

For Immediate Release
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College Professors and Administrators Say Students Need Financial Education

October 28, 2010—On today's college campuses, almost all professors and administrators know students who have dropped out of school due to financial problems. College students have the second-highest personal bankruptcy rate in the U.S., and student loan defaults are on the rise.

In an informal survey of university and college administrators and professors conducted by The EDSA Group, all respondents said that students need help understanding how to manage their money. Ninety percent of survey respondents have known students who have left college because of financial issues.

"Since financial stress is a leading cause of dropouts, we wanted to ask professors and administrators for their perspective," said Susan Windham, chief executive officer of The EDSA Group. "All survey participants said students need money skills, but only 21 percent said their schools are providing adequate education to teach those skills."

Individuals surveyed said that the money skills students need include budgeting, goal setting, managing credit cards, and understanding student loans and the financial impact of major life decisions. Eighty-four percent of survey respondents said there are barriers to providing students with needed financial education. The leading barrier reported was funding.

"It's a Catch-22," said Windham. "As more students drop out due to financial reasons, schools have less income, so they increase recruiting expenses to replace lost students, while they cut classes and professors. With fewer teachers, they can't add new financial education programs." As a result, some colleges and universities are offering online programs to teach money management skills. Students can learn in a format that is flexible, accessible, self-paced, and inexpensive.

[Good Money Habits for Students](#) is an online financial management class that can be provided as a stand-alone program or integrated into a broader curriculum in a pass/fail format or as a graded course. The program allows students to work offline and apply lessons to their own circumstances.

Once learned, money management skills can last a lifetime. They can help students stay in school and pursue their goals, setting them up for success in school and in life. "It's important to teach college students good financial habits before they get deep into debt," Windham said. "Students who learn how to manage their money are more likely to stay in school and graduate, earning more money over their careers."

ABOUT GOODMONEYHABITS FOR STUDENTS

Used by colleges and universities throughout the U.S., [Good Money Habits for Students](#) is an online financial education program to teach financial skills to college students. It offers a complete curriculum with interactive exercises, downloadable software, learning tools, tests and final exam to help students learn vital money management skills.