In College, Time Is Money

Educating students about their financial choices

by David E. Eisler and Scott Garrison

As graduation season approaches, college students around the country are preparing to embark on their careers—and preparing themselves to pay for the degree they earned.

According to the Institute for College Access and Success, from 1993 to 2012, average student debt rose from $9,450 to $29,400. Additionally, the number of seniors graduating with loans has increased from 47% to 71%. Data for heads of households under 40 years of age shows that student debt results in higher levels of credit card, auto loan, and other debt.

The problem is even worse for nongraduates, who accrue per-credit loan debt (the amount of debt a student takes on to pay for courses) at a rate nearly 50% higher than degree earners, according to the National Center for Educational Statistics. They face this debt without the earning benefit of a college education.

So what can libraries do to help? Academic libraries are uniquely positioned to provide financial literacy services to students. As natural, experienced partners, libraries can work with financial aid offices, academic advisors, and student life specialists to highlight this problem, share information, and educate students about their financial choices. While there is agreement on the critical importance of financial literacy, few colleges have embedded this topic within their curricula in more than a superficial manner. Academic libraries can and need to help fill this gap.

There are a number of ways to do this, from creating individual campus initiatives to supporting national programs. Last year, Ferris State University's Library for Information, Technology, and Education was one of more than 700 libraries of all types to participate in financial awareness and literacy efforts on campus and in the community during Money Smart Week (money smartweek.org).

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Money Smart Week 2015 takes place April 18–25.

Thanks in large part to the increased financial literacy of Ferris students, last year we reduced the average debt of our graduates by $1,860. Our approach is four-part: containing costs, increasing institutional financial aid support, doubling our scholarship base, and reducing time to degree by one year.

Libraries help students realize that proactive strategies, especially reducing the time it takes to get a degree, will save them thousands of dollars in the long run—even if that means taking challenging course loads and forgoing, when possible, part-time jobs in order to study. Academic libraries can also be more intentional in how they use student employees, allowing them to provide peer-to-peer services for research, writing, and other student needs, which can help students graduate faster and more efficiently while also fostering career skills.

There are exciting opportunities for libraries, working in collaboration with faculty, to explore new approaches to classroom texts. This could be anything from literature classes using electronic copies of public domain works, to science classes employing collaboratively created Open Educational Resources, potentially saving students hundreds of dollars per semester. Librarians can help their faculty colleagues navigate such related issues as open access, fair use, and copyright laws.

Each of us undoubtedly knows a student who is struggling under the burden of college loans. This is not the future we want for the very people we have dedicated our careers to helping. Working together we can make a difference for our students, preparing them for the opportunities we know a college education creates, rather than watching them fall into financial hardship that may take them decades to overcome.

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