Morgan State Promotes Financial Literacy

by Dr. Marybeth Gasman

All too often, students rack up a great amount of debt while in college and this practice sets them up for failure once they earn their degree. The combination of credit card and student loan debt is often too much to bear and leads to default on student loan repayment and poor credit scores.

These issues have been of particular concern on HBCU campuses as many students come from low-income families and as a result they do not have a safety net upon which to fall back. At Morgan State University, the Office of Student Success and Retention (OSSR) is working to counter the student debt problem creating a Financial Literacy Program. According to Tiffany Mfume, Director of OSSR, the program aims to “reverse the cycle of low family income and socio-economic status by enhancing the financial literacy.”

The Financial Literacy Program is successful for a variety of reasons. First, it is based on multiple partnerships with financial institutions as well as AmeriCorp/VISTA. In fact, AmeriCorp/VISTA provides a financial literacy coordinator for the program. The financial institutions, including PNC Bank, provide student workshops focused on money management, establishing and managing credit, and budgeting. Students learn how to reduce credit card usage, to pay their bills promptly, to pay cash for those things that they want, and to pay more than minimum payments on credit cards.

Of note, this past year, the program hosted DeForest Soaries, the author of dfree: Breaking Free from Financial Slavery, at its annual kickoff. One of the most interesting aspects of Morgan’s financial literacy program is its focus on athletic teams. Three of the institution’s athletic teams – football, track, and volleyball – require participation in the Financial Literacy Program this year.

The OSSR office also partners with USA Funds, which gives Morgan students free access to their on-line LifeSkills financial literacy curriculum. Next year, the institution is going to begin to require all students who submit a financial aid appeal to complete the on-line course. The institution has put many safety nets in place to provide education at multiple points in a student’s college education.

The Financial Literacy Program at Morgan has been recognized nationally as well. The White House Initiative on HBCUs selected the institution to partner with FDIC and MoneySmart to offer a financial curriculum, using 16 peer ambassadors, to train and engage students in financial literacy workshops. Research shows that peer teaching is most effective when trying to improve life skills, including financial literacy.

More colleges and universities, including HBCUs, need to adopt and require similar programs. All too often college students have no concept of how to manage their finances while in college or after graduating. They graduate with academic skills and intellectual knowledge but without the financial skills to ensure their success and their future.

A professor of higher education at the University of Pennsylvania, Dr. Marybeth Gasman is the author of Envisioning Black Colleges: A History of the United Negro College Fund (Johns
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