Measuring Impact of Skegee Money $mart Financial Literacy Program

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Issues and Need for SM$ Financial Literacy

SM$, Financial Literacy is a new activity offered to the collegiate youths (CY) on campus by the Tuskegee University Cooperative Extension (TUCE) since summer, 2015. Although it kicked off in the summer, we only held only one session during summer 2015 and two in the fall of 2015 for the collegiate youths. We received very positive feedback, interest, and willingness from the participants to arrange more such educative offers to them. Consequently, we developed a curriculum for collegiate youths blending information from various sources (NEFE, SAM, JumpStart, FDIC, and programs from other universities). Considering an acute need of a similar program for high school students and socially disadvantaged limited resource families (LRF), we customized the curriculum and reached out to the interested adults of the LRFs as well as three high schools in Black Belt Counties.

The initiative at TUCE was based on the recommendations and findings by UNCFSP (2012) that highlighted a huge gap in financial literacy among high school and college students at HBCUs.

The study reveals that 31% of HBCU students do not follow a financial plan, 45.4% indicated that they spend more than their income, and 55.6% always, usually or sometimes buy things even when they could not afford to. Black students are the least financially literate among all ethnic groups and have lower financial literacy scores than their white peers (Chen and Volpe, 1998).
Similarly, Karki (2016) stated that 58% of high school students in the Black Belt Region of Alabama do not have a bank account. Likewise, the case with the families in the Black Belt is even more troubling. According to America Saves Week (2015), 50% of Americans live paycheck to paycheck.

To deal with the problems outlined above regarding financial knowledge, skills, and capability, TUCE launched the SM$ Financial Literacy Program to educate the following target groups in its outreach area.

**Target Audiences**

1. Collegiate youths (CY)
2. Limited resources families (LRF)/Adults
3. Junior high and high school students (SS)

**Saving Trigger Activities Launched**

*Piggy/Coin Bank Project*

Participants were given coin banks to encourage money saving habits to be used for college education, managing immediate needs, and planning for emergencies. We tutored all the recipients of the coin banks to find creative ways to develop saving habits. They had been assigned to submit their saving plan, ways of saving, sources of saved money, and amount of savings, and deposit their savings in their bank account every two weeks to a month. This activity is still being monitored.

*Figure 2: Distributed coin/piggy banks*

*Project Work on a Quick Fact Sheet:*

This project was intended to enhance and strengthen participants’ habits on searching information regarding financial literacy, reviewing it, preparing a quick one page fact sheet, and sharing it in the workshops. This activity enabled students to search for the relevant information, identify the key information, and present it in a readable format.
**SM$ Poster Contest**

As previously stated, all three target groups participated in the poster contest. All contestants displayed their posters and presented them in front of judges and other participants. The posters were centered on the idea of ‘Saving money for college education’ and contained various forms of financial information that students learned over the course of the SM$ workshop series. The top 9 posters (three from each TUCE and two high schools) received medals, certificates, and cash prizes. The cash prizes were financed by America Saves Week/Consumer Federation of America. Many of the posters were very well put together and nicely presented. The winners of the contest were:

- **Tuskegee University**
  - 1st. Abdul-Sommed Hadi & Pauline Welikhe
  - 2nd. Sanchez Rolle
  - 3rd. Omar Waller

![Figure 3: SM$ poster winners from Tuskegee University](image)
- Booker T. Washington High School
  1st.  Ladazhane Hughley
  2nd.  Patricia Stinson
  3rd.  Justin Finkley

Figure 4: SM$ poster winners from Booker T. Washington High School

- Bullock County High School
  1st.  Zy’karia Beachem
  2nd.  Taylor Poe
  3rd.  Sebastian Hernandez

Figure 5: SM$ poster winners from Bullock County High School
**Students’ Presentation**

Individual as well as group presentations were organized to share their project work.

![Figure 6: A student competing in the poster contest](image)

**Delivery Methodologies**

The SMS program was introduced using the following methods depending on the context and location.

1) Workshop  
2) Project work  
3) Presentation  
4) Financial quiz  
5) Literature review  
6) Poster contest  
7) In person interaction (one-to-one/one-to-many)

**Assessment Tools**

*Baseline survey:* To assess the current level of knowledge, skills, and attitudes.  
*Formative evaluation:* Pre-test
Summative evaluation: Presentations (individual and group), participation in discussions, project work, post-test

Case study: A case study was introduced to measure the change in KASA (knowledge, attitude, skills, and aspirational changes) and the change in actions, behavior, and conditions of the participants.

Impact of the SM$ Program
A) Output

1) Collegiate Youths

1.1. A total of 174 students (total count: 118 during spring, 2016 and 56 during summer and fall, 2015) attended the workshops on campus.

1.2. A total of 12 workshops (9 during spring, 2016 and 3 during summer and fall, 2015) were held.

1.3. The average number of participants per workshop was 15.

1.4. Twenty five sets of educational materials (binders) were prepared and distributed in the spring 2016 workshops.

1.5. Students interacted with 27 financial educators/specialists in person from different institutions.

1.6. A SM$ poster contest was organized.

1.7. Fourteen students on campus contested SM$ poster competition.

1.8. Forty coin/piggy banks (20 during summer and fall, 2015 and 20 during spring, 2016) were distributed.

2) High Schools

1.1 A total of 5 workshops (3 orientations and 2 posters) were organized in 3 high schools.

1.2 About 210 students (125 at Bullock County High School, 60 at Notasulga High School, and 25 at BTW High School) participated in the financial education orientation workshops.

1.3 Forty one students (31 at Bullock County High School and 10 at BTW High School) submitted posters for the contest.
3) Limited Resource Families/Adults
1.1 One summer camp/workshop was organized in Macon County by the housing authority for two half days.
1.2 Nine people participated in the workshop.
1.3 Nine binders (a complete package of basic educational materials) were distributed.

4) SM$ Booth/Stall on TU Extension Day
4.1 Information about saving money to pay for college education was presented to 61 booth visitors (a majority of them were students and few were the public).
4.2 About 150 SM$ flyers of different types were distributed to the visitors.
4.3 Five coin banks were distributed to high school students through a raffle program in order to encourage their saving habits to pay for college education. Similarly, one coin bank was given to a Walmart Initiative farmer, Mrs. Shipman, a visitor from Ariton.
4.4 Two students volunteered to manage the stall, distribute educational materials, and fill in the surveys.
4.5 A money saving poster was displayed and explained to raise awareness and educate all 61 visitors in turn about SM$ financial literacy.

5) SM$ Booth/Stall on Agri-Fair and Carnival
5.1 Sixty people visited the stall and a majority of them were freshman students.
5.2 About 200 money saving flyers were distributed.
5.3 Financial information regarding SM$ was explained to the visitors.
5.4 Five coin/piggy banks were distributed through a raffle in order to encourage the visitors to save for their college education and/or financial security.
5.5 Two students volunteered to manage the stall and distribute the educational materials.
5.6 Money saving posters and flyers were explained and distributed to all visitors.

6) SM$ Session at Farmers Conference
6.1 105 historically disadvantaged and limited resource families (60 participated SM$ money management session and 45 participated health insurance session) attended the SM$ sessions.
6.2 About 300 flyers about money management and other relevant handouts were distributed to the participants.

6.3 Participants of these sessions interacted with four financial educators from FDIC, Alabama Arise, Alabama Cooperative Extension System, Auburn University and Tuskegee University.

7) SMS Session at PAWC

6.1 Sixty five students, mostly freshman, participated in the money management session.

6.2 One hundred and fifty money management flyers were distributed.

6.3 A few students were recognized by being rewarded pens/writing pads based on their number of correct responses of the financial quiz.
### B) Impact

Table 1: Impact Based on Program Types

<table>
<thead>
<tr>
<th>Type of Education Program</th>
<th>Immediate Impact</th>
<th>Intermediate Impact</th>
<th>Long-term Impact</th>
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</thead>
<tbody>
<tr>
<td>Short Programs (one time, short presentation):</td>
<td>- Became aware of SM$.</td>
<td>- Changed knowledge, attitude, and aspirations towards saving, spending habits, and money management.</td>
<td>An assessment survey is being prepared to be sent out to measure long-term impact.</td>
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<tr>
<td>- On campus workshops during fall 2015,</td>
<td></td>
<td>- Developed confidence about saving early.</td>
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<tr>
<td>- SM$ presentations at:</td>
<td></td>
<td>- Intended to initiate budgeting.</td>
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<tr>
<td>▪ High schools</td>
<td></td>
<td>- Good amount of knowledge and confidence about saving money.</td>
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<td>▪ PAWC</td>
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<td>- Saving habits changed due to coin/piggy bank project.</td>
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<tr>
<td>▪ Farmers Conference</td>
<td></td>
<td>- Developed a money saving plan to support college education, buy college necessities, a car, and for emergencies, etcetera.</td>
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<td>Long Programs (daylong workshops):</td>
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<tr>
<td>- On campus workshops for collegiate youths during summer 2015,</td>
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<tr>
<td>- SM$ booths/stalls on:</td>
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<tr>
<td>▪ Campus extension day</td>
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<tr>
<td>▪ AgriFair and Carnival</td>
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<tr>
<td>Multi-session Programs (Series of workshops):</td>
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<tr>
<td>- SM$ financial literacy during spring 2016 (9 sessions)</td>
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<tr>
<td>- SM$ literacy camp for limited resource families during summer 2016.</td>
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<tr>
<td>Evaluation tools used</td>
<td>Only post-test evaluation</td>
<td>Pre-and Post-Tests evaluation, Project work, Presentations, Case study</td>
<td>Assessment survey, Case studies</td>
</tr>
</tbody>
</table>
Impact statements according to the target groups

1. Collegiate youths (CY)

When referring to HBCU students, black students are the least financially literate when compared to their white peers. Some of the largest issues plaguing their growth potential were the lack of a financial plan, students spending more than their income, and students buying things even when they could not afford to pay. To increase their financial capability, SM$ conducted a needs assessment in financial literacy, designed a curriculum, prepared educational materials (flyers and a training manual–binder), organized participatory workshops, introduced coin bank project, project work on a quick fact sheet, money $mart poster contest, and presentations. The following are some of the major short-term impacts of the program.

All collegiate youths (100%) increased awareness of the importance of saving money to support college education and emergencies. Seventy-five percent of the participants prepared their money saving plan. Correspondingly, 80% of them developed a spending plan and 35% started saving money with the coin project, which they had not done before. According to their saving plan, the collegiate youths collectively set a goal for saving $3,600.00/year (each person saving $5/week times 15 participants), which seems to be a great determination as well as a huge amount of saving by the students. Similarly, 85% of the participants increased their networking, 90% strengthened their financial leadership ability, and 100% increased their personal financial management knowledge about budgeting, risk management, credit scores, paying yourself first, preventing identity theft and fraud, and reviewing a procurement plan through needs versus wants approach.

2. Limited resources families (LRF)/Adults

Limited resource and socially disadvantaged families always have challenges to pay their utility bills, coping with other necessities, saving money in everyday life, adopting a saving plan for the emergencies, tracking the leakages, etc. SM$ introduced financial literacy education workshop, distributed a binder full of financial literacy information and money $mart t-shirts. The program observed the following impacts.

It was found from the post survey results that all participants (100%) set a goal of reducing their weekly expenses by $10.00, i.e., $4,320.00 /annum (nine participants cutting down weekly soda and cigarette expenses). Similarly, 100% of participants became aware of the financial literacy
program being offered by TUCE, and 100% increased their personal financial management knowledge (finding money to save, cutting down on expenses, paying yourself first, saving for emergencies, and reviewing needs versus wants before procuring any materials). In addition, their attitude towards money management was changed and they developed confidence about saving early.

3. Junior high and high school students (SS)
A problem with junior high and high school students was that they were not lining up their financial goals with their futures; things like thinking about and readying themselves for the cost of college, not having bank accounts set up, and in some cases, having no interest in financial literacy at all. To educate them SM$ introduced financial literacy program; an orientation of the importance of financial education and money-saving poster contest in three Black Belt high schools. The program measured the following short-term impact of the SM$ program.
All students (100%) who participated in the money $mart poster contest increased their money saving to support college education, increased their awareness about needs versus wants, changed their attitude towards cutting down their expenses, and developed confidence about saving early. Consequently, a collective goal set by these students involves a saving of $1,920.00 a year (each student saving $1/week times 40 students).
Assessing Impact from Sustainable Paradigm

Social Impact
Trainers-of-Training are being monitored and will continue to be monitored to measure the impact they create by disseminating the acquired knowledge to:

- family members
- friends
- colleagues
- neighbors
- other individuals and institutions

The process has a domino effect as each category/clientele will keep sharing information with their respective family, friends, and acquaintances. Simultaneously, people coming into their network will also benefit from their knowledge, skills, attitude, behavior, and thoughts regarding financial education. The participation of students in the SM$ program from different colleges and departments has created a huge social impact, not only on campus but also at the state level (due to judges, financial educators, and wide communication) and even at the federal level as the prize money was financed by the Consumer Federation of America.

Similarly, more than 500 students from 3 schools gained knowledge regarding SM$ financial literacy for the very first time and the winners from all institutions have gained social respect from TUCE, their school, other participating high schools, SM$ Facebook groups, and their internal and external communications and constituencies.

Leadership Development

It is obvious that all participants of the SM$ workshops (on campus, 3 high schools, adults) have interacted with 17 specialists/financial educators, taken part in discussions, shared their thoughts at the workshops, made presentations, and worked with the team. Consequently, their leadership capability has strengthened after taking part in all these events.

Figure 7: A student presenting her poster at the poster contest
Learning from Peers

SM$ created a culture of learning from peers. The majority of the participants got to know each other from the SM$ events and that offered them an opportunity to learn from their peers regarding financial education content, experience, expertise, character, vision, etc.

Picture 8: Students posing for a group picture with the event coordinator and speaker after the workshop. Students were happy to receive a jump drive and a travel water mug from the Tuskegee Federal Credit Union.

An Upgraded Resume for Career Development

A majority of the contestants of the SM$ poster presentations attended the financial literacy workshops, researched and reviewed educational materials, developed creative ideas, prepared good looking, and visually informative posters, and presented the information in a precise format at the session. This has added value to their resume as it displays increased knowledge and initiative.

Economic Impact

A majority of the participants responded that they would apply at least a few if not multiple tips and/or concepts for better money management in their daily lives and their beloved ones. A follow-up study taking a case was introduced to track changes in KASA, actions, behaviors, and conditions. Thus, the direct and indirect changes in economic well-being due to the SM$ program can be measured in the long run.
It can be noted that one of the immediate economic outputs as 9 students, respectively 3 from each institution (on campus, BTW, and Bullock County High School) won $900.00 in cash prizes, medals (Figure 8), and appreciation certificates. The direct and indirect impacts of the SM$ program, including the cash prizes will also be tracked/measured using an assessment survey as a follow-up study and a case study approaches.

To measure the economic impact in the long run, the participants will be kept in contact by providing them with updated educational materials, keeping them informed through the SM$ website and Facebook page, and introducing a short survey during certain intervals.

Figure 9: Medals designed to award the SM$ poster contest winners

**Students Reporting the Impact of the SM$ Program**

By Ashley Perry and her team

“College is a new experience that teaches students a lot of new useful information and gives them plenty of new experiences that stick with them throughout their careers. However, even though students learn so much, they often graduate from college lacking information on a very critical topic: financial literacy. Knowing how to handle and grow your money is one of the most important skills a student should go into the real world knowing. That is why it is recommended that financial literacy courses be offered more at colleges and universities. The courses at TUCEP host a great deal of financial information that is easy to remember and taught

Figure 10: Students at the SM$ Workshop on Campus
in a fun and intuitive way. The information that is learned is often applicable to the student’s life and can serve as “training wheels” for good financial habits that can create a stable life financially down the road.

Students who take financial literacy courses often feel that they are more prepared for life ahead because they realize that the lack of understanding how money works is one of the biggest obstacles that stand in their way of success. Once that blockade is removed, the students will feel as if accomplishing their goals in life is less of a challenge.

Figure 11: Students with the Coordinator at the SM$ Workshop

To go into more detail about how far the program reaches, it offers a variety of different lessons or modules, guest speakers, and events for students to participate in. Speakers come from various institutions to present their information on a particular area of interest to the students. There are several different types of skills and knowledge that are taught within the modules, one of them being saving habits. When learning saving habits, students are taught to get in the habit of training themselves to put money away every month no matter how small the amount is. They learn knowledge on subjects like credit and how it is calculated, how to create a budget, how to protect themselves against identity theft and fraud, how to avoid predatory lending, how to protect themselves against risk, how to live and provide for themselves after graduating from college and many other topics.
Students learn in groups of their peers and often communicate with each other about money and life in general after the sessions are over. This often encourages them to talk to their friends and family about money practices outside of the sessions as well. *Educational materials* are provided for each student, which include a binder that has information on all of the modules for the workshop along with several pamphlets, small books, and activity sheets. Some of the activities involve recording spending and saving habits. The students were provided a small tin *piggy bank* and given a sheet to record how they managed to save money for the bank/financial institution each week. Another activity was a *quick fact sheet* that involved an online search on topics regarding financial education. A larger event that took place was the *Money Saving Poster Contest*, in which participants were asked to collect information that they learned and put it in a creative poster format to present and display. The posters were judged by previous guest speakers and the winners were given *medals, certificates, and cash prizes*.

Throughout the course of the session for this semester, students learned:

- The four C’s of Credit
- The 5 core competencies that the program aims for
- Predatory Lending practices
- Various ways to increase income
- Various ways to save money
- The importance of creating a budget and much more.

Though the program is already very well executed, it could stand to cover more information on different investment vehicles and risk levels that come with investing. It could also implement more money oriented game activities (Ex. Monopoly).

**Thoughts Presented by the SM$ Participants:**

*Student one: I wish I had known this much financial knowledge and information few years ago.*

*Student two: I thought the whole SM$ program was great. TUCEP should continue ...*
Student Assessment of the SM$ Money Saving Project

“I enjoyed participating in this year's money smart workshop and engaging in some of the projects and activities. The tin coin bank that we received at the beginning of the semester was one of the more active projects within the workshop. At first, I did not think that I could possibly learn anything by being given a coin bank that I didn’t already know about; everyone already knew how they worked. I kept this mentality all the way up until the end of the semester. I noticed that I had overspent my money and had not saved anything. I was truly strapped for money. I remembered the tin coin bank that I had been barely putting money into all year and realized that I actually could have been putting more money in it. Everyday there would be change on the floor somewhere or in my pocket from purchases that I could have put into the tin bank. It would have accumulated quickly and I would have had much more than I did. I made a mistake and I was not as good with my money as I thought I was.”

“I learned that I should pay more attention to my savings and take paying myself every month more seriously. I would often have days where I would dip unnecessarily into my savings account for menial things. I no longer do that. I have gained much more control over my spending habits and I am now in the process of training myself to put away money (and not touch it) every month.”

“These practices are helping my goals because I am able to accumulate money quicker for things that I both want and need. A lot of my goals are financially oriented, so practicing good saving habits now are giving me a strong financial foundation for investing and accumulating income in the future. This experience has been a very insightful one and should hopefully stick with me through the years.”
Conclusion

Thus, developing a personal finance education program for the target groups (collegiate youths, high school students, and limited resources families) definitely helps bridge the financial knowledge gap of students at HBCUs and thereby helps narrow the racial wealth gap by improving individuals’ financial decision making capabilities.

Acknowledgement

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References

UNCFSP (2012). Developing a personal finance program for students at historically black colleges and universities. UNCF Special Program Corporation. April.
