

Form A: Title Page

Montana College Access Challenge Grant Sub-Grant Application Coversheet

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Signature: <i>Paul Beatty by Dmt</i>	

PROJECT ABSTRACT

Financial Literacy has become a topic that has concerned higher education officials the past few years with increased student loan borrowing practices. The decrease in budgeting and financial courses at the high school level, credit card misuse, the decline in students interested in student employment on campus, and the mismanagement of student aid funds have been contributing factors for Financial Literacy to become a hot topic on campuses around the country. Many institutions are looking for ways to provide learning opportunities for students on the basics of money management including budgeting and savings of hard earned dollars.

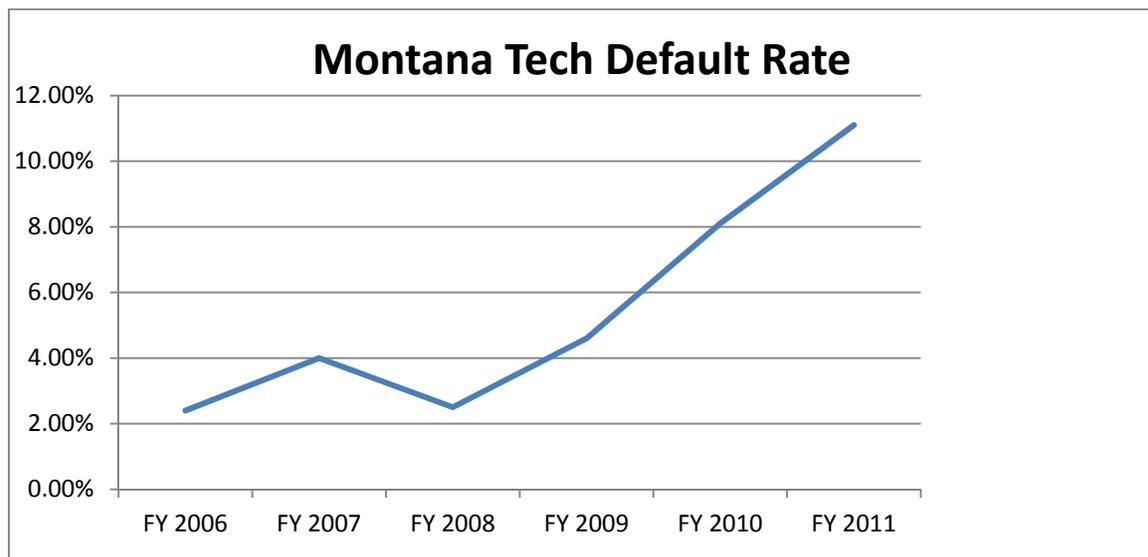
Financial Literacy is the basis for students to make informed and responsible decisions for managing their student indebtedness, paying for higher education necessities with cash and not credit cards, and budgeting and planning their higher education expenses on a monthly and yearly basis. Planning for higher education expenses well in advance of being admitted to school is a responsible financial decision.

PROJECT NARRATIVE

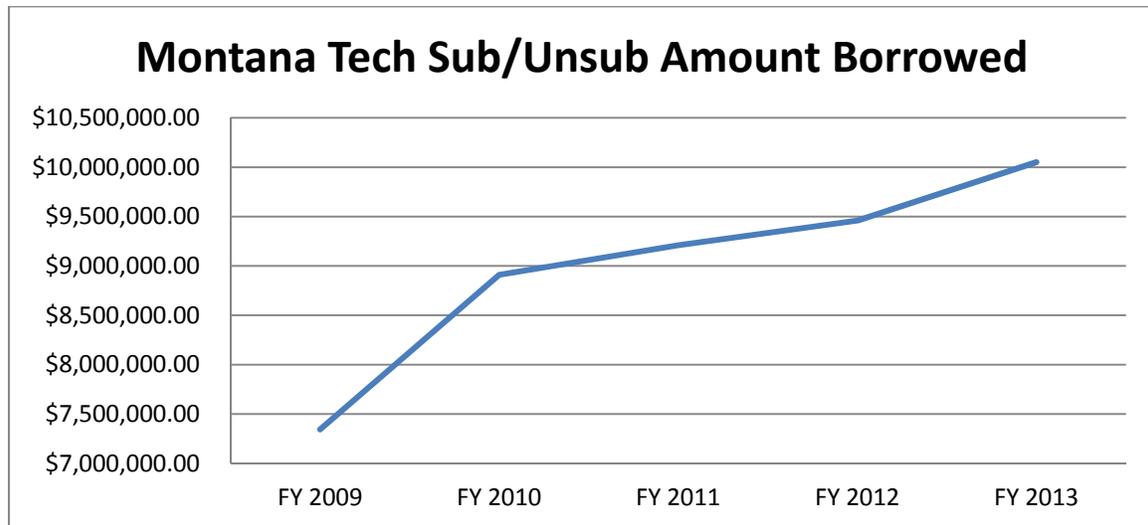
Statistics show that cohort default rates are increasing for most schools, educational costs for tuition/fees, room/board, and books and supplies. More students are borrowing federal direct loans and private loans because of the increased higher education costs. Higher default rates reflect on student's admittance into a college because of the uncertainty in receiving a degree and a career opportunity in a student's chosen field.

Demonstrated Need

Montana Tech's cohort default rate is increasing:



Furthermore, the total amount of subsidized and unsubsidized loans that Montana Tech students are borrowing is increasing:



Montana Tech, through its compass testing program, has admitted many students into the Associate of Science program or our Foundations of Engineering and Science program because of deficiencies in math skills. Many of these students aspire to become engineering students but require remediation prior to being admitted into these challenging programs, which then extends the time it takes to degree completion. 40% of our student population has federal Pell grant eligibility and most of these students utilize loan funds.

Plan of Action

1. Provide financial literacy tools and exercises to all incoming students and provide workshops for students during orientation and during the semester. These workshops and sessions would incorporate the dollars and sense workbooks, the www.getmoneysmarts.org website, and Financial Avenue.

Topics for the Workshops:

- a. Budgeting and debt management.
- b. Saving plans.
- c. Financial plan development and goal setting while in college.
- d. Credits reports/scores.
- e. Repayment plans for student loans and personal debt.
- f. Loan forgiveness programs.
- g. Planning for financial management after college.

We have set up financial literacy training called Financial Avenue via Inceptia. New or transfer student loan borrowers must complete this online training. It is a

tool on such topics as budgeting, credit and credit scores, and more. Financial Avenue will help students learn key concepts about personal money management. It is information that will help students make wise financial decisions. Students log in to Financial Avenue at <https://fa.financialavenue.org>.

The student will be required to complete two modules: Budgeting and Paying for college. They will have the option of completing these additional modules: Credit cards, Identity theft, Contracts, and Credit history.

Each course has four steps.

Step 1.....take the course.

Step 2.....test your knowledge and pass with at least a 70% or better score.

Step 3.....tell us what you think as we value your opinions.

Step 4.....congratulations. Print or save your certificate of completion to show you have completed all four steps.

The student must meet with a financial literacy advisor after completing the requirements. If the student does not enroll and complete the required courses, a hold is placed on their student account preventing them from registering for classes the following semester.

2. Target high debt students to complete additional training via Financial Avenue. Students that have borrowed \$20,000 or more in student loans will be required to complete additional modules in Financial Avenue such as Borrowing Money and Tackling Debt. These students will also be required to meet with a financial literacy advisor.
3. Hire a half-time position to report to the Director of Student Success. The Director of Student Success is a new position on campus that we're currently advertising for that will be responsible for advising freshmen students in the College of Letters, Science, & Professional Studies, as well as overseeing the Learning Center and Montana Tech Success courses. The primary purpose for this position is to increase retention at Montana Tech. The half-time position funded by this grant would assist the Director of Student Success and provide capacity to include financial literacy advising for the students they serve.
4. Provide 6 members of our staff with the opportunity to complete the Inceptia Personal Financial Management Certification. Staff at Montana Tech that works with the students on a regular basis will become certified in personal financial management so they feel comfortable counseling students in this area if the need arises. The training will be completed by our financial aid staff as well as the Director of Student Success and the new part-time employee in the Student Success Office.

5. Send the Director of Financial Aid to a conference on Financial Education sponsored by the Institute for Financial Literacy. He will then share what he has learned with the rest of the enrollment management staff and the employees in the Student Success office.

Outcomes

- 1) Ensure that all new student borrowers are provided with financial literacy training.
- 2) Ensure that all high debt students receive additional financial literacy training.
- 3) Increase retention by hiring a part-time staff member in the Student Success office
- 4) 6 members of Montana Tech's staff will acquire Personal Financial Management Certification.

By using innovative methods to identify and teach students to manage their finances, reduce unnecessary acceptance of federal direct loans, understand credit, be aware of realistic post-graduation income based on choice of major, develop a realistic budget for saving money, and make major improvements for understanding financial aid policies and programs. Our efforts in this grant application really want to target first-time student borrower and high debt students, while at the same time providing financial services, programs, and communication to the entire student body.

Long Term Impact

We expect that financial literacy programs will continue for several years into the future because of the fragile economy and increases in higher education expenses which escalate cost of attendance figures. We expect to work closely with OCHE and other 3rd parties to further enhance financial literacy materials and offerings based upon student feedback.

Data Reporting

We will:

1. Obtain data and statistics from the Financial Avenue online program regarding which new and transfer students completed the six courses.
2. Monitor which students take advantage of the workshops offered each semester.
3. Use the Banner Student Information System to track what literature is mailed and to whom.
4. Track which students participate in one-on-one counseling.
5. Be able to use all of this data to determine if there's a relationship between students that participate in the our financial literacy offerings and
 - a) Students that default on their student loans
 - b) The amount of money borrowed by students with similar EFCs

Budget

Salary & Benefits - Because this position will not be filled until mid-January 2014, the salary is prorated at for the remainder of grant period (August 14, 2014, 7 months, \$11.253/hr).

Salary - \$6,826.82

Health Insurance - \$5,642

Other Benefits - \$1,370.25

\$13,839.07

Personal Financial Management Certification

\$600/person for 6 employees

\$ 3,600.00

Institute for Financial Literacy Conference

(April 9-11, 2014 New Orleans)

Registration Fee - \$375

Hotel - \$550

Airfare - \$550

Per Diem - \$125

\$ 1,600.00

Operating Budget

Mailing costs for sending out Dollars and Sense workbook and other financial literacy literature to all new students.

\$ 5,960.93

\$25,000.00

Form B: Goals and Objectives

Please provide a detailed description of the activities and services that your organization plans to provide using CACG funding in order to address the needs of underrepresented students.

A. Goals and Objectives	B. Activities and Services	C. Proposed Outcomes
Please provide measurable goals and objectives.	List the activities and services that will be conducted to accomplish the goals and objectives.	List anticipated outcomes based on the implementation of services and activities.
Example: To increase underrepresented students' and families' knowledge of postsecondary education financial options.	Example: conduct informational workshops with parents and students to share sources and availability of financial aid; develop materials/handouts outlining financial aid and financial literacy opportunities.	Example: 2013 survey results (85% participation rate) indicates that 95% of participating students are more knowledgeable about financial aid and financial literacy opportunities.
1. To provide extensive financial counseling to our first-time student loan borrowers	First-time student loan borrower will be required to complete two modules of training via Financial Avenue.	Reduce the default rate of our student loan borrowers and decrease the total amount of student loans borrowed per capita.
2. To provide additional financial counseling to our high-debt borrowers (\$20,000 or more)	High-debt borrowers will be required to complete additional training via Financial Avenue.	Reduce the default rate of our high-debt borrowers.
3. To empower our financial aid and student success staff to have the credentials to provide personal financial management counseling.	6 members of our staff will complete Inceptia's Personal Financial Management Certification course.	6 members of Montana Tech's staff will acquire certification and personal financial management counselors.
4. To increase student retention.	Hire a part-time staff member to report to the Director of Student Success and assist in advising new students about financial literacy.	Increase retention, thereby positively impacting our graduation rate and placement rates and giving students the means to pay back their student loans.
5. To increase our exposure to financial literacy efforts.	Will send the Director of Financial Aid to a conference sponsored by the Institute for Financial Literacy.	The Director of Financial Aid will share what he learns at this conference with the financial aid and student success staff.
6.		

Form C: Budget Narrative

Please provide a justification and specific detail for each budget category addressing expenditures.

GRANT FUNDS WILL BE PROVIDED ON A REIMBURSEMENT BASIS

Budget Category	Expenditure	Detail
1. Salaries and Wages	\$13,839.07	Half-time employee at \$11.253/hr.
2. Employee Benefits	\$7,012.25	Health Insurance - \$5,642 Other Benefits - \$1,370.25
3. Travel	\$1,600.00	Registration Fee - \$375, Airfare - \$550, Per Diem - \$125 Hotel - \$550
4. Materials and Supplies		
5. Indirect Costs	\$5,960.93	Mailing costs for sending out Dollars and Sense workbook and other financial literacy literature to all new students.
6. Equipment		
7. Other		

Form D: Statement of Assurances

COLLEGE ACCESS CHALLENGE GRANT PROGRAM

(Authorized under Title VII: Part E of Higher Education Act of 1965, as amended)

THE APPLICANT HEREBY ASSURES THE COORDINATING COMMISSION FOR POSTSECONDARY EDUCATION:

A. Administration of the activities and services for which this entity seeks assistance under this grant will be by or under the supervision of the applicant.

B. The project will comply with all applicable Montana state laws.

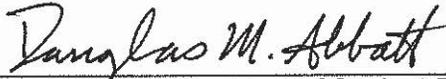
C. The applicant will keep project records, including receipts for expenditures, and afford access to these records at any time. The Office of the Commissioner of Higher Education, Office of Student Financial Services (SFS) may find it necessary to assure the correctness and verify the reports.

D. I assure compliance with federal statutes and regulations governing the College Access Challenge Grant Program, Title VII Part E of the Higher Education Act of 1965, as amended, and the Department of Education General Administrative Regulations (EDGAR) (specifically 34 CFR, Parts 74, 76, 77, 79, and 80).

E. I agree to comply with section 511 of the U.S. Department of Education Appropriations Act requiring grant recipients to acknowledge the amount and percentage of Federal and nongovernmental funding for projects when making any type of public announcement about awards.

Sept. 27, 2013

Date



Signature of Vice President of Student Services

Douglas M. Abbott

Typed/Printed Name of Vice President of Student Services

Montana Tech/Highlands College

Institution