speaking. FLA talks are based on USA Funds training resources and are delivered during scheduled class time. FLA mentors receive content training through USA Funds' Life Skills training program, a 13-module online program, as well as from their peers in the FLA Program. This approach has been successful in developing student competency in peer mentorship and public speaking even among those students who initially seemed to be reserved and quiet.

Although a portion of the grant money received from USA Funds was intended to support operations and training and to bring in guest speakers, the majority ended up being used to support an intentional branding campaign. With six FLA mentors at each of the five campuses and with active, ongoing outreach serving as a key component of the program, a readily identifiable look and feel for the program were considered necessary. The goal was to establish immediate recognition while also building expectations of the FLA Program in the wider institutional community as a means of reinforcing the FLA mentors as a symbol of financial capability. On campus, many Valencia students know what it means when they see peers wearing lime-green shirts.

At Valencia College's five campuses, financial aid staff serve as co-advisors to the FLAs on their respective campuses. The financial aid coordinator on the Osceola campus (who played a leadership role in the initial program design and implementation) has advocated consistency across the five campuses. Each campus has access to a manual to help support consistent implementation. Detailed notebooks contain descriptions of workshops, events, and Skillshops and marketing materials in the form of flyers created by FLAs to promote monthly events for almost every month of the year. Operational procedures are thoroughly documented in the notebooks in an effort to foster compliance with the guidelines established by the USA Funds grant across the campuses.

Utilization and Effectiveness

During the 2012–2013 academic year, FLAs engaged with more than 5,000 students⁵ at various levels of delivery intensity. Tableside meet-and-greet events and one-on-one mentoring represent the highest degree of touch. Whereas public campaigns, such as promoting the dangers of uninformed financial decision making through offerings such as the thematic haunted house at Halloween, represent the lowest degree of touch.

Valencia College's leadership hopes the program generates positive financial behaviors and informed financial decision making among students. But at this stage, the lone measure used as an indicator of program progress is the number of students exposed to FLA Program offerings. Level of utilization and outcome tracking is a function of resource capacity to collect and analyze data. Currently, the FLA program does not have the capacity to

develop and systematically execute a measurement plan needed to track behavioral changes and other outcome measures of interest.

One aggregate measure that FLA Program leaders monitor is the institution's cohort default rate (CDR), which is an indicator of the percentage of a cohort of student loan borrowers who have defaulted within a set time period. The magnitude of an institution's CDR has implications for its ability to offer federal forms of financial aid.⁶ It is interesting to note that Valencia's CDR decreased from 18.8% in 2009 to 17.4% in 2010,⁷ although many factors may have influenced Valencia's CDR rate. At a student-level, the FLA Program leaders would like to determine the extent to which exposure to and engagement with the program may be contributing to a reduced college CDR.

Sustainability, Funding, and Challenges

Support from USA Funds was critical for growing the ad hoc tableside meet-and-greet effort by the initial three work-study students into a multicampus, fully staffed robust effort. The 2013–2014 academic year is the last year USA Funds will be supporting the program. Valencia's grants department is looking into establishing connections with a local retail bank to assess its interest in funding the effort and providing hands-on training about financial capabilities.

While the college hopes to expand and institutionalize the FLA program, current budget shortfalls need to be overcome. Some degree of institutional support and buy-in has been indicated by providing workspace and capital resources for the FLA Program and by a commitment to using work-study resources to maintain the program. At one point, the program had been run from the financial aid coordinator's office on the Osceola campus.

Advocates and champions within the institution are making the case for a financial literacy department, seeing it as the responsibility of the institution to arm students with knowledge about managing personal finances, especially if they're borrowing money to fund their education at Valencia. One staff member is working on building a collaborative system across campuses to develop a shared vision among institutional staff. FLA Program staff members recognize that the extent to which they're able to measure knowledge and behavioral gains and to follow up with students once they've left Valencia to assess long-term changes will help improve and generate support for the program.

For institutions considering a peer mentoring model as part of a financial capability effort, Valencia College recommends finding a complementary home for the program, such as the student development department. Housing the program in Valencia's financial aid office had been a good fit substantively but not operationally. This was largely due to the incompatibility of the high-volume transactional nature of financial aid operations at the college and the constant activity required by the event planning and coordination efforts of the FLA Program. A partnership between financial aid and student development offers a more reasonable model for the delivery of this type of program.

Endnotes

- ¹ U.S. Census Bureau, State & County QuickFacts. Data was derived from population estimates, the American Community Survey, the Census of Population and Housing, County Business Patterns, the Economic Census, the Survey of Business Owners, the Building Permits Survey, and the Census of Governments.
- ² Details for this case study were gathered from a phone interview with Ilia Cordero, manager of Financial Aid Services and coordinator of the Financial Learning Ambassador Program on August 22, 2013. U.S. Department of Education, Institute of Education Sciences, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), <http://nces.ed.gov/ipeds/datacenter/>.
- ³ USA Funds was established as a nonprofit corporation in 1960 in Indianapolis by a group of local business leaders concerned about rising college costs. Since 2000, USA Funds has focused on the development of products and services that help colleges and universities promote student success, while awarding nearly \$150 million in grants and scholarship support to help low-income and other students under-represented in higher education enroll in and complete postsecondary programs. Source: <http://www.usafunds.org/Pages/About.aspx>.
- ⁴ "Valencia's Financial Aid Default Decreases," <http://thegrove.valenciacollege.edu/valencias-financial-aid-default-decreases/>.
- ⁵ Ibid.
- ⁶ Shannon M. Looney, Cohort Default Rates in Context (Washington, DC: Institute for Higher Education Policy, 2011).
- ⁷ "Valencia's Financial Aid Default Decreases," <http://thegrove.valenciacollege.edu/valencias-financial-aid-default-decreases/>.