

Research on the Optimization Path of the Management of Financial Support for University and College Students from the Perspective of Financial Security—Reflections on the Illegal Campus Loan

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Abstract: *The rapid development of Internet finance has spawned a number of non-compliant campus lending platforms. These illegal institutions or platforms take advantage of the immature consumption concept and lack of discernment of college students under the banner of solving urgent needs, resulting in them falling into tremendous economic pressure, which undoubtedly buries major hidden dangers for their academic development and mental health. Accordingly, the causes and harm of illegal campus loans are analyzed from the perspective of financial security, and the widespread popularity of illegal campus loans has sounded the alarm for college students. Subsequently, the current situation of the management of financial support for university and college students is intensely studied, and the ways to optimize the management are explored, which may provide a new idea for contemporary college students to meet their necessary expenses through financial support for university and college students, such as part-time study, student loans, bursaries.*

Keywords: *Illegal campus loans; financial support for students; financial security*

1. Causes and Hazards of Illegal Campus Loan

With the annual increase of per capita GDP in China, household disposable income increases, and the consumption level of college students also increases. As a negative result, the increasing prevalence of unhealthy trends such as blind comparison on university campuses leads to students' irrational consumption. Obviously, the financial support for university and college students and the supply of loans from formal financial institutions cannot meet their growing consumer demand. Consequently, "illegal campus loan" has targeted college students as fraud targets through the platform of Internet finance and social tools, and has lured a wave of unvigilant college students with its advantages of low threshold and fast lending under the guise of "worry-free repayment". Unfortunately, they, who are not deeply involved in the world, have been caught up in the routine of "illegal campus loans". College students, which has no stable income, is unable to repay even if it tries its best because of its abnormally high interest rates. To make matters worse, interest rates are getting higher and higher, and they are stuck as soon as they borrow.

According to the analysis of illegal campus loan cases, some lenders are startlingly college students, and there is no shortage of students from well-off families. Illegal lenders continue to develop offline in the form of pyramid schemes to expand their business coverage, affecting more and more students. The frequent occurrence of illegal campus loan cases has aroused widespread concern from all walks of life, and the incident continues to ferment. Some students were not psychologically counseled in time, which led to tragedies due to the pressure of public opinion. This directly suggests that it is urgent to popularize the form and harm of illegal campus loans, support college students to establish a correct concept of consumption, curb the barbaric growth of illegal campus loans, improve the management of financial support for university and college students and assist college students complete their studies smoothly.

2. Current Situation of the Management of Financial Support for University and College Students

2.1. Policy System of the Financial Support for University and College Students

Colleges and universities are the bridge for students to transform their role into social people. Usually, colleges and universities will establish a student financial assistance system, including student loans, scholarships, part-time study, subsidies for students in need, interns subsidies, temporary difficulties subsidies, etc. (see Table 1 for details), so as to open up a green channel for them, especially those with financial difficulties, and reduce their financial burden. Table 1 is compiled according to the Ningbo Student Financial Assistance Policy Compilation released by Ningbo Municipal Education Bureau in June 2022 and the Student Financial Assistance Policy of Ningbo College of Health Sciences released by Ningbo College of Health Sciences in August 2022.[1]

Table 1: Policy and Standards of the Financial Support for University and College Students.

Level	Policy	Standards
National level	National scholarship	CNY 8,000 per year for undergraduate / junior college students CNY 30,000 per year for doctoral students CNY 20,000 per year for postgraduates
	Postgraduate scholarship	CNY 10,000 per year for doctoral students CNY 8,000 per year for postgraduates
	National Encouragement Scholarship	CNY 5000 per year for each student
	State grants	Average CNY 3300 per year for each undergraduate / junior college student (Ningbo: CNY 5,500 per year for special poverty, CNY 2,860 per year for general difficulties, and CNY 3,300 per year for retired soldiers) CNY 15,000 per year for doctoral students CNY 6,000 per year for postgraduates
	State student loans	≤ CNY 12,000 per year for each undergraduate / junior college student ≤ CNY 16,000 per year for each graduate student
	Tuition compensation / fee remission / National Student loan compensation for enlisted students	≤ CNY 12,000 per year for each undergraduate / junior college student ≤ CNY 16,000 per year for each graduate student
	Education subsidy for retired soldiers	Subsidy according to the actual amount of tuition fees paid. ≤ CNY 12,000 per year for each student
	Provincial level	Zhejiang provincial government scholarship
School level (take Ningbo College of Health Sciences as an example)	11 school scholarship programs, such as comprehensive scholarship, individual scholarship	Subject to the provisions of the school scholarship documents
	9 school support programs, such as school grants, hardship subsidies, meals, internship subsidies	Subject to the provisions of the school scholarship documents
	Enterprises, social organizations and individuals have donated 10 social scholarships and 2 social grants for a total of 12	Subject to the donation agreement
	Work-study fee, WeChat (official account operation) contribution fee, research support service fee, etc.	Not lower than the current part-time minimum hourly wage in Ningbo
	Green channel	Provide financial assistance after enrollment and identification of family difficulties

2.2. Challenges of the Management of Financial Support for University and College Students

Currently, there are some problems in colleges and universities, such as insufficient popularization of financial support policy, lax examination of financial support object, credit risk of loan students, single source of financial support, etc., which make the object of financial support inaccurate and the supply of funds insufficient.

2.2.1. Single source, and weak social supply

According to the investigation and statistics[2], the financial support for university and college students mainly comes from financial allocation income, while other sources show a trend of weak growth or even negative growth, which may lead in limited scope and credits for support. As a result, it is almost unable to broaden the coverage of financial support, or increase financial assistance.

2.2.2. Difficult to examine the support object and there is a credit risk

On college campuses, there are fake poor students who submit false certificates to meet their non-essential expenses (such as buying iPhones, traveling, socializing). Their false content under the cover of real stamping material. If there is no background check one by one, it is difficult to tell the authenticity of the financial support application information provided by students. Unfortunately, the workload of background checks is huge. Teachers in charge of student financial assistance services often carry multiple job responsibilities at the same time, suggesting that visits and surveys are difficult for them, which may lead to fake poor students occupying the number of really poor students. Finally, the financial support for university and college students may not be implemented, leading to the inability to help the students who really need help.

2.2.3. The popularization of financial support policy is not enough and its coverage is limited

In addition to school scholarships and grants, a large number of college students know little about other financial support policies. Even if they meet the application requirements, they do not know how to apply, resulting in missing the application time and unable to receive education assistance when they are most needed to make up for the shortfall in tuition, accommodation and living expenses. As a result, the role of financial support cannot be brought into full play.

3. Optimization Path of the Management of Financial Support for University and College Students from The Perspective of Financial Security

With the gradual advancement of the digital reform process, the implementation of measures such as improving the financial support management system, establishing a student personal credit reporting system, dynamically investigating the economic situation of students' families, establishing a punishment system for untrustworthiness and risk compensation mechanisms, and accurately and efficiently using financial support under the premise of effectively ensuring the financial security of colleges and universities will promote educational equity, improve the quality of education, and effectively play the role of financial support, which will inevitably be beneficial to help students in difficulty successfully complete their studies, improve family economic conditions by themselves, and realize their own and social value.

3.1. Establish a growth-oriented support and education system to diversify the usage

At the time of the overall victory of poverty alleviation in 2021, contemporary college students have the need to realize their personal value in addition to their basic material needs (according to Maslow's hierarchy of needs theory). The mission of financial support should not stay on ensuring the minimum material security of poor students, but should also consider the construction of a growth-oriented financial support education system (five major needs and ten subsidies) from the omnidirectional needs of students' growth and development.

First of all, the five core needs of college students in the process of growing up are physical and mental health, learning ability, life skills, work skills and interpersonal communication. Subsequently, colleges and universities should support them with corresponding funding on this basis, that is, scholarships, student loans, part-time work, difficult assistance, skills training, further education guidance, employment guidance, entrepreneurship subsidies, community activities, psychological counseling. Finally, the relevant system of financial assistance for college students should be improved and the implementation rigidity of the system should be strengthened to ensure the all-round development of students. See Figure 1.

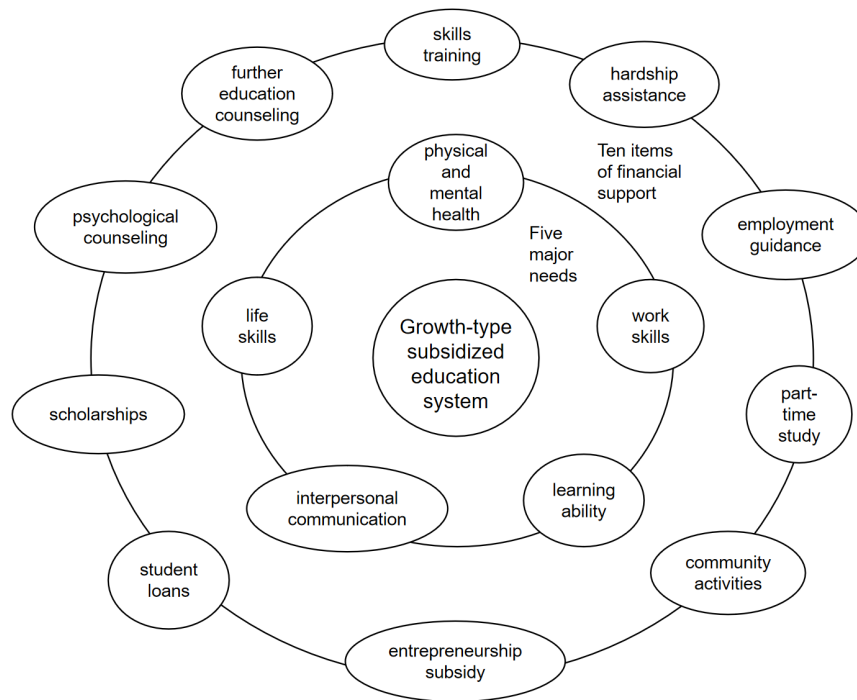


Figure 1: Growth-type subsidized education system.

3.2. Establish a financial support management platform using digital technology to ensure the accuracy of financial support objects

In the information age, blockchain technology has many advantages, such as decentralization, data traceability, information transparency, etc.[3] For the lack of integrity of some students, digital science and technology such as blockchain technology can be used to realize the connection between the information platform of financial support management and various departments such as education departments, credit management departments, banks and other units, so as to give full play to the role of data and reduce the workload of teachers and students. The establishment of students' personal credit information system will enable the accurate identification of financial support objects, so as to ensure that the funding is implemented and maximize the effectiveness of financial support. Students who break their promises should be blacklisted, which suggests that a disciplinary system for breach of trust and a risk compensation mechanism for financial support should be established.

3.3. Deepen the cooperation between schools and enterprises, introduce social capital and increase the reservoir of subsidized funds

In the financial support for university and college students dominated by government capital, colleges and universities need to reserve a certain amount of social capital as a supplement to promote the all-round development of students. Therefore, it is necessary to deepen the cooperation between schools and enterprises to introduce social capital to increase the reservoir of financial support to widen the coverage and amount of financial support to subsidized students.

4. Conclusion

Illegal campus loans grow savagely, even intertwined with financial fraud, telecommunications fraud and other new types of fraud, making it difficult to be distinguished. College students should actively participate in the campus safety propaganda carried out by the school to guard against illegal campus loans and anti-fraud knowledge, and establish a scientific and rational consumption concept through the national anti-fraud center APP to identify illegal campus loans and network fraud, so as to avoid falling into the routine of illegal campus loans and seek help through legal channels. As far as colleges and universities are concerned, the financial support work of college students is related to the fairness of education, which is a major event related to the people's livelihood and the foothold of the 20th CPC National Congress that we should do a good job in the education to the satisfaction of the

people. Therefore, it is necessary to be highly valued. Specifically, we should build a growth-oriented financial support education system, use digital technology to establish a financial support management platform, deepen the cooperation between schools and enterprises, and promote the diversification of student funding sources, the accuracy of financial support objects and the maximization of effectiveness, so as to illuminate every student's way to grow up with the light of financial support.

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