Money Matters

ON CAMPUS

How Early Attitudes and Behaviors Affect the Financial Decisions of First-Year College Students

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Money Matters on Campus details the findings of a survey of 40,000 first-year college students from across the U.S. conducted by EverFi and sponsored by Higher One. Students were surveyed on a variety of pertinent topics around banking, savings, credit cards, and school loans. This report outlines the survey's key findings, examining the financial attitudes and behaviors of students to better understand what most significantly predicts positive and negative financial outcomes.

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Executive Summary

For Americans, the outcomes of the recent economic downturn revealed a lack of knowledge about credit, banking and financial planning, paired with risky financial attitudes and behaviors. Similarly for college students, these same risk factors have contributed to increases in student loan and credit card debt, loan delinquency or default, and risky financial behaviors such as credit card cash advances, payday lending, and lack of bank affiliation. This study examines the financial attitudes and behaviors of college students in an attempt to better understand what facets of a student's life most significantly predict positive and negative financial outcomes.

Approximately 40,000 first-year college students across the United States were surveyed on a variety of pertinent topics around banking, savings, credit cards, and school loans. Results indicate that increased levels of cautious financial attitudes, paired with decreased levels of spending compulsion, and risky debt behavior most significantly predicted responsible student behavior around credit, spending, and banking. Although financial knowledge alone plays a strong predictive role of increasing positive financial outcomes, these results provide strong evidence that more intervention is required to foster the development of positive financial behaviors and outcomes.

Educators, researchers, and policy makers should augment financial literacy education programs with attitudinal and behavioral components to maximize the likelihood that college students are prepared to make sound financial decisions while in college and beyond.

Introduction

STUDENT DEBT IN THE NATIONAL SPOTLIGHT

The outcomes from the “Great Recession” have revealed that we as Americans struggle when making complex financial decisions. Although many of the problems experienced stemmed from bad actors focused on personal gain at the expense of others, there were also many decent individuals that found it difficult to successfully negotiate decisions around credit, investing, banking, and financial planning (President’s Advisory Council on Financial Capability, 2012).

Difficulty with these issues is not isolated to adults in the workforce. Many college students have also demonstrated true difficulty with making highly informed financial decisions (Elliot & Beverly, 2011). In addition, college student debt and delinquency is on the rise.

For the first time ever in 2011, student loans accounted for more national debt than credit cards—and in 2012 aggregate student loan debt amounted to over one trillion dollars.

According to a recent investigation, two-thirds of the graduating class of 2011 held student loans at the time of graduation, with the average borrower owing $26,600, up five percent from the previous year (The Project on Student Debt, 2012). The picture becomes bleaker when you consider that more than nine percent of graduates default within the first two years, and 13.4 percent within three years (Department of Education, 2012). This increase in student debt can be attributed to a variety of factors (e.g. family unemployment), but it also must be considered that for many public and private institutions, the costs of education have increased exponentially, while incomes and government aid continue to struggle to keep pace (Department of Education, 2012).

FINANCIAL LITERACY AS A FOCAL POINT

These trends have not gone unnoticed. Financial literacy initiatives by the President's Advisory Council on Financial Capability (PACFC), and the U.S. Departments of Education and Treasury indicate a profound national interest in ensuring that all students are empowered to make sound financial decisions (PACFC, 2012). A key component to these national initiatives is the emphasis on financial literacy education, with the goal to ensure college students graduate with the ability to make sound decisions about spending, credit and investments, and help adults navigate difficult financial situations such as buying a home and saving for retirement.

RESPONSIBILITY OF THE ENTIRE INSTITUTION

It's critical when attempting to understand the financial behaviors of college students that we acknowledge student debt and other financial issues do not occur in a vacuum, where they are isolated from the rest of student life.

Previous research has shown that students who report difficulty with mental health, experience academic failure, and withdraw from enrollment frequently cite financial difficulties as the key predictor of these problems (Pleskac, et al., 2011). Without this consideration, sufficiently addressing the financial issues affecting college students becomes all the more difficult. If financial stress is only considered a financial issue—not impacting the rest of student life—the responsibility of any on-campus intervention programming may be pushed off to the financial aid department with little-to-no emphasis on holistic education. Instead, addressing student financial problems should be the responsibility of the entire institution—students, faculty, student affairs, and financial aid.

Although it is clear that institutions of higher education must act to address this critical issue impacting our nation's students, many institutions still have done little or nothing in terms of establishing financial literacy education programming. Instead, many of the methods to address student financial problems remain as reactionary tools—such as default management or exit counseling—without much consideration of preventive approaches.

The current investigation attempts to demonstrate a clearer picture to colleges and universities of how student financial problems not only impact individual student outcomes but also the institutional mission.

Over the years, financial literacy education has primarily focused on increasing financial knowledge, in hopes that this will equip students with the tools necessary to make better financial decisions (Shim, et al., 2009). But does the focus on knowledge alone account for all that goes into being financially literate? What role does an individual's attitudes, motivation, and behavior play in his or her financial decisions?

In this study, researchers aimed to better understand incoming college students' financial literacy—not just by their knowledge, but also by their attitudes towards debt and his or her financial behavior—in an attempt to determine what role each plays in financial outcomes.

Data Collection and Survey Methodology

In a collaborative investigation between Higher One and EverFi, researchers surveyed approximately 40,000 college students across the United States on their financial attitudes and behaviors. These students were surveyed on a variety of pertinent topics around banking, savings, credit cards, and school loans. The survey was deployed just before the implementation of an online education program around college wellness. The majority of participants (91.2 percent) were first-year college students (mean age = 18.2 years). All students were enrolled in traditional four-year public and private colleges or universities across 43 states. The sample was demographically representative of American college students, comprising of 54.5 percent female, 68.7 percent Caucasian/white (non-Hispanic). Additionally, 57.5 percent of students had fathers with at least a college degree, and 59.1 percent had mothers with at least a college degree.

100%	were enrolled in traditional four-year public and private colleges or universities across 43 states
91.2%	were first-year college students
68.7%	were Caucasion
59.1%	had mothers with at least a college degree
57.5%	had fathers with at least a college degree
54.5%	were female

RESULTS BRIEF

The current investigation revealed a strong correlation between incurring early debt and not being affiliated with a banking institution and an increased risk of negative financially-related outcomes and risky attitudes/ behaviors—both concurrently and later on in life. These at-risk students are significantly less likely to be affiliated with a bank, more likely to demonstrate extremely risky attitudes and behaviors towards spending, saving, and debt (e.g. more likely to have problems with their students loans later on in their collegiate career).

To better recognize the key components of how students understand finance, investigators discovered seven key factors of student attitudes and behaviors influence. The factors are Cautious Financial Attitudes, Indulgence for Status and Social Gain, Utilitarian Financial Behavior, Debt as a Necessity, Possessions Providing Happiness, Spending Compulsion, and Aversion to Debt. These factors may help researchers better identify and assist students at risk. The factors were analyzed to determine their level of impact on key financial outcomes, such as being late on credit card payments; following a budget; structured savings; likelihood to withdraw from college; high-risk debt behavior (credit card cash advances, payday lenders, etc.); paying student loan on time; paying student loans in full; having a checking account; and frequency of bank contact (visiting a bank branch or website). The analysis revealed that most of these factors played a significant predictive role with at least one of the key outcomes of interest. However, a few of the factors appear to be more robust in their ability to predict across many of the key outcomes.

The factor of Cautious Financial Attitudes was found to significantly predict increased likelihood to follow a budget, decreased likelihood to withdraw from college, decreased likelihood to participate in high-risk debt behavior, and increased likelihood to have a checking account.

The Debt as Necessity factor had a significant negative impact on positive financial behaviors—having a checking account, paying student loans on time and in full, saving, and budgeting—and positive impact on negative financial behaviors—high-risk debt behaviors, withdrawal from college, and being late on credit card payment.

The last, most significant predictor was Spending Compulsion, which most strongly predicted the very high-risk outcomes—not being affiliated with a bank, not paying loans on time and in full, high-risk debt (going to a payday lender or getting a credit card cash advance), and being late on credit card bills.

This investigation posits the notion that specific student attitudes and planned behaviors play a significant predictive role on student finance-related outcomes. Consequently, if there is hope to scaffold future generations forward in terms of financial literacy, it is necessary to consider integrating attitudes and behaviors pertaining to 1) responsible financial behavior, 2) debt as necessity, and 3) spending compulsion into financial literacy curriculum.

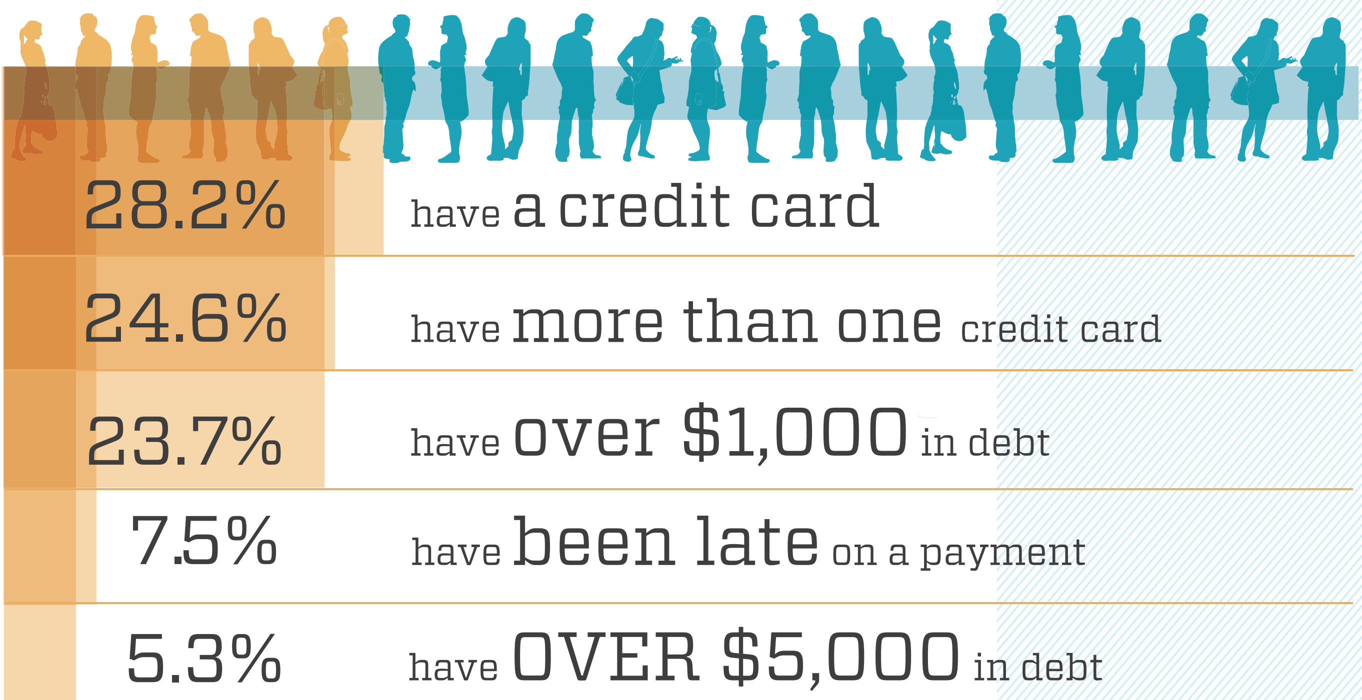
Results

Results from the investigation are presented in three segments 1) preliminary findings around loan/debt and credit card behavior, banking behavior, and financial attitudes, 2) determining the structure of the survey and classifying specific categories of student finance-related attitudes and behaviors using factor analysis, and 3) understanding significant predictors of student financial behavior using hierarchical regression analysis of factorial impact.

PRELIMINARY FINDINGS

Preliminary results of the investigation revealed a strong correlation between incurring early debt and not being affiliated with a banking institution and an increased risk of negative financially-related outcomes and risky attitudes/behaviors—both concurrently and later on in life.

CREDIT CARD BEHAVIOR. Investigators found that students entering college already demonstrate very risky debt behavior at matriculation. This raises serious concerns because of the potential for significant negative outcomes. Of the population of students who had a credit card, 23.7 percent had over $1,000 in credit card debt (5.3 percent had over $5,000), 35 percent reported they typically only make the minimum payment on their credit card, and 7.5 percent have been late on their credit card payment at least once in the past year.



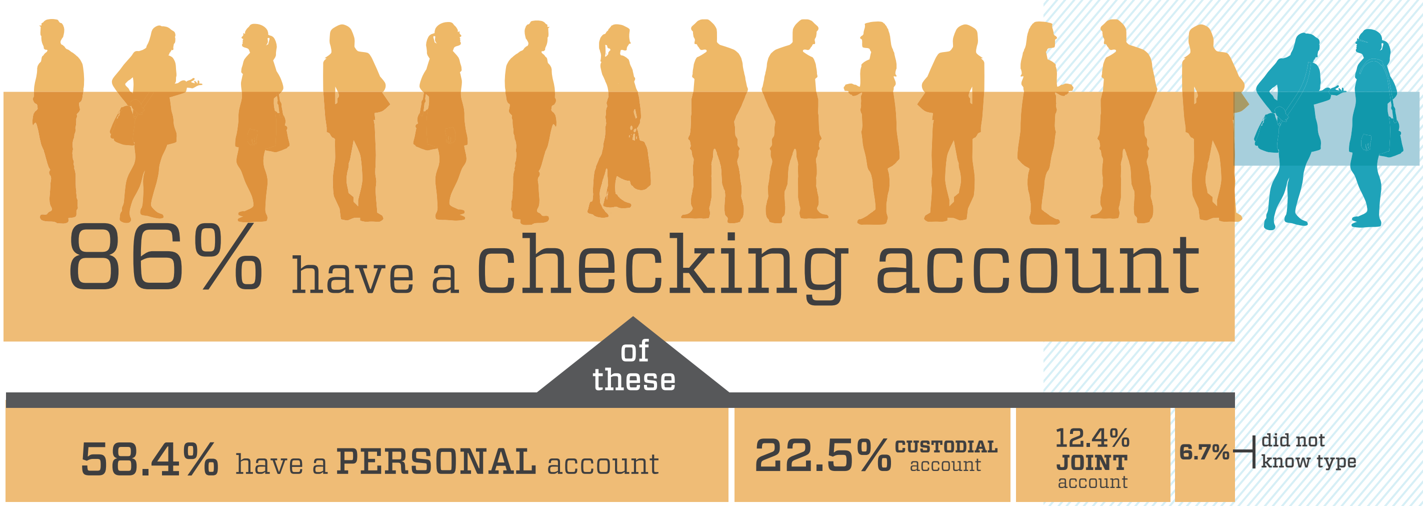
In addition, simple regression analysis revealed that as credit card debt increases, students are at increased risk for a variety of negative outcomes and behaviors. For example, as credit card debt increases, students are significantly less likely to be affiliated with a bank, less likely to work (part-time or full-time), and more likely to demonstrate extremely risky attitudes and behaviors towards spending, saving, and debt—more likely to have problems with their student loans later on (see table 1 for complete results). Investigators were also able to replicate similar findings when looking at school loan debt, where as debt increased, students were more likely to demonstrate a variety of negative finance-related outcomes.

TABLE 1: Regression analysis of credit card debt impacting student finance-related attitudes and behaviors

OUTCOME	REGRESSION WEIGHT (β)	P-VALUE
More likely to spend any money left over at the end of a pay period	.069	.000
More likely to agree with the statement "it's better to have something now and pay for it later"	.065	.000
Less likely to use personal finance tools	-.035	.000
Less likely to have a checking account	-.022	.001
More likely to report that "others would be horrified if they knew their spending habits"	.092	.000
Less likely to make their student loan payments on time	-.101	.000
Less likely to be employed (part time, full-time, summer employment)	-.091	.000

BANKING BEHAVIOR. Although there are many areas for concern when considering debt behavior, findings around student banking behavior present room for encouragement—86 percent of the participants reported having a checking account (58.4 percent their own account; 12.4 percent a joint account; 22.5 percent a custodial account; and 6.7 percent don't know what kind of account). In addition, 65.4 percent of students reported going to their bank's website at least a couple of times per month, and 55.1 percent reported visiting a physical branch of their bank at least once a month. These findings can be seen as encouraging because of the impact that having a checking account has on other finance-related behaviors, such a loan behavior, budgeting, and saving (see table 2).

Students with a checking account were found be significantly more likely to report buying only things that they need, follow a budget, pay their entire credit card bill each month, and pay their student loans on time and in full.



ATTITUDES TOWARDS FINANCE. Researchers also looked into student attitudes across a variety of finance-related topics. When asked about finance-related stress, an astounding 79.2 percent of students reported that they "frequently" worry about debt. Consider this statistic alongside the high level of student agreement with the following statements:

- **"Students have to go into debt"**
  (40.5 percent at least moderately agree)
- **"It's okay to have an overdraft fee if you know you can pay it off"**
  (60.1 percent at least moderately agree)
- **"Banks should not be surprised when students incur large debts"**
  (73.4 percent at least moderately agree)
- **"I like to own things that impress people"**
  (60.2 percent at least moderately agree)
- **"It's better to have something now and pay for it later"**
  (30.7 percent at least moderately agree)

These preliminary attitudinal results suggest that not only are students expressing some alarming attitudes toward finance-related behaviors, but they also may actually be engaging in some of these behaviors, causing a vast majority of students (79.2 percent, as referenced above) to feel increased levels of debt-related stress in their daily lives. These risky attitudes give us a look inside the beginning stages of students citing financial problems as a central source of difficulties with mental health, academic failure, and continued enrollment (Pleskac, et al., 2011).

79.2% worry about DEBT

TABLE 2: Regression analysis of holding a checking account impacting student finance-related attitudes and behaviors

OUTCOME	REGRESSION WEIGHT (β)	P-VALUE
More likely to report buying only things that they need	.059	.000
Less likely to report finance related stress	-.031	.041
More likely to follow a budget	.028	.043
More likely to pay their entire credit card bill each month	.018	.001
Less likely to participate in very high risk debt behavior – credit card cash advance	-.078	.000
Less likely to participate in very high risk debt behavior – payday lending	-.069	.000
More likely to report that they plan to start saving for retirement in the next year	.024	.005
More likely to pay their student loans payments on time	.034	.000
More likely to work (part-time, full-time, summer employment	.037	.000
More likely to use online banking	.450	.000

FACTOR ANALYSIS

These preliminary findings alone should challenge educators, policy makers, researchers, and financial institutions to mitigate these risky behaviors by addressing them early on. To help answer this call, investigators were able to empirically derive seven key factors of financial attitudes and behaviors (see table 3) that provide a helpful categorization for identifying and assisting students at risk. These factors were established using principal components factor analysis and varimax rotation. Overall, the Chronbach alphas ranged from α = .61 to .96, which suggests moderately high to extremely high reliability in the structure of the factors.

TABLE 3: Factor analysis of student financial attitudes and behaviors

FACTOR	SURVEY ITEMS INCLUDED IN THE FACTOR:
Cautious Financial Attitudes	"The lower a person's income, the more important it is to save money every month" "You should always save up first before buying something" "You should stay home rather than borrow money to go out for an evening out on the town" "Once you are in debt it is very difficult to get out" "Students should be discouraged from using credit cards" "I worry about debts"
Indulgence for Status and Social Gain	"I like to own things that impress people" "The things I own say a lot about how well I'm doing in life" "Some of the most important achievements in life include acquiring material possessions" "I admire people who own expensive homes, cars, and clothes" "I like a lot of luxury in my life"
Utilitarian Financial Behavior	"I don't pay much attention to the material objects other people have" "I try to keep my life simple, as far as possessions are concerned" "I don't place much emphasis on the amount of material objects people own as a sign of success" "I usually buy only the things I need" "I put less emphasis on material things than most people I know" "The things I own aren't at all that important to me"
Debt as a Necessity	"Debt is an integral part of today's lifestyle" "Taking out a loan is a good thing because it allows you to enjoy life as a student" "Students have to go into debt" "It is better to have something now and pay for it later"
Possessions Providing Happiness	"I'd be happier if I could afford to buy more things" "My life would be better if I owned certain things I don't have" "It sometimes bothers me quite a bit that I can't afford to buy all of the things that I'd like" [Reversed] "I wouldn't be any happier if I owned nicer things" [Reversed] "I have all the things I really need to enjoy life"

TABLE 3: Continued

FACTOR	SURVEY ITEMS INCLUDED IN THE FACTOR:
Spending Compulsion	"I enjoy spending money on things that aren't practical" "Buying things gives me a lot of pleasure" "If I have money left over at the end of a pay period, I just have to spend it"
Aversion to Debt	"There is no excuse for borrowing money" "Owing money is basically wrong" "Banks should not give interest free overdrafts to students" [Reversed] "It is okay to borrow money in order to buy food"

HIERARCHICAL REGRESSION

The factors were then analyzed to determine their level of impact on key financial outcomes, relative to the other factors. More specifically, hierarchical regression analysis was used to see how each of these factors impacted eight key measures of financial outcomes: being late on credit card payments; following a budget; structured savings; likelihood to withdraw from college; high-risk debt behavior (credit card cash advances, payday lenders, etc.); paying student loan on time and in full; having a checking account; and frequency of bank contact (visiting a bank branch or website). With hierarchical regression analysis we are able to essentially rank in order the level of impact each of these factors has on the eight key measures of financial outcomes, while partialling out the impact of all other factors (see table 4). Most of these factors played a significant predictive role with at least one of the key outcomes of interest. However, a few of the factors appear to play a more consistent and stronger role across many of the key outcomes.

The first of these is the **Cautious Financial Attitudes** factor. It was found that this factor significantly predicted the increased likelihood to follow a budget, decreased likelihood to withdraw from college, decreased likelihood to participate in high-risk debt behavior, and increased likelihood to have a checking account. This factor played the largest role in predicting the likelihood a student will be able to pay their loans on time and in full, while the factor's level of strength and magnitude of predictivity was far above and beyond the other significant factors.

Debt As Necessity was the second most important factor in terms of strength and magnitude of predictivity across multiple key outcomes. A student's report of the need to borrow money and the inevitability of debt appears to have a significantly negative impact on positive financial behaviors (e.g. having a checking account, paying student loans on time and in full, saving, and budgeting) and, conversely, positive impact on negative financial behaviors (e.g. high-risk debt behaviors, withdrawal from college, being late on credit card payment).

This is not to suggest that debt is considered entirely bad, or that even positive attitudes towards debt are undesirable. In fact, although this factor significantly predicted all of the key outcomes, the strength and magnitude of the relationship was far smaller than the other key factors. This may suggest that a low dose of positive perceptions of debt, paired with a healthy level of caution around debt, may actually be beneficial. And, this benefit may fade away as the level of caution decreases and a favorable view of debt increases.

The last, most significant predictor was **Spending Compulsion**. This factor is defined by a student's need to spend compulsively, either for a therapeutic purpose or by sheer necessity. This factor most strongly predicted the very high-risk key outcomes (not being in contact with a bank, not paying loans on time and in full, high-risk debt behavior, and being late on credit card bills).

Certain factors play a more consistent and stronger role across many of the key outcomes:

- Cautious Financial Attitudes
- Debt As Necessity
- Spending Compulsion

TABLE 4: Hierarchical regression analysis of student attitudes and behaviors impacting key measures of financial outcomes

KEY OUTCOMES:	SIGNIFICANT PREDICTORS (IN RANK ORDER)
Late on credit card payment (at least once in past year)	1) Spending compulsion (+) 2) Debt as a necessity (+) 3) Indulgence for status & social gain (+)
Follows a budget	1) Debt as a necessity (-) 2) Utilitarian financial behavior (+) 3) Cautious financial attitudes (+) 4) Spending compulsion (-) 5) Aversion to debt (+) 6) Indulgence for status & social gain (-)
Structured saving plan (5-10% of monthly income)	1) Debt as necessity (-) 2) Spending compulsion (-) 3) Indulgence for status & social gain (-)
Likelihood to withdraw from college (in the next year)	1) Cautious financial attitudes (-) 2) Debt as a necessity (+) 3) Spending compulsion (+)
High-risk debt behavior	1) Cautious financial attitudes (-) 2) Debt as a necessity (+) 3) Spending compulsion (+)
Paying student loans on time & in full	1) Cautious financial attitudes (+) 2) Debt as necessity (-) 3) Spending compulsion (-)
Having a checking account	1) Debt as necessity (-) 2) Cautious financial attitudes 3) Utilitarian financial behavior (+)
Frequency of bank contact	1) Utilitarian financial behavior (+) 2) Spending compulsion (-) 3) Debt as necessity (-)

Discussion

IMPLICATIONS

It is apparent that since the economic downturn, educators, policy makers, and researchers have brought financial literacy to the forefront of the discussion around recovery in an attempt to increase knowledge around finances—but there is still much work to be done. Much of the current research and educational programming is focused around the correct assumption that financial knowledge is one of the most significant predictors of increasing positive financial outcomes and decreasing negative outcomes. However, this investigation puts forward that a few very specific student attitudes and planned behaviors are playing a significant predictive role on these outcomes as well.

SUGGESTIONS FOR PRACTICE & RESEARCH

PRACTICE. As America's economy continues to maintain high unemployment, alongside skyrocketing school loan debt and the shifting workforce tide toward putting the responsibility of saving, retirement, and budgeting on the employee, it has become clear that adolescents and young adults need to be better equipped to make sound financial decisions.

It is critical to point out that addressing these issues cannot simply come through debt management, exit counseling, and other typical practices alone. Instead, equipping young people with the necessary tools to make good financial decisions must come through financial literacy education. The current investigation has led to three proposed central tenants of successful financial literacy education.

First, one area of difficulty for many education programs has been the struggle to get students to complete a financial literacy program. However, institutions that successfully implemented a **mandated financial literacy curriculum** (EverFi, Inc., 2011) have anecdotally seen dramatic results in terms of increased completion rates as well as increases of financial knowledge, attitudes, and behaviors.

Second, it cannot be assumed that implementing education at one point in time in an individual's life will have a life-changing effect. Instead, it's suggested that educators and policymakers **take a developmental perspective** on financial literacy education, where curriculum is implemented at multiple time points throughout an individual's childhood and adulthood. This approach fosters the need to provide frequent and relevant information during the correct developmental periods in an individual's life.

For example, a freshman in college may benefit most from education around school loans, budgeting while in school, and credit card behavior, whereas seniors in college may benefit more from education around budgeting for life on their own, retirement planning, and mortgages.

The third practice recommendation is to **take a population-level approach** to financial literacy education. Historically, much of the financial literacy education that is available to children, students, and adults is implemented for those who have already been identified as "at-risk" or are experiencing problems with debt, default, or other finance-related issues. However, in order to enact real and lasting social change it is essential to make financial literacy education compulsory for the nation's youth.

SUGGESTIONS FOR PRACTICE

- **IMPLEMENT A FINANCIAL LITERACY CURRICULUM**
- **TAKE A DEVELOPMENTAL PERSPECTIVE**
- **TAKE A POPULATION-LEVEL APPROACH**

RESEARCH. In addition to recommendations for practice, the current investigation also helps point to future research directions. There are four proposed future directions that researchers can take from this and previous literature.

First, the current investigation only looked at first-year college students, however it's critical to better understand how these attitudes, behaviors, and planned behaviors shift over time, throughout a student's college career. In order to adequately answer this call, researchers must **take a longitudinal approach** to this issue.

A longitudinal approach leads directly into the second recommendation, which is to **focus more on post-college outcomes.** Addressing these two recommendations will give researchers a clearer understanding of how these key factors impact students' lives long term, especially with post-college debt, saving, and budgeting behavior.

The third recommendation stems from much of the work of Lusardi and Mitchell, among others (2007, for example), suggesting financial literacy can vary greatly across different populations, namely vulnerable demographic populations such as the less educated, women, and individuals of color. In order to better understand the magnitude of impact for each of these established factors on finance-related outcomes, researchers need to **investigate the demographic variations of finance-related attitudes and behaviors.** In relation to looking at the demographic variations of student finance-related attitudes and behaviors, the fourth suggestion is that **future investigations would benefit from looking beyond the "traditional" college student** and working with non-college young adults, students at community colleges, and students at private sector colleges and universities.

Finally, as established by Pleskac and colleagues (2011) the key predictor of academic difficulty and withdrawal from college enrollment is debt and financial stress. This research suggests that there are also other important components of student life to consider when attempting to understand college student academic, financial, and social difficulties. Consequently, it's necessary to **investigate the co-morbidity between financial illiteracy and other problem behaviors.**

For example, researchers should look into the pathways between financial attitudes and behaviors with mental health, substance use, and social support of college students. This directly addresses the previously mentioned idea that the responsibility of addressing college student financial literacy cannot just fall in the lap of a financial aid department—it is the responsibility of the entire institution, which includes student affairs, counseling and psychological services, and academic affairs.

SUGGESTIONS FOR RESEARCH

- **TAKE A LONGITUDINAL APPROACH**
- **FOCUS MORE ON POST-COLLEGE OUTCOMES**
- **TAKE A POPULATION-LEVEL APPROACH**
- **INVESTIGATE THE DEMOGRAPHIC VARIATIONS OF FINANCE-RELATED ATTITUDES AND BEHAVIORS**
- **INVESTIGATE THE CO-MORBIDITY BETWEEN FINANCIAL ILLITERACY AND OTHER PROBLEM BEHAVIORS**

CONCLUSION. At matriculation, incoming college students are faced with critical decisions about college loans, credit cards, banking, and saving. Yet for many, the ability to successfully negotiate these and other decisions may be severely impeded by their existing finance-related behaviors and attitudes. The current investigation found that there are key factors that help predict student finance-related outcomes. This new information should compel researchers and policy makers to consider how to integrate student attitudes, behaviors, and planned behaviors (alongside student financial knowledge) into financial literacy curriculum to better address the financial futures of America's college students. Essentially, if there is hope to scaffold future generations forward in terms of financial literacy, it is necessary to consider integrating attitudes and behaviors pertaining to 1) Cautious financial attitudes, 2) Debt as necessity, and 3) Spending compulsion into financial literacy curriculum.

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Collaborators

ABOUT HIGHER ONE

Higher One is a leading company focused on creating cost-saving efficiencies for higher education institutions and providing high-value services to students. Higher One offers a wide array of technological services on campus, ranging from streamlining the institution's performance analytics and financial aid refund processes to offering students innovative banking services, tuition payment plans, and the basics of financial management. Higher One works closely with colleges and universities to allocate resources more efficiently in order to provide a higher quality of service and education to students.

Founded in 2000 on a college campus by students, Higher One now serves more than half of the higher education market, providing its services to over 1,300 campuses almost 11 million students at distinguished public and private institutions nationwide.

More information about Higher One can be found at ***www.higherone.com****.*

ABOUT EVERFI, INC.

EverFi, Inc. is the leading education technology company focused on teaching, assessing, and certifying K-12 and college students in the critical skills they need for life. The company is powering a national movement in 50 states that enables students to learn using the latest technology, including rich media, 3D gaming, simulations, social networking, and virtual worlds. EverFi's AlcoholEdu® for College is one of the few education technology programs proven to reduce student alcohol use and negative consequences, as demonstrated through independently conducted, empirical research funded by the National Institutes of Health. EverFi has reached more than 4.5 million students with its online learning platforms.

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