

New Trend in Education Finance Counseling Programs

By Carina Zaragoza

Student indebtedness has been a hot topic as of late, and some schools are taking it upon themselves to educate their students about finance management. Some schools, such as Bowling Green State University, have implemented counseling programs that are separate from financial aid offices.

Financial aid offices will always be necessary and fulfill the role of processing aid for students to pay for the cost of attendance. However, Bowling Green's [Student Money Management Services](#) is focused on educating students about financial management matters ranging from borrowing loans to managing credit card and other types of debt. Students can make appointments to meet with counselors, who are either employed or are volunteering, to discuss basics like how to balance a checkbook as well as more substantial subjects like repaying student loans.

Counseling programs are kept separate from financial aid offices to ensure there is no confusion between the mission of counseling programs and the role of financial aid offices. Counseling programs focus on financial literacy, while financial aid offices deal solely with the financial aid process.

Bowling Green's counseling services are modeled after similar programs at the University of North Texas (UNT) and Texas Tech University. UNT's [Student Money Management Center](#) was opened in 2005 and has won a state award for providing essential services and finance education to students. Texas Tech's [program](#), Red to Black, is student run and was developed in 2001.

Major impetuses for creating such counseling programs for students are the increased need to borrow loans to pay for school as well as the use of credit cards to pay for college expenses. One [report](#), published by the U.S. Public Interest Research Group, found that students use credit cards to pay for books and even tuition.

A large contributing factor to this increased use of credit cards by students is the plethora of companies who market to students, many times on campus. Colleges themselves enter into agreements that allow on-campus marketing to students, a practice that has come under fire.

Duane E. Whitmire, director of Bowling Green's counseling program, believes "the same critical-thinking skills taught in academic classes can be applied to financial management" and tries to impart this knowledge to students.

There are about 20 programs offering this type of financial counseling in colleges nationwide.

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