

How to say no to student loans, yes to college and saving money

Susan Beacham

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Is it impossible for a child to graduate from college free and clear of debt? Nobody even talks about a "debt-free" matriculation. Most of us just assume that graduation and debt go hand-in-hand.

According to the Project on Student Debt, the average debt level for graduating seniors with student loans rose to \$23,200 in 2008 – a 24% increase from \$18,650 in 2004. What's more, 67% of students graduating from four-year colleges and universities have student debt. Add to this debt load the inevitable credit card debt kids accumulate and well, it's getting harder to defend the decision to get a college education if the price is really that high – especially in light of the grim prospects of getting a decent job once you graduate.



pictured: Susan Beacham

Many college students today who take on student debt see no way around this mess. Citing "no parental support" nor access to funding from the university they have chosen, they face only one other option – loans from Sallie Mae. "A couple of months before I moved East, I examined my finances," writes Emily Schmitt in her story "Student Loans: A Bitter Financial Lesson." "I had two options: first, not to go to grad school; and second, to fund most of my education with student loans. NYU ain't cheap. My tuition runs upwards of \$15,000 per semester," she explained.

Emily took out the loans. Emily felt she "had no alternatives." Really Emily?

Here's a thought: Work and save and then go to grad school. Or, find a cheaper grad school. Admittedly this is easier advice to take when it comes to a post graduate degree – but what about college? Should kids wait if they cannot afford to go to school? Should they work and save and then attend?

Like Emily, I was faced with no parental support. My parents did not go to college and the day after I graduated from high school, I was on my way to a full-time job: the kind that you get when you do not have a college degree. In other words, not great.

On the way home from work about 3 months into my new job, I ran into the wife of one of my former middle school teachers. She was surprised to see me on the bus and asked why I was not at college. I had no answer. She explained that she was attending college classes on Friday night, Saturday and Sunday. This allowed her to work during the week and get her education on the weekend.

I graduated from this "weekend college" three years later. I worked all week, attended classes on the weekends and then all summer so I could get done faster. I paid for college out of my paycheck. I lived at home until I graduated. Not a dime of debt. My "weekend college" was a private school to boot.

I am uneasy when I read and hear kids say that they have no alternatives to taking on student debt. And I do understand that yes, colleges are more expensive today than they were a generation ago. But we, the media, have made this inevitable debt their reality. It's nonsense. It's the talk of a generation of kids who see college as a given – an entitlement. Well, that is just not so – never has been so – and is even less so nowadays.

College is a privilege. Here is how you get this education without incurring crippling debt:

You can save for it. Kids should work in high school. Consider it another sport. Except this sport pays hard cold cash. Make sure the money earned gets saved and invested so it can cover as much of the college experience as possible.

You can work while you attend a community college. Community colleges provide good, affordable education. If it really is "education" you are looking for, and you are short on funds, start there.

You can try to place out of classes with some hard work in high school before you attend, thereby reducing your overall cost. My oldest submitted a writing portfolio in her senior year of high school to earn 6 credits before she even started attending class. The fee? \$30. Investigate thoroughly every opportunity you have available to you to reduce your costs.

You can apply for every grant and scholarship your school has to offer. Visit your high school counselor. Make your appointment no later than your junior year so you know what you will need to do to apply for this kind of financial support.

If your school does not have a college resource, take a look at CollegeScholarships.org. This is a good place to start your search for local funding. I like this site because they list a broad array of funding opportunities without asking for information from you.

Bottom line – getting a college degree does not have to include debt. There are more options than you think. To keep it as close to debt-free as possible you may have to take longer to make it happen – but in the long run, it's worth the freedom from debt at graduation.

Susan Beacham is an award-winning children's author, financial literacy expert and CEO of Money Savvy Generation, a financial education company that creates solutions to help kids get smart about money. Questions or comments? Susan would love to hear from you at susan@msgen.com.