

# How America Pays for College

2015 Sallie Mae's National Study of College Students and Parents



## About Sallie Mae®

**Sallie Mae** is the nation's saving, planning, and paying for college company. Over the course of our 43-year history, we have helped more than 31 million Americans make their dream of higher education a reality. Whether college is a long way off or just around the corner, we help customers develop responsible personal financial habits through products and services that help them dream, invest, and succeed.

For more than a decade, we have recommended students and families follow our 1-2-3 Approach to Paying for College:

- 1. Start with money you won't have to repay.**  
Supplement your college savings and income by maximizing scholarships, grants, and work-study.
- 2. Explore federal student loans.** Apply by completing the Free Application for Federal Student Aid.
- 3. Consider a responsible private education loan.**  
Fill the gap between your available resources and the cost of college.

Sallie Mae offers a range of products and services that help families along their college financing journey. Upromise® by Sallie Mae offers simple ways for families to save for college by earning cash back on things they already do and buy. Sallie Mae offers High-Yield Savings Accounts, Certificates of Deposit, and Money Market Accounts\* that help families grow their college savings over time.

Sallie Mae also provides information, resources, and free tools including the College Planning Calculator<sup>SM</sup>, Scholarship Search, and the College Ahead<sup>SM</sup> mobile app; and private education loans to help students responsibly pay for college, including the Smart Option Student Loan®.

For more information on how Sallie Mae helps families save, plan, and pay for college, visit [SallieMae.com](http://SallieMae.com), or [SallieMae.com/PlanforCollege](http://SallieMae.com/PlanforCollege) to access our free planning tools and resources.

To join in the conversation around saving, planning, and paying for college, visit [Facebook.com/SallieMae](https://www.facebook.com/SallieMae) or use #HowAmericaPays.

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# Table of Contents

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1: About This Study .....	6
2: Overview of Findings.....	7
3: Detailed Findings.....	9
Attitudes and Influence on Paying for College .....	9
Families Spent More on College.....	9
Belt-Tightening Measures Loosen Somewhat.....	10
Changing Enrollment Plans .....	12
Parents Are Less Worried .....	12
How Families Are Paying for College .....	14
Sources and Share of Funding.....	14
Impact of Income.....	15
Impact of School Type.....	16
Role of Borrowing in Paying for College .....	16
Creating a Plan to Pay for College .....	19
Frequency of Resources Used .....	19
College-Going Personas.....	21
Procrastinators .....	22
American Dreamers.....	22
Reluctant Borrowers.....	23
Determined.....	23
Working Students Are the Norm .....	24
Personas and Working Students .....	24
Graduate School Plans .....	25
Conclusion .....	26
4: Data Tables .....	27
5: Technical Notes .....	60

Figures

Figure 1: Average Amount Spent on College, Over Time .....9

Figure 2: Average Amount Spent on College, by School Type, Over Time .....10

Figure 3: Proportion of Families Taking Cost-Saving Measures, Year-over-Year .....11

Figure 4: Cumulative Proportion of Families Who Eliminated Colleges from Selection Due to Cost, Over Time .....12

Figure 5: Extreme Worry, Year-over-Year .....13

Figure 6: How the Typical Family Pays for College 2014-15, Average Percent of Total Cost Paid from Each Source .....14

Figure 7a: How the Typical Family Pays for College, Average Amount, Year-over-Year .....14

Figure 7b: How the Typical Family Pays for College, Funding Source Share, Year-over-Year .....14

Figure 8a: How the Typical Family Pays for College, by Income .....15

Figure 8b: Funding Source Share, by Income .....15

Figure 9a: How the Typical Family Pays for College, by School Type .....16

Figure 9b: Funding Source Share, by School Type .....16

Figure 10: Student Loan Borrowing, by Type .....17

Figure 11a: How the Typical Family Pays for College, by Borrowing Status .....17

Figure 11b: Funding Source Share, by Borrowing Status .....17

Figure 12: Distribution of Personas .....21

## Tables

Table 1a The Role of Various Non-Borrowed Funding Sources Used to Pay for College, Frequency of Sources and Average Amounts Used .....	20
Table 1b The Role of Various Borrowed Funding Sources Used to Pay for College, Frequency of Sources and Average Amounts Used .....	20
Table 2a Composite of College Funding Sources: Average Value Contributed from Each Source, by Income Level .....	27
Table 2b Composite of College Funding Sources: Average Value Contributed from Each Source, by Race or Ethnicity .....	28
Table 2c Composite of College Funding Sources: Average Value Contributed from Each Source, by School Type .....	29
Table 2d Composite of College Funding Sources: Average Value Contributed from Each Source, by Borrowing Status .....	30
Table 3a Composite of College Funding Sources: Average Percent of Total Cost of Attendance Met by Each Source, by Income Level .....	31
Table 3b Composite of College Funding Sources: Average Percent of Total Cost of Attendance Met by Each Source, by Race or Ethnicity .....	32
Table 3c Composite of College Funding Sources: Average Percent of Total Cost of Attendance Met by Each Source, by School Type .....	33
Table 3d Composite of College Funding Sources: Average Percent of Total Cost of Attendance Met by Each Source, by Borrowing Status .....	34
Table 4 Grant Use and Average Amounts .....	35
Table 5 Scholarship Use and Average Amounts .....	35
Table 6 Scholarship Source .....	36
Table 7 Use of Funds from Relatives and Friends .....	36
Table 7a Use of Funds from Crowdsourcing .....	36
Table 8 Use of Student Income and Savings .....	37
Table 9 Use of Parent Income and Savings .....	37
Table 10 Who Contributed Borrowed Funds .....	38
Table 11 Use of Parent Borrowed Funds .....	39
Table 12 Use of Student Borrowed Funds .....	39
Table 13 Enrollment by Type of School .....	40
Table 14 Enrollment by Home State .....	41
Table 15 Student Course of Study .....	41
Table 16 Enrolled School and Plan to Attend .....	42
Table 17 Reasons for Not Enrolling in School Originally Planned to Attend .....	43
Table 18 Reasons for Changing Schools after Enrolling .....	43
Table 19 Degree Type Expected to Earn .....	44
Table 20 Number of Years to Degree Achievement .....	45
Table 21 Planning on Graduate School .....	46
Table 22 Attitudes toward College, Rated Strongly Agree .....	47
Table 23 Attitudes toward College, Scale 1-5 .....	47
Table 24 Reasons for Continuing Education, Rated Strongly Agree .....	48
Table 25 Reasons for Continuing Education, Scale 1-5 .....	48
Table 26 Planning to Pay for College, Rated Strongly Agree .....	49
Table 27 Planning to Pay for College, Scale 1-5 .....	49
Table 28 Planned to Borrow .....	50
Table 29 Planning Resources .....	51
Table 30 Elimination of Colleges Based on Cost, Yes at Each Point .....	52
Table 31 Elimination of Colleges Based on Cost, Cumulative after Each Point .....	53
Table 32 Completed FAFSA Application .....	54
Table 33 More Affordable Actions .....	55
Table 34 Working Students .....	56
Table 35 Types of Student Employment .....	57
Table 36 Number of Hours Worked .....	57
Table 37 Parent Economic Concerns, Rated Extremely Worried .....	58
Table 38 Parent Economic Concerns, Scale 1-5 .....	59

# 1 About This Study

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*How America Pays for College*, a Sallie Mae® national study conducted by Ipsos, gathers information directly from families about how and how much they paid for college in the most recent academic year.

*How America Pays for College 2015* marks the eighth time Sallie Mae has reported on the sources of funds parents and students use to pay for college, the amounts they are spending, and their thoughts on the cost and value of higher education.

This report reflects the results of telephone interviews Ipsos conducted during April 2015 with

- 800 parents of children between the ages of 18 and 24 who are enrolled as undergraduate students, and
- 800 students between the ages of 18 and 24 who are enrolled as undergraduates.

This study does not include families of students who chose not to enroll in higher education this year.

Data in this report are gathered on an academic-year basis (July 1 to June 30) and reflect survey respondents' estimates for one year of college. Dollar amounts reported by parents and students are gross costs (before any financial aid is applied) and include their estimates of direct and indirect costs of attending college, including cost-of-living and other expenses. Dollar amounts attributed to parents and students represent their responses; use of the words "cost" and "spend," for example, refers to information they provide, which may differ from what colleges charge.

The timing of interviews improves the likelihood that responses reflect actual, not projected, amounts for any given academic year.

Dollar and proportional amounts in this report are averages that reflect composite representations computed using a formula that spreads individual responses across all survey respondents. Results of these calculations are in Tables 2a-2d and 3a-3d.

The survey sample comprises a cross-section of key demographic variables. Interviews were conducted in English and Spanish. This report includes a full set of response tables and each itemized question. Reported frequencies may not add up to 100 percent due to rounding. For details on methodology, including sampling, weighting, and margin of error, please see the Technical Notes section.

For year-over-year comparison purposes, the report references the survey year (e.g., 2015, 2014, 2013, etc.). Questions about paying for college specifically reference the July 1 – June 30 academic year ending in the year referenced. Thus the survey conducted in 2015 covers amounts paid in academic year 2014-15.

As the nation's saving, planning, and paying for college company, Sallie Mae is committed to reporting findings from *How America Pays for College* on a regular basis, along with our companion study, *How America Saves for College*.




# 2 Overview

## How Much Families Spent on College

Sallie Mae’s *How America Pays for College 2015* found families spent, on average, \$24,164 for college in academic year 2014-15, a 16-percent increase compared to 2013-14, and the first significant increase in this study in five years.

Spending on college increased for all income groups. A significant 25-percent increase in spending by high-income families was largely responsible for this overall rise.

 The rising cost of college undoubtedly influenced families’ increased spending on college. Additionally, though, families may have paid more for college this year, compared with the prior four years, because they felt economically ready to spend more.

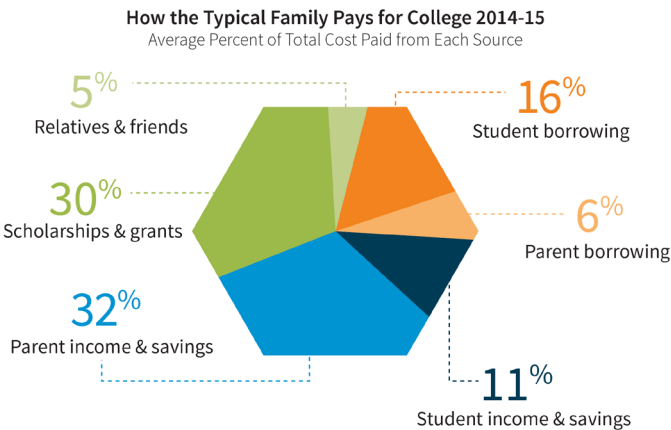
The proportion of families who took actions to make college more affordable grew over the prior five years; however, this year, there was no growth in the number of families taking affordable actions, and in several areas, there was a decline. Specifically, fewer families chose a school close to home to reduce transportation costs, and fewer students were living at home while going to college.

Separately, compared with the prior five years, fewer families reported eliminating colleges from their potential selection set due to cost.


Finally, parents were less worried about economic factors most likely to affect their ability to pay for college. Most notably, fewer parents were extremely worried that earned income will decline due to job loss. Thirty-three percent of parents had been extremely worried about that in 2010. This worry dropped to 23 percent in 2014, and to 17 percent this year.

## How Families Paid for College

Current assets paid the largest share of college costs—43 percent—when combining both parent contributions (32%) and student contributions (11%). External assets paid the next largest share, 35 percent of costs, with scholarships covering 17 percent, grants 13 percent, and friends and family 5 percent. Combined borrowing by the student (16%) and parent (6%) paid 22 percent of college costs.



Another factor influencing families’ higher spend on college this year may have been they had more resources to spend, particularly parent earnings, than in the previous four years.

 Parents, who increased their current asset contributions in 2014, again increased their contributions from this category in 2015. As a result, parent contributions surpassed scholarships and grants as the largest funding source for the first time since 2010. Although contributions from parent savings remained stagnant, parents contributed 40 percent more from their current income than they had in 2013-14.

Although borrowing accounted for 22 percent of the amount American families paid for college in 2014-15, most families do not borrow to pay for college in any given year. This year, 38 percent of families borrowed to pay for college, though that ratio varied by school type. Fifty-six percent of those at four-year private colleges borrowed, 43 percent at four-year public colleges, and 22 percent of those at two-year public colleges.



The primary responsibility for borrowing fell to the student. Among families who borrowed, students borrowed in 83 percent of families and parents in 28 percent. Students signed for nearly three-quarters of the dollars borrowed.

Families who borrow appear to use borrowed money to reach for a more expensive college experience and spent, on average, 34 percent more on college (\$28,386) than families who didn't borrow (\$21,219). On the one hand, borrowers are more likely to seek alternate sources of funds to borrowing, such as financial aid, tax credits, and student earned income, than non-borrowers. On the other hand, they are more likely to be enrolled in more expensive institutions, such as private, four-year colleges, and less likely to choose the lowest-cost housing option of living at home.

## Attitudes and Behaviors of Parents and College Students

Overall, American families with a child enrolled in college place a high premium on a college education. From 2009-15, an average of 97 percent of *How America Pays for College* respondents agreed that college is an investment in the future. Nearly nine in 10 (88%) agreed that they were willing to stretch themselves financially to obtain the best opportunity for the student's future. These attitudes are not universal, however, as seen in the four persona types: "Procrastinators," "American Dreamers," "Reluctant Borrowers," and "Determined."

"Procrastinators" seem most concerned about cost, and were most likely to have considered not attending due to cost. "American Dreamers" are the most optimistic about the value of college, and were the most likely to agree they are willing to stretch financially to get there. "Reluctant Borrowers" are a bit more practical than other personas, seeing college as a means to an end. "Determined" are unwavering advocates for higher education, and were the most prepared for college financially.



Two in five families reported having created a plan to pay for all years of college before their child enrolled. Those with plans were twice as likely as non-planners to strongly agree that the family expected the student to attend college, and a greater proportion strongly agreed they were willing to stretch financially to obtain college for the student. These attitudes may be key to motivating families to create a plan. The result of planning has tangible benefits: parents are able to pay a larger share of costs out of pocket—even while spending more on college—and students borrow less.

Looking beyond an undergraduate education, nearly half of the respondents (45%) indicated the student intends to pursue a graduate degree, about two-thirds of those directly after college. Social science majors were most likely to say they planned to attend graduate school (67%).

Nearly three-fourths of students worked at some point during the previous academic year. More than half of college students (52%) reported working year-round, and working an average of 22 hours per week. Students who worked year-round paid more of their own college costs, and were more likely to be living at home.



College students and parents of undergraduates have placed a high value on college every year since this study began. For the four years prior to 2015, however, they restrained their college spending. *How America Pays for College 2015* shows that families are spending more on college, likely driven in part by parents feeling less constrained economically. Current income from parents was the most frequently used source of funds among all families, and this year, given the increased amounts parents contributed from their income, parent current assets rose to the top of the list of college funding resources.

Families continued to be prudent in their financial choices. The majority considered cost when choosing a school, the majority took multiple affordability steps, and the majority of students worked while enrolled. At the same time, they seem to have been less cautious than in prior years regarding cost-saving actions. Parents were less worried about economic issues and families increased spending in accessing the opportunity of higher education.





# 3 Detailed Findings

## Attitudes and Influence on Paying for College

*How America Pays for College* clearly shows that **American families with a child enrolled in college place a high premium on a college education.** From 2009-15, an average of 97 percent agreed (either strongly or somewhat) that college is an investment in the future, and eight in 10 families (80%) believe that a college education is part of the American Dream.

88% agreed they are **willing to stretch themselves financially to obtain the best opportunity for the student’s future**

A majority of families reported college is expected in their family (63% agree), but the level of agreement declined over the past three years. This shift is almost wholly driven by changes in student attitudes—potentially indicating a growing base of students who reach for college, notwithstanding a lack of expectation from their families. Parent agreement that college is expected in the family has been steady over the past three years (66% in 2013, 65% in 2014, and 65% in 2015) while student agreement dropped from 72 percent in 2013, to 66 percent in 2014, to 60 percent in 2015.

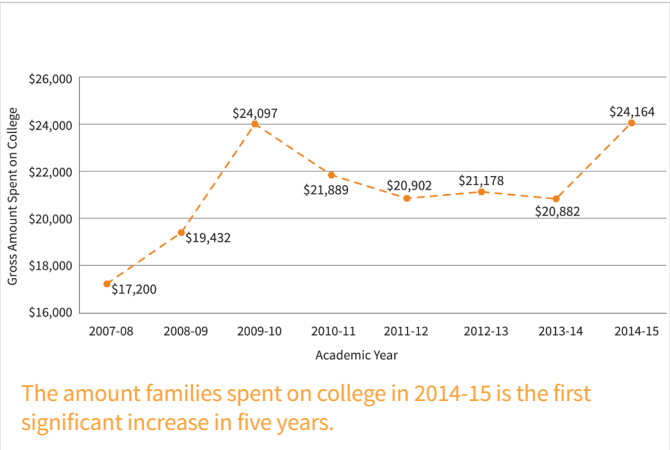
Families of students currently enrolled are fully committed to making college happen, with nearly nine in 10 respondents (88%) agreeing they are willing to stretch themselves financially to obtain the best opportunity for the student’s future. In a similar vein, eight in 10 (80%) would rather borrow to pay for college than not be able to attend. And relatively few (27%) reported they had considered the possibility of not attending college due to cost.

*How America Pays for College 2015* demonstrates families are making the financial commitment to support their goal of higher education.

## Families Spent More on College

**After four years of relatively stable spending, families spent more money this year on college.** Undergraduate families reported the amount they paid for college increased by 16 percent, on average, in academic year 2014-15 compared to 2013-14, the first significant increase in this study in five years.

Figure 1 — Average Amount Spent on College, Over Time



The current average cost, \$24,164, is similar to 2009-10, the prior peak spending year (\$24,097). The average amount spent on college decreased after 2010, ranging from \$20,882 to \$21,889 through 2014, fluctuating less than 5 percent over the four year period.

Undergraduate families reported the **amount they paid for college increased, on average, by 16%**

The increased spending this year was driven in large part by high-income families, who paid \$6,704 more, on average, (\$33,260) for college than they had in 2014 (\$26,556).



While families across all income levels<sup>1</sup> spent more on college this year than last, the disparity in spending between low- and middle-income families as compared to high-income families widened significantly from 2014. On average, high-income families paid roughly \$12,000 more than middle- and low-income families (\$21,375 and \$21,036, respectively), compared to \$7,000 more in 2014.

African-American families spent more on college than White and Hispanic families for the second year in a row. African-Americans reported spending \$25,963, 14 percent more than 2014's \$22,711. White families reported spending \$23,660, 13 percent more than the \$20,870 spent in 2014. Hispanic families reported a smaller increase of 9 percent, from \$21,065 in 2014 to \$23,053 this year.

Average amounts spent on a four-year private college education continued to be roughly double the amount spent for a four-year public education and triple the amount spent for a two-year public education. The rate of increase in amounts paid at two-year public colleges and four-year

private colleges in 2015 was twice as high as the increase in spending at four-year public colleges, as follows:

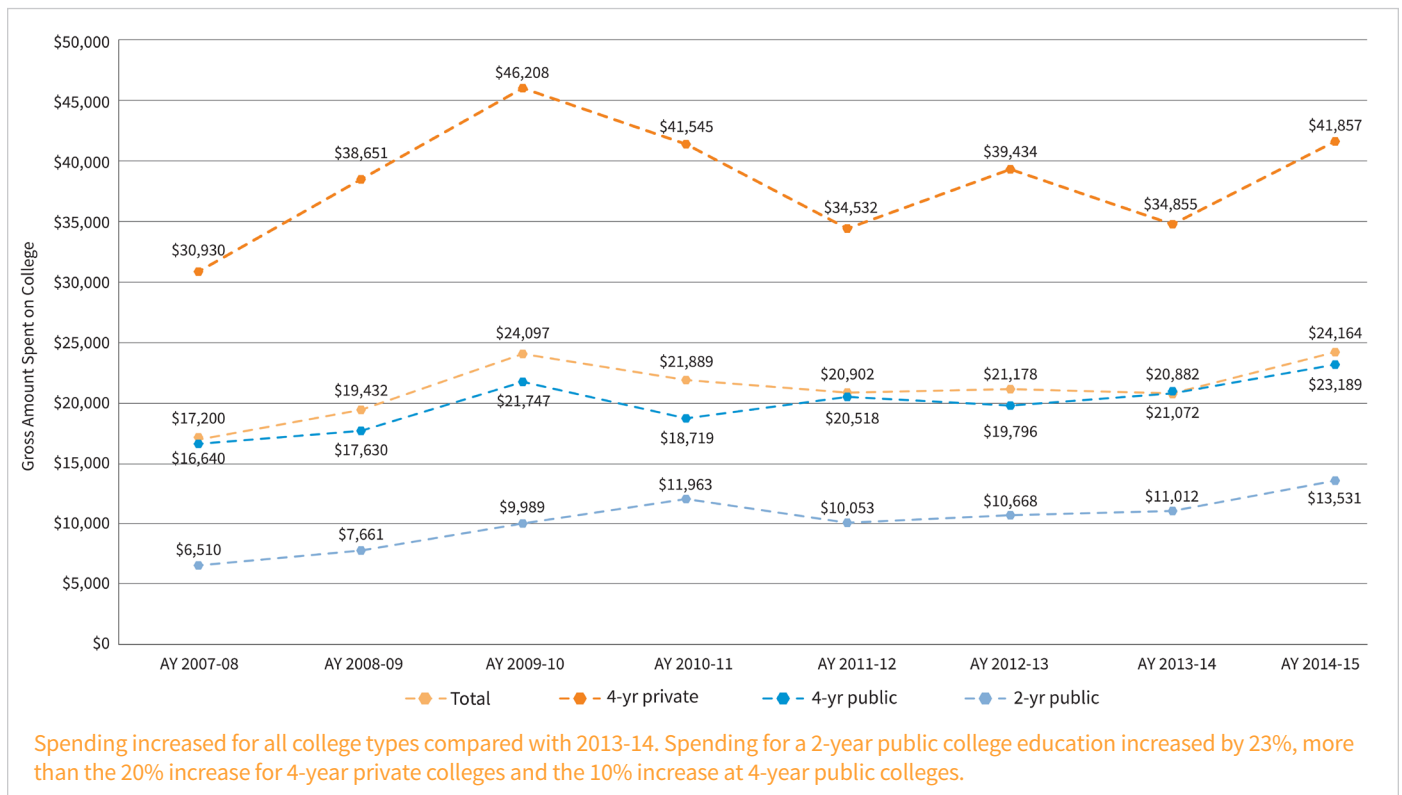
- Two-year public colleges: an increase of 23% to \$13,531
- Four-year public colleges: an increase of 10% to \$23,189
- Four-year private colleges: an increase of 20% to \$41,857

## Belt-Tightening Measures Loosen Somewhat

**Families may have deliberately chosen to pay more for college this year because they were ready to spend more than in the past four years.** Certainly the amount American families pay for college relates to the cost of college. Overall Cost of Attendance increased at all institution types during the past five years.<sup>2</sup>

For most of that period, however, families reined in college costs by making choices and engaging in behaviors that resulted in lower overall spending. *How America Pays for*

**Figure 2 — Average Amount Spent on College, by School Type, Over Time**



<sup>1</sup> For the purposes of this study, low-income is defined as households with an annual income of less than \$35,000; middle-income with annual income from \$35,000 to less than \$100,000; and high-income with annual income of \$100,000 or more.

<sup>2</sup> College Board, *Trends in College Pricing 2014*. Tuition, fees, room & board increased by 9% at four-year private not-for-profit colleges over the previous five years, and by 12% at four-year public colleges. Tuition and fees at two-year public colleges have increased by 18%.



*College 2015* suggests families may feel more comfortable economically, as evidenced by a reduction in the proportion of families taking key cost-saving measures. Nearly all families (95%) took at least one measure to make college more affordable—and expecting the student to work while in school is at the top of the list—but many families became more lenient about steps they expected the student to take. Compared to 2014, fewer students:

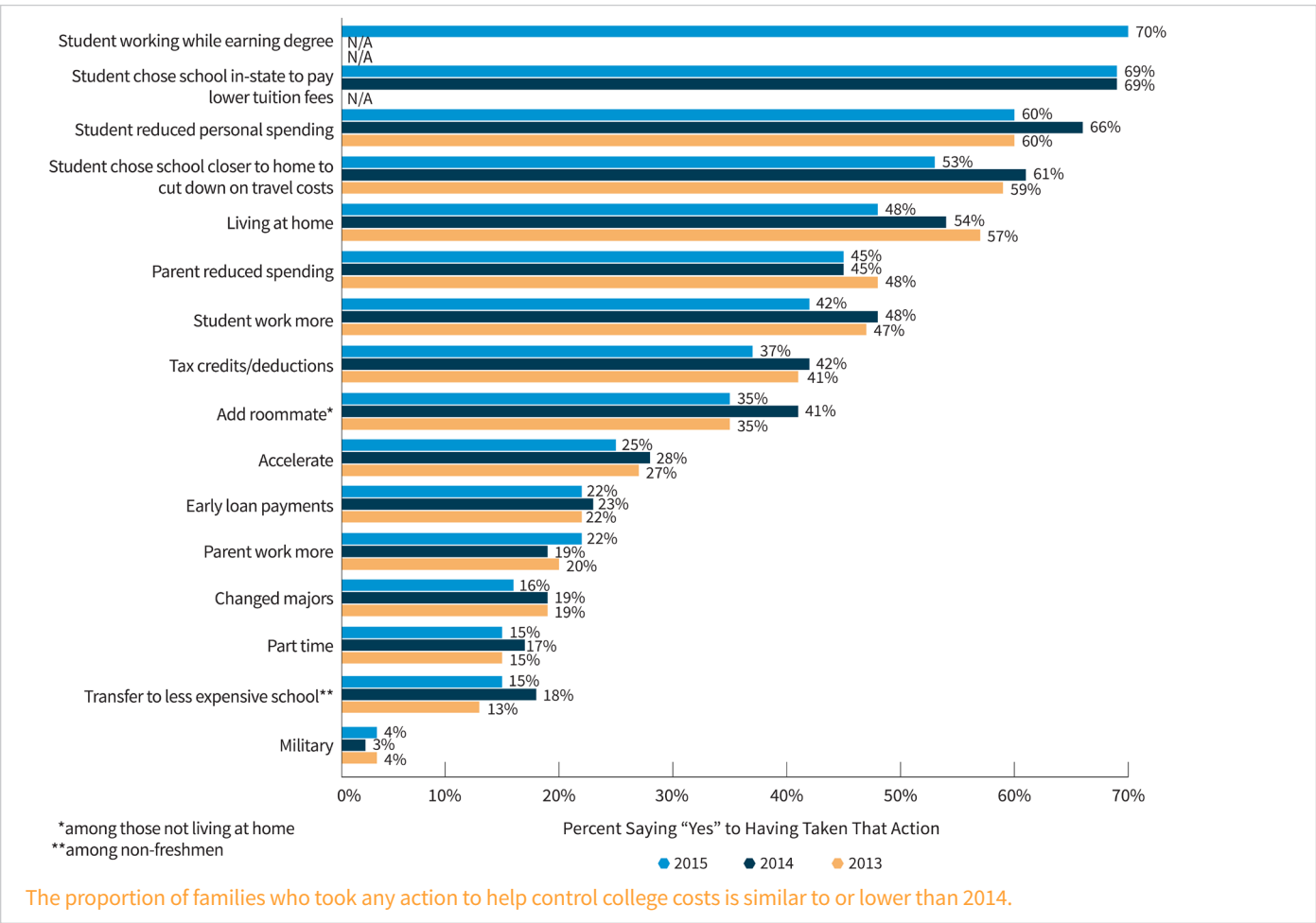
- chose a school close to home to reduce travel expenses (8 percentage points)
- lived at home (6 percentage points)
- not living at home added a roommate (6 percentage points)
- reduced personal spending (6 percentage points)
- worked more hours (6 percentage points)

The aggregate decline in cost-saving measures is one possible indicator of an increased readiness and willingness to spend on college. Another potential indicator is whether cost was a factor when families eliminated colleges from consideration. *How America Pays for College 2015* found fewer families eliminated colleges due to cost.

The vast majority of families — 95% — still took at least one measure to make college more affordable

Overall, 39 percent of families eliminated colleges prior to researching (compared to 44% in 2014). After researching, applying, and receiving the admissions and award letters, a cumulative total of 62 percent of families eliminated colleges due to cost. This was down from 2014’s elimination rate of 68 percent, and represents the lowest rate since the first two years of the study.

Figure 3 — Proportion of Families Taking Cost-Saving Measures, Year-over-Year



Students were more concerned with cost than parents—74% eliminated colleges from their list of prospective options due to cost, compared with 50% of parents

Students were more concerned with cost, eliminating schools at every point in the selection process at a higher rate than their parents (74% among students vs. 50% among parents).

American families seem somewhat more willing to consider colleges despite the cost. However, overall increased spending is not due to a shift in enrollment to four-year colleges or private institutions as the proportion enrolled in the various school types<sup>3</sup> in 2015 is the same as 2014.

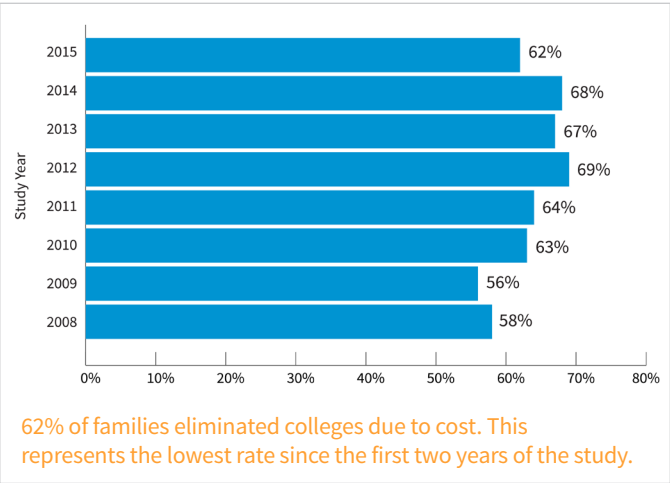
- 40% enrolled in four-year public colleges
- 34% enrolled in two-year public colleges
- 22% enrolled in four-year private colleges
- 1% enrolled in two-year or less private colleges

### Parents Are Less Worried

Parents may have spent more on college because they were less worried about economic factors that affect the amount they feel able to commit to college. This is suggested by a reduction in cost-saving measures and outright elimination of colleges due to cost. To understand the underlying motivations for this “optimism,” *How America Pays for College* examines the primary worries of American families.

Sending children to college evokes pride and a sense of accomplishment, but the process of paying for college also generates worry. Financial worries center on the resources needed to pay for next year’s tuition. Since 2010, overall parental worry around economic factors most likely to impact ability to pay for college gradually declined. That decline returned this year after a slight uptick in 2014.

Figure 4 — Cumulative Proportion of Families Who Eliminated Colleges from Selection Due to Cost, Over Time



### Changing Enrollment Plans

Cost as well as academic programs motivated change in enrollment choice. Two-thirds of students (65%) currently enrolled in college are attending the school they originally planned to attend.<sup>4</sup> Thirty percent of families changed schools, either before enrolling (13%), after enrolling (11%), or both before and after (6%).

Students who changed schools *before* enrolling most frequently made the change to save money (37%), though academic reasons (16%) and life plans (14%) were also factors.

Students who changed schools *after* enrolling were more likely to do so for academic rather than financial reasons. One-quarter of these students (24%) changed colleges because the school they were attending did not meet their academic needs and another 19 percent said they had changed majors and the school did not have the new desired major.

Cost was a factor for 13 percent of those who switched schools *after* enrolling. Those who switched *after* enrolling were more likely to choose a two-year public college (20%) and least likely to choose a four-year private college (3%).

<sup>3</sup> Two percent are not sure of school type.

<sup>4</sup> Five percent are not sure.

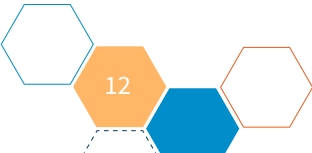
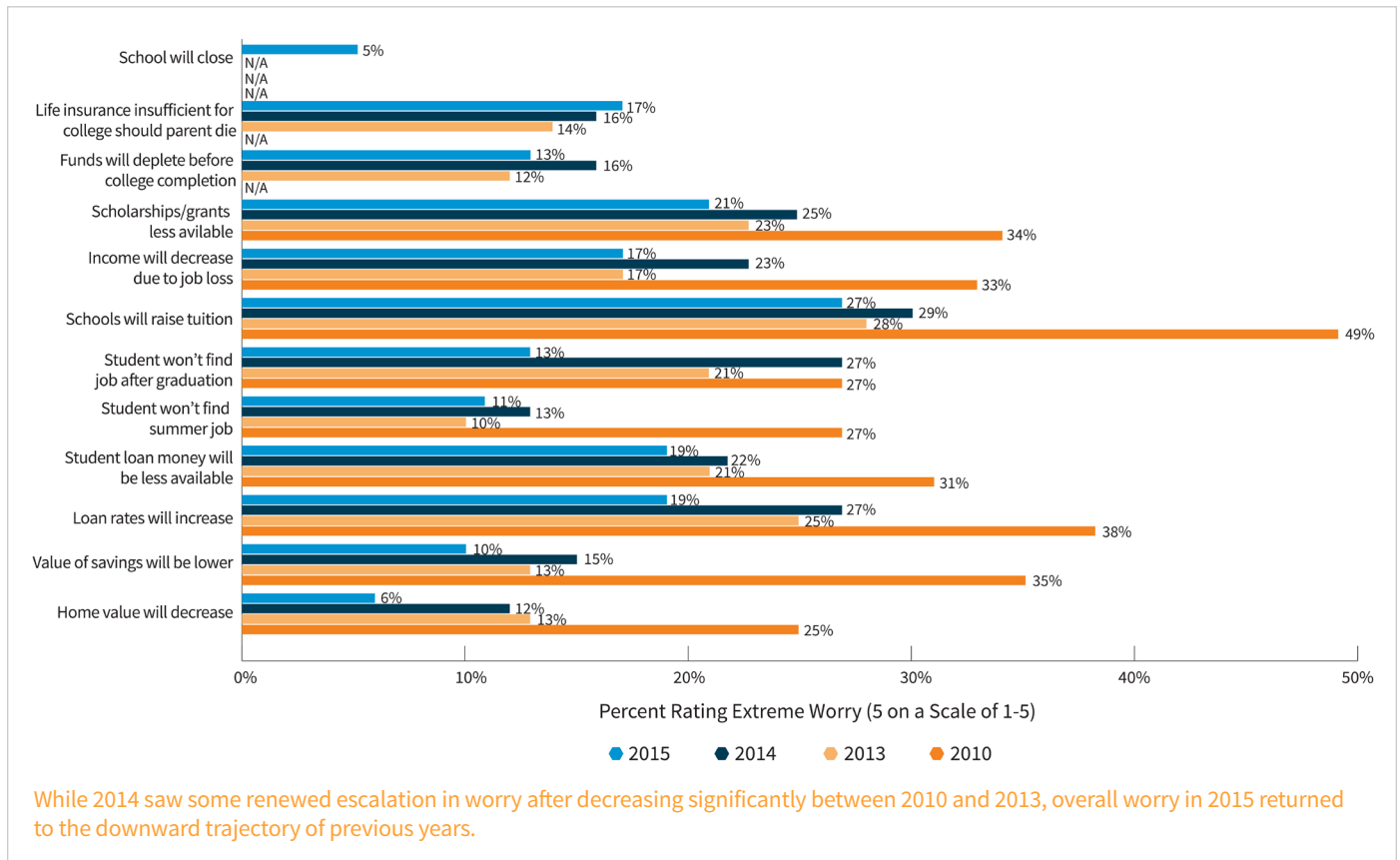


Figure 5 — Extreme Worry, Year-over-Year



Compared to 2014, fewer parents were extremely worried this year that:

- earned income will decline due to job loss (17% vs. 23% in 2014)
- their student won't find a job after graduation (13% vs. 27%)
- the value of their home will decline (6% vs. 12%)
- loan rates will increase (19% vs. 27%)

Parents seemed to feel more sanguine about personal financial and economic topics, but schools raising tuition remained the top worry (27%) again this year. Other top concerns were: scholarship and grant money being less available (21%), student loan money being less available (19%), and loan rates going up (19%).

Middle-income parents exhibited the highest levels of worry in several areas, particularly in terms of scholarship or grant money being less available (25% were extremely worried, compared to 19% of high-income and 16% of low-income parents), and that their funds will run out before their child is able to complete college (17% were extremely worried, compared to 6% of high-income and 14% of low-income parents).

Parents who never attended college are more likely to be worried than those with a college education. The widest gaps in extreme worry between first-in-family parents and second-generation parents were their earned income may go down due to job loss (27% among first-in-family vs. 13% among second-generation parents), their funds will be depleted before their child finishes college (23% vs. 8%), and life insurance won't be enough to cover school costs should a parent die (27% vs. 12%).

**Schools raising tuition remained the top worry** — 27% focus on rising school costs when worrying about paying for college next year

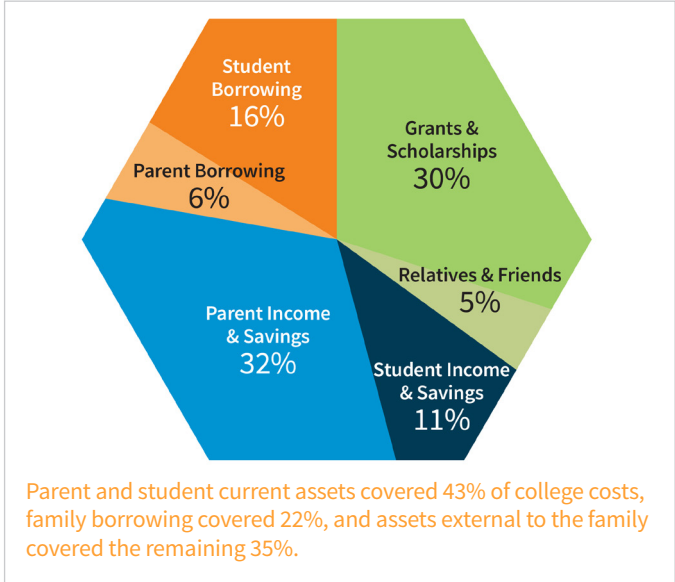


# How Families Are Paying for College

## Sources and Share of Funding

**The general distribution of paying-for-college funding sources is consistent with prior years.** Funding vehicles families used to pay for college may come from the family’s current assets (savings and income), assets external to the family (scholarships, grants, and relative and friend contributions), and borrowing.

**Figure 6 — How the Typical Family Pays for College 2014-15, Average Percent of Total Cost Paid from Each Source**



On this basis, parent and student current assets covered 43 percent of college costs, family borrowing covered 22 percent, and assets external to the family covered the remaining 35 percent.

Overall, parents were the biggest contributors to paying college costs. Their savings, income, and borrowing covered 38 percent of costs, while students contributed 27 percent of costs through their income, savings, and borrowing.

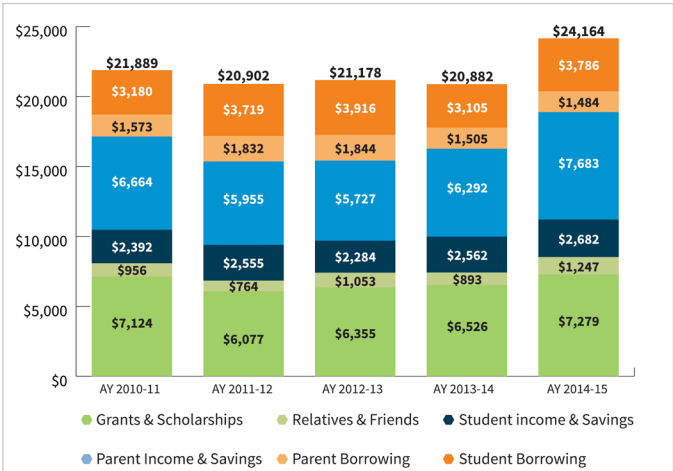
Contributions from parent income and savings (32%) surpassed scholarships and grants (30%) in funding source share for the first time since 2010. The main component driving parent increased contributions was income rather than savings.

Increased funding came from almost all categories in 2015 compared to 2014.

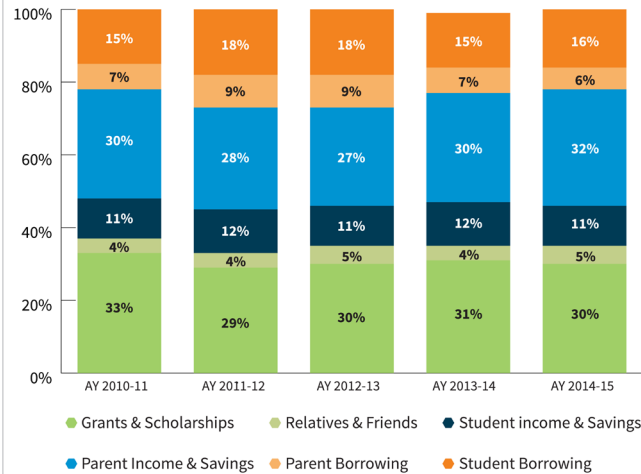
- Relatives and friends contributions increased by 40 percent (\$354)

- Parent income and savings contributions increased by 22 percent (\$1,391)
- Student borrowing contributions increased by 22 percent (\$681)
- Grant and scholarship contributions increased by 12 percent (\$753)
- Student income and savings contributions increased by 5 percent (\$120)

**Figure 7a — How the Typical Family Pays for College, Average Amount, Year-over-Year**



**Figure 7b — How the Typical Family Pays for College, Funding Source Share, Year-over-Year**



The increase in 2014-15 spending was covered by increased funding from all categories except parent borrowing.



Contributions from parent income and savings (32%) surpassed scholarships and grants (30%) in funding source share for the first time since 2010

Only parent borrowing decreased, and that was by less than 1 percent. While parent borrowing decreased overall, the average amount paid from the federal PLUS program almost doubled (from \$487 to \$895).

Impact of Income

Not surprisingly, the resources used to pay for college were distributed differently among income segments.

- Parents in high-income families paid more than half of college costs, with 45 percent coming from their savings and income, and only 7 percent from borrowed money.
- Middle-income parents paid more than one-third of college costs, 28 percent from savings and income, and 7 percent from borrowed money.
- Parents in low-income families paid one-quarter of college costs, 21 percent from savings and income and 4 percent from borrowed money.

Among students, however, this pattern of contributions was inverted. Students in low-income families paid a higher share of their college costs, 32 percent, than students in middle-income (29%) or high-income (19%) families. Across all three income groups, students paid a larger portion of their contributions from borrowing than from their savings or income.

Both the portion of total college costs paid from grants and scholarships, as well as the balance of grant vs. scholarship funding, differ by family income.

- Grants and scholarships covered 36 percent of costs of low-income students, with a greater weight on grants (20%) than scholarships (16%).
- Middle-income students used grants and scholarships to pay for a slightly lower proportion (30%) of their costs, with slightly more coming from scholarships (17%) than grant aid (13%).
- Grants and scholarships paid for an even lower, but still significant, portion of college costs among high-income students (25%), but the majority of that aid came from scholarships (18%) and a much smaller portion from grants (7%).

Figure 8a — How the Typical Family Pays for College, by Income

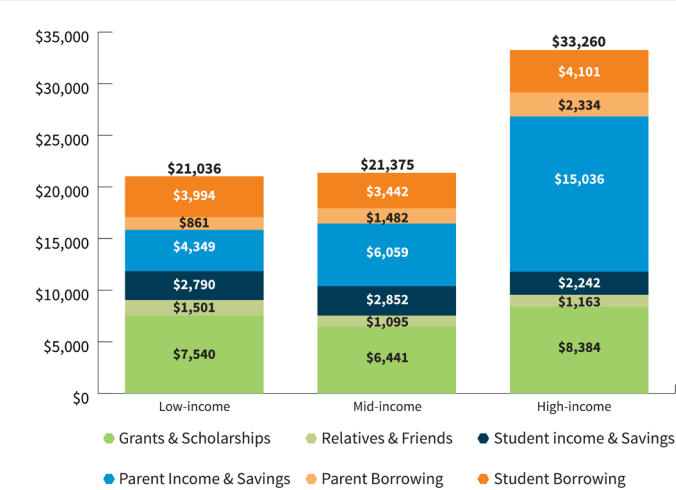
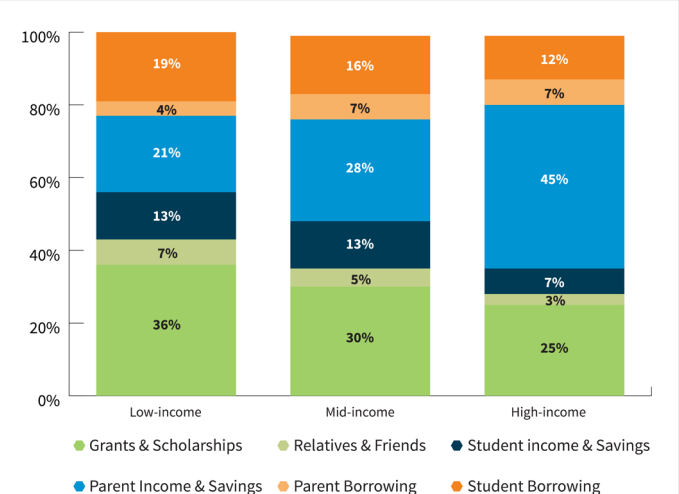


Figure 8b — Funding Source Share, by Income



The resources used to pay for college were distributed differently among families in the low-, middle- and high-income groups. Parents paid a larger share in high-income families; students paid a larger share in low-income families.

Figure 9a — How the Typical Family Pays for College, by School Type

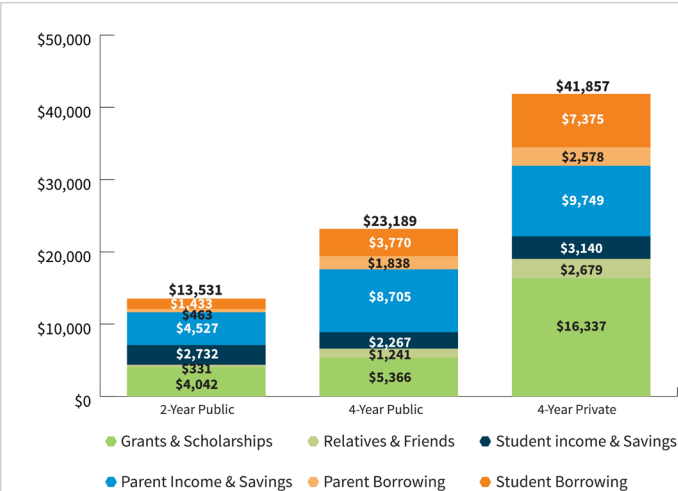
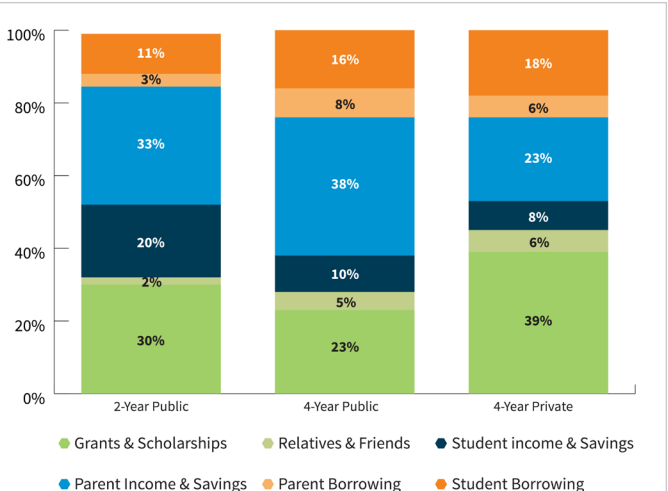


Figure 9b — Funding Source Share, by School Type



School type affects distribution of funding. Grant and scholarship dollars at 4-year private colleges are four times the amount awarded at 2-year public colleges, but cover only 25% more of the costs.

Impact of School Type

In addition to the difference in distribution of funding sources based on income levels, the type of school in which the student enrolled also had a significant effect on the allocation of funding sources.

- At four-year private colleges, grants and scholarships paid two-fifths of the cost. Twenty-six percent of total funding was designated as scholarships and 13 percent as grants.
- At two-year public colleges, grants and scholarships covered nearly one-third of costs. Eight percent of total funding was awarded as scholarships and 22 percent as grants.
- At four-year public colleges, students received the least, proportionally, in grants and scholarships, covering less than one-quarter of their college costs. Thirteen percent of funding was in the form of scholarships and 10 percent as grants.

Students attending two-year public colleges were responsible for a larger portion of their college costs than students at four-year colleges, potentially because of the lower overall cost. Students enrolled in two-year public colleges paid close to one-third of their costs—20 percent from income and savings and 11 percent from borrowed

money. Students at four-year colleges paid just over one-quarter of costs, with a larger share covered through borrowing (18% for private college students, and 16% for public college students) than from current assets (8% for private college students, and 10% for public college students).

Parents of students enrolled in four-year public colleges paid a larger share of college costs—46 percent combined income, savings and borrowing—than parents with students enrolled at two-year public colleges (36%) or those at four-year private colleges (29%).

Role of Borrowing in Paying for College

**Sixty-two percent of families did not borrow any of the money used to pay for college during the academic year 2014-15.** More families with a student enrolled in a four-year private college borrowed some funding (56%) than those with a student attending a four-year public college (43%) or a two-year public college (22%).

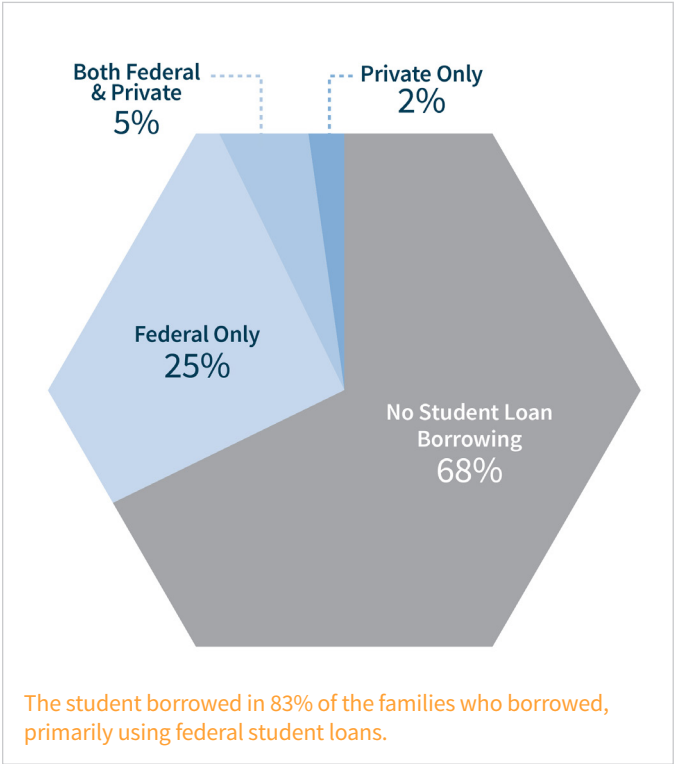
Among the 38 percent of families who borrowed, the primary responsibility for borrowing fell on the student: 83 percent of students and 28 percent of parents borrowed<sup>5</sup> (in 11% of families both the student and parent borrowed in their own names). Students signed for nearly three-quarters of the funds borrowed and parents for one-quarter.

<sup>5</sup> Excludes parents who cosigned a student loan.



Students who borrowed relied primarily on student loan programs, although 3 percent reported using credit cards and 6 percent also used some other type of borrowing. Twenty-five percent of all students borrowed federal student loans, 5 percent borrowed both federal and private student loans and 2 percent borrowed only private student loans.

Figure 10 — Student Loan Borrowing, by Type



It seems logical to assume that families who borrowed did so to ensure entry-level access to higher education; however, this was not generally the case. Rather, families who borrowed reach for more. Families who borrowed spent 34 percent more (\$28,386) than the average annual amount spent by families who didn't borrow (\$21,219).

Students signed for nearly three-quarters of the funds borrowed for college

Figure 11a — How the Typical Family Pays for College, by Borrowing Status

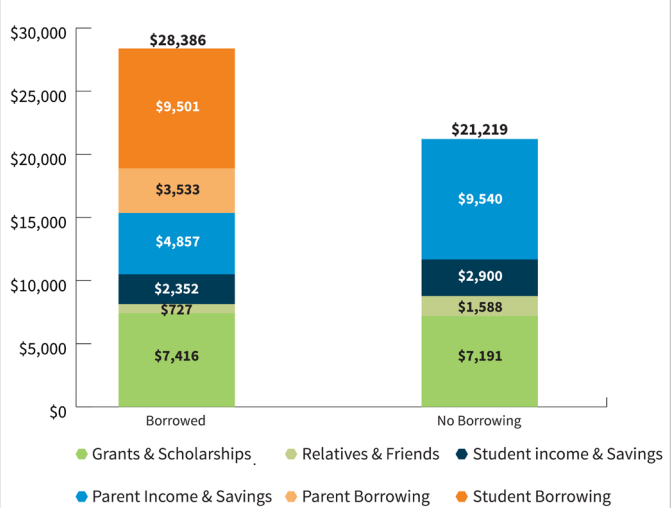
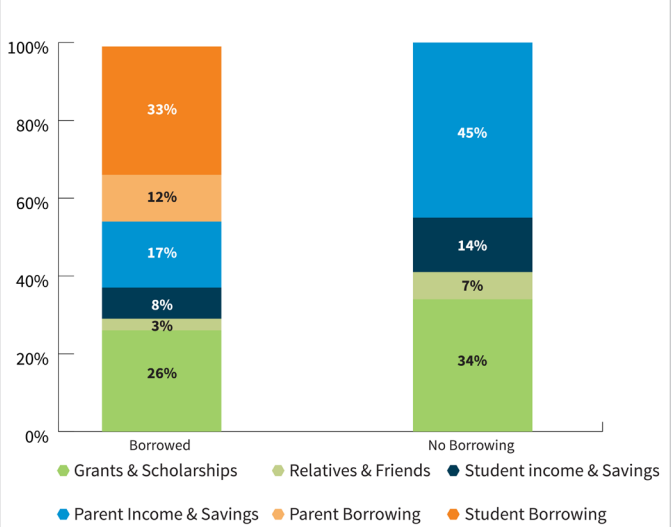


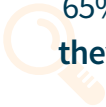
Figure 11b — Funding Source Share, by Borrowing Status



Families who borrowed used borrowed money to reach for more, spending 34% more for college than families who didn't borrow. Borrowing covered 45% of college costs among families who borrowed.

Not surprisingly, those who borrowed this year were much more likely to express positive attitudes about borrowing: 65 percent of borrowers strongly agreed<sup>6</sup> that they would rather borrow than not be able to attend college, compared with 48 percent among those who didn't borrow. In addition, more borrowers sought other ways to pay for college than those who didn't borrow. Borrowers were more likely to:

- Have filed a FAFSA (89% vs. 78% of non-borrowers)
- Have claimed education tax credits (53% vs. 27% of non-borrowers)
- Be working students (73%) or have increased their work hours (47%) compared to non-borrowers (68% and 39%, respectively)
- Be parents who increased their work hours (28% vs. 18% non-borrowers)

 **65% of borrowers strongly agreed that they would rather borrow than not be able to attend college**

More borrowers than non-borrowers also focused on cutting some types of costs through other actions.

- 35 percent are paying their loans while in school to reduce the cost of finance charges
- 68 percent of students reduced their personal spending (vs. 55% of non-borrowing students)
- 50 percent of parents reduced their personal spending (vs. 42% of non-borrowing parents)
- 67 percent eliminated colleges at some point during the college selection process (vs. 59% of non-borrowing families)


Despite taking actions to make college more affordable and seeking alternative sources of funding, borrowers often reached in ways that non-borrowing families did not, ultimately buying a more expensive education. For example:

- Students in borrowing families were more likely to be pursuing a bachelor's degree (78% vs. 61% in non-borrowing families).
- They were more likely to be enrolled in four-year colleges, particularly private colleges.

	Percent Enrolled	
	Borrowers	Non-borrowers
4-year private	32%	16%
4-year public	45%	37%
2-year public	19%	43%
2-year private/other	1%	2%

- Students in borrowing families were less likely to live at home (40% live at home vs. 53% of students in non-borrowing families).
- They were slightly less likely to choose a school close to home to reduce transportation costs (50% vs. 55% of non-borrowers).

Income did not appear to be a key factor in whether to borrow as the proportion of respondents at each income level was similar between the borrowing and non-borrowing groups. Borrowers, however, reported being less prepared to pay for college. Only 33 percent agreed they had a plan to pay for college before enrolling (vs. 45% of non-borrowers) and 31 percent agreed they had a contingency plan should a financial emergency arise (vs. 47% of non-borrowers). Further, more borrowers worried (56%) schools will raise tuition next academic year compared with non-borrowers (42%).

 **Average borrowing by students in planning families is 40 percent less than the amount borrowed by students from families without a plan**

<sup>6</sup> Rated five on a scale of 1 to 5



## Creating a Plan to Pay for College

Although having a plan to pay for college is beneficial, only two in five families (40%) created a plan for paying for all years of college before their student enrolled.

Students from planning families were slightly more likely to pursue a bachelor's degree (71%) than non-planners (66%). Families with students attending four-year colleges were more likely to have planned (44% public, 45% private) than those attending two-year public college (33%).

Planning families were more likely to possess positive attitudes about the value of a college education. More planners strongly agreed that college is an investment in the student's future (89%) and more of them were willing to stretch financially to get there (64%) than non-planners (82% and 53%, respectively).

Parents who plan may be more driven to map out a paying-for-college strategy because of their strong desire to see their child attend. The expectation of college was much stronger among planning families, with 51 percent strongly agreeing that college is expected in their family, compared with 26 percent of families without a plan. Planners were also more likely to express strong agreement with college as being part of the American Dream (45% vs. 37% of non-planners).

In tangible terms, parents with a plan contributed two-and-a-half times more in income and savings than non-planning parents—\$11,995 vs. \$4,776. And while families who plan paid 21 percent more in total college costs than non-planning families (\$26,934 vs. \$22,295), the portion of the total cost covered by parents' income and savings was twice that of non-planning parents (45% vs. 21%).

Despite the increased total spend on college by families who plan, average borrowing by students in planning families was 40 percent less (\$2,681) than the amount borrowed by students from families without a plan (\$4,531).

## Frequency of Resources Used

*The composite view of how the typical family pays for college is useful in understanding the national paying-for-college landscape. By averaging the funding used across all families, the How America Pays for College composite helps illustrate how resources are allocated against an undergraduate education in America today. For example, this year, 32 percent of all funding for college came from parent income and savings.*

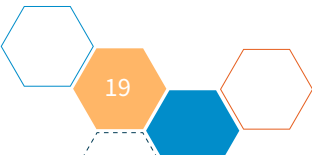
*Not all families, however, use all sources identified. Every family creates its own paying-for-college plan, often creating different funding packages for each year of college. Tables 1a and 1b identify the percentage of families who used each resource in 2014-15, and the average amount of funding used among the families who used each resource. For example, this year, 58 percent of families used some amount of parent income or savings to pay for college.*

While families spent more on college in 2015, on average, than in the prior four years of the *How America Pays for College* study, they did not significantly change the resources they used.

Parent income was the single most-utilized resource for paying for college. Forty-seven percent of parents used income to pay for college, and the combined current asset contribution rate of parents (income, savings, or both) was 58 percent. While the average amount contributed from any savings source—529 plans, investments, retirement funds, or other savings—fell compared to last year, the average amount users contributed from income increased to \$9,782, a significant upsurge from \$6,973 in 2014.

Fifty-three percent of students used their own income or savings, similar to 56 percent in 2014. Forty-three percent of students from low-income families and 39 percent from middle-income families contributed from their earnings to pay for college, significantly higher than the 22 percent of high-income students. More Hispanic students (48%) contributed from their earnings to pay for college than either African-American (30%) or White students (35%).

About the same portion of students as in past years, 16 percent, received financial support from relatives and friends. That said, the average amount received in 2015, \$6,546, was significantly greater than 2014's \$4,788.



**Table 1a — The Role of Various Non-Borrowed Funding Sources to Pay for College**

Frequency of Sources and Average Amounts Used										
	2015		2014		2013		2012		2011	
	% of Total Families	Average Amount**	% of Total Families	Average Amount**	% of Total Families	Average Amount**	% of Total Families	Average Amount**	% of Total Families	Average Amount**
<b>Non-Borrowed Sources</b>										
<b>Parent Income and Savings</b>	<b>58%</b>		<b>59%</b>		<b>60%</b>		<b>58%</b>		<b>66%</b>	
Parent Current Income	47%	\$9,782	46%	\$6,973	52%	\$6,896	52%	\$7,700	58%	\$6,396
College Savings Plan (529)	17%	\$9,129	15%	\$9,233	17%	\$7,959	11%	\$6,616	14%	\$9,729
Retirement Savings Withdrawal	6%	\$5,276	7%	\$8,870	5%	\$2,710	5%	\$6,542	4%	\$4,102
Other Parent Savings or Investments	13%	\$5,045	12%	\$6,210	11%	\$4,249	9%	\$6,391	13%	\$5,439
<b>Student Income and Savings</b>	<b>53%</b>		<b>56%</b>		<b>51%</b>		<b>50%</b>		<b>50%</b>	
Student Current Income	36%	\$3,567	36%	\$3,278	34%	\$3,130	35%	\$3,702	32%	\$2,946
Student Savings	28%	\$2,309	31%	\$2,592	27%	\$2,764	27%	\$2,746	24%	\$2,593
Federal Work-Study	10%	\$2,619	8%	\$2,354	5%	\$1,605	5%	\$2,405	11%	\$1,712
Other Student Savings or Investments	9%	\$2,590	7%	\$2,702	8%	\$2,618	7%	\$3,073	8%	\$3,871
<b>Grants and Scholarships</b>	<b>63%</b>		<b>66%</b>		<b>65%</b>		<b>61%</b>		<b>67%</b>	
Scholarships	46%	\$8,843	44%	\$8,025	39%	\$8,349	35%	\$7,673	45%	\$7,677
Grants	45%	\$7,114	43%	\$6,643	45%	\$6,538	45%	\$7,226	46%	\$6,184
<b>Relatives or Friends</b>	<b>16%</b>	<b>\$6,546</b>	<b>17%</b>	<b>\$4,788</b>	<b>18%</b>	<b>\$5,244</b>	<b>16%</b>	<b>\$4,169</b>	<b>19%</b>	<b>\$4,328</b>

\*\*Among those who used each source

**Table 1b — The Role of Various Borrowed Funding Sources to Pay for College**

Frequency of Sources and Average Amounts Used										
	2015		2014		2013		2012		2011	
	% of Total Families	Average Amount**	% of Total Families	Average Amount**	% of Total Families	Average Amount**	% of Total Families	Average Amount**	% of Total Families	Average Amount**
<b>Borrowed Sources</b>										
<b>Parent Borrowing</b>	<b>12%</b>		<b>10%</b>		<b>12%</b>		<b>13%</b>		<b>13%</b>	
Federal PLUS Loans	8%	\$11,030	5%	\$10,343	7%	\$9,887	8%	\$10,464	8%	\$6,787
Private Education Loan	2%	\$6,553	2%	\$10,408	2%	\$7,316	3%	\$7,294	4%	\$6,686
Home Equity Loan or HELOC	1%	\$3,724	2%	\$9,805	1%	\$4,602	2%	\$12,557	3%	\$8,676
Parent Credit Cards	2%	\$3,312	3%	\$2,678	3%	\$4,681	4%	\$4,911	3%	\$4,764
Retirement Account Loan	1%	\$3,868	1%	\$5,062	1%	\$3,952	2%	\$4,357	1%	\$2,779
Parent Other Loans	3%	\$6,423	4%	\$10,037	5%	\$11,817	3%	\$9,227	4%	\$6,580
<b>Student Borrowing</b>	<b>33%</b>		<b>29%</b>		<b>32%</b>		<b>36%</b>		<b>34%</b>	
Federal Student Loans	30%	\$8,454	28%	\$7,788	29%	\$8,815	34%	\$7,874	30%	\$6,983
Private Education Loan	7%	\$12,102	7%	\$9,375	9%	\$9,324	10%	\$8,096	9%	\$6,358
Student Credit Cards	3%	\$1,410	3%	\$2,150	3%	\$3,156	3%	\$2,169	5%	\$1,357
Student Other Loans	6%	\$4,927	4%	\$6,757	5%	\$6,927	3%	\$6,011	4%	\$5,437

\*\*Among those who used each source



Both grant and scholarship usage was similar to 2014: 46 percent of families reported using scholarships and 45 percent reported using grants, a minimal change compared to last year (44% and 43%, respectively). Combined, 63 percent of families used financial aid in the form of scholarships and/or grants. Overall, the average amounts awarded have changed little. Average scholarship amounts rose by about \$800 to \$8,843 and average grants increased by less than \$500 to \$7,114.

The proportion of students who borrowed in 2015, 33 percent, was similar to the 2014 proportion of 29 percent. The average amounts borrowed through student loan programs, however, increased. The average federal loan amount reported rose to \$8,454 this year from \$7,788 in 2014. The average private education loan amount increased to \$12,102 from 2014's \$9,375. Credit card amount shifted down to \$1,410 from 2014's \$2,150, and 'other' student borrowing average amount decreased to \$4,927 from \$6,757 in 2014.

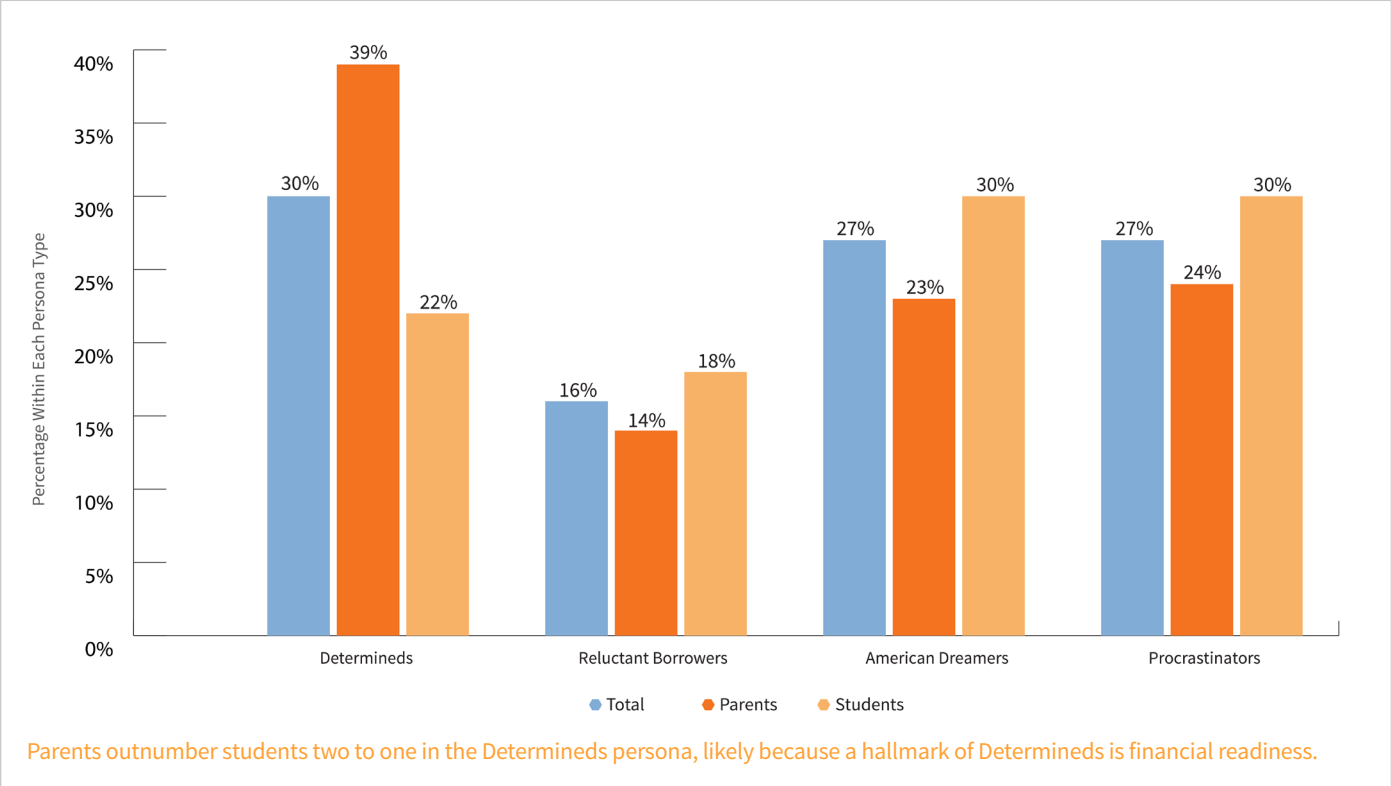
### Parent income was the single most used resource for paying for college

Roughly four in 10 families (38%) borrowed to pay for college this year. Slightly more than one-eighth of parents (12%) borrowed, similar to prior years. The Federal PLUS Loan continued to be the most commonly used parent loan resource—used by 8 percent of all families—and accounted for the highest average amount borrowed (\$11,030). Usage of each of the other parent borrowing sources ranged between 1 and 3 percent of families. Parent private education loans, used by 2 percent of families, carried the next highest average amount, \$6,553.

### College-Going Personas

Aggregate results point to strong general agreement that a college education is highly valued by those attending college and is something worth stretching to achieve, but there are differences in attitude among the college-going population. *How America Pays for College 2014* introduced four “personas” that possess distinct attitudes about the overall college experience: “Procrastinators,” “American Dreamers,” “Reluctant Borrowers,” and “Determined.” This year’s *How America Pays for College* classified respondents into the same personas to examine whether shifts occurred, both in overall composition of persona types, as well as in the most salient attitudes for each persona.

Figure 12 — Distribution of Personas



Overall, the composition of the personas and percentage of families characterized by each persona has changed little. Slightly fewer than one-third of families fell into the “Determined” persona; roughly one-quarter fell into each of the “Procrastinators” and “American Dreamers” personas. The least common persona type was “Reluctant Borrowers,” which described fewer than one-in-five families (16%). While overall the personas were relatively stable, there are some distinct differences between parents and students within personas.

### Procrastinators

Procrastinators are highly sensitive to financial issues and have lower expectations regarding attendance. Only one in 10 Procrastinators (11%) agreed that college is expected in their family. Perhaps caused in part by a lack of expectation, only 14 percent have created a plan to pay for all years of college and just 17 percent have created a contingency plan to pay for college in case of unexpected events (compared to 40% and 41% respectively, overall). Additionally, Procrastinators were significantly more likely to consider not attending because of cost (44% vs. 27% overall). Given this concern over cost, coupled with less attention to planning, it is not surprising that 16 percent of Procrastinators attended college part time (vs. 11% overall).

The Procrastinator persona tended to be slightly more common among students – 30 percent of students were classified as Procrastinators, compared to 24 percent of parents. Among student Procrastinators, college as an expectation was quite low (just 15%, compared to 60% among students overall). Procrastinator students were also far more likely to report they considered not attending because of cost (59% vs. 38% among all students, and 15% among all parents). Despite this, these students were more willing to stretch financially (80%) as well as borrow (74%) than Procrastinator parents.

**Procrastinators are characterized by high sensitivity to financial issues and lower expectations regarding attendance**

Across these areas, Procrastinator parents showed a significant disconnect with student attitudes. Among Procrastinator parents, only 6 percent agreed that college is expected in their family and just 25 percent would send their child to college for the intellectual and social experience. And in terms of finances, 62 percent would rather borrow

than not have their child attend college (vs. 77% of parents overall), and just 61 percent are willing to stretch themselves financially (vs. 86% of parents overall).

### American Dreamers

American Dreamers, as the title suggests, are one of the most optimistic and aspirational personas relative to the college experience. These individuals were unanimous (100% agreement) in their belief that college is an investment in the future, and close to nine in 10 (87%) agreed that college is part of the American Dream. In line with the aspirational orientation of this group, seven in 10 (68%) agreed the student would attend college for the social and intellectual experience, regardless whether it resulted in a higher salary (compared to 58% who agreed among all respondents).

**American Dreamers are one of the most optimistic and aspirational personas relative to the college experience**

Given the exceptionally high value placed on a college education, American Dreamer families are willing to do whatever it takes to facilitate their student capitalizing on this opportunity. Virtually all (95%) indicated they were willing to stretch financially to enable the student to attend college, nearly as many (89%) would rather borrow than the student not attend college, and only 19 percent agreed they considered the student not attend because of the cost (vs. 27% overall).

The American Dreamer persona was slightly more prevalent among students – 30 percent of students fell under this persona, compared to only 23 percent of parents. In some ways, student American Dreamers are both more aspirational and more realistic about acknowledging the challenges of college. Three-quarters of students classified as American Dreamers would go to college for the social and intellectual experience (76%), while only 57 percent of parents endorsed this position. On the other hand, roughly one-quarter of students reported they considered not attending college due to the cost (23%), compared to only 12 percent of American Dreamer parents.


Expectations and planning are the other major areas of divergence between parents and students among American Dreamers. Students were somewhat less likely to report that college is expected in their family (76% vs. 82% among



parents). Students were also less likely to report they had created a plan for paying for college (2% vs. 7% among parents) or had a contingency plan in case of unexpected events (2% vs. 8% among parents). While this disconnect could plausibly be due to less involvement of students in the process of paying for college, it is also possible that opinions diverge because the students are more focused on the “experience” than they are with the “nuts and bolts.”

## Reluctant Borrowers

Reluctant Borrowers can generally be characterized as a group that sees college as a means to an end. These individuals solidly agreed that college is an investment in the future (97% agree), and were the persona most likely to agree that college is expected in their family (87% agree vs. 62% overall). However, Reluctant Borrowers were less sanguine about the “experiential” aspect of college, with only six in 10 agreeing they would send their child to college for the social and intellectual experience (62%).



**Reluctant Borrowers can generally be characterized as a group that sees college as a means to an end**

The defining feature of the Reluctant Borrower persona is a significant aversion to taking on additional debt to finance their student’s college education. More than half (58%) of Reluctant Borrowers agreed they would rather borrow than have the student not attend college. Roughly the same number agreed that they considered the student not attending because of the cost (60% vs. just 27% overall).

Parents who are Reluctant Borrowers tended to exhibit the “college as process” orientation more strongly. Nine in 10 parents agreed that college is expected in their family (vs. 83% of students who are Reluctant Borrowers), but only half agreed that they would send their child to college for the social and intellectual experience (50% vs. 72% of students).


Despite expectations of attendance, parents who fit the Reluctant Borrower persona were less likely to agree they would rather borrow than have their child not attend (50% among parents vs. 65% among students). The main point of divergence between parents and students among Reluctant Borrowers appears to center on the preferred approach to paying for college.

Among Reluctant Borrower parents, the preferred approach involves planning – three-quarters (75%) of parents reported they had created a plan for paying for all years of college (compared to 63% among students), and two-thirds (66%) agreed they had developed a contingency plan for paying for college in the case of unexpected events (compared to 60% among students). Where students rated lower on the technical aspects of planning, they were significantly more likely to report a willingness to take on more of the financial burden themselves. Nine in 10 (87%) students classified as Reluctant Borrowers agreed they would rather stretch themselves financially to pay for college, compared to 73 percent of parents among Reluctant Borrowers.

## Determined

The Determineds persona represents the set of individuals who are the most unwavering advocates of higher education. Across all attitudinal items, Determineds regularly exhibited stronger levels of agreement. Notably, Determineds were unanimous in their agreement on three key items: that college is an investment in the future, that they are willing to stretch themselves financially in order to enable the student to attend, and that they never considered the student not attending because of the cost.

In addition to their strong advocacy of college and the values it represents, Determineds were most ready to handle the financial challenges of college. Eight in 10 Determineds (80%) agreed they had created a plan for paying for all years of college (81% among parents, 78% among students) and a similar proportion (83%) agreed they had created a contingency plan. Given this, it is not surprising that parents outnumber students nearly two to one as Determineds (39% of parents fit this persona vs. 22% of students).



**Determined persona represents the set of individuals who are the most unwavering advocates of higher education**

While financial readiness is the primary area of distinction between Determineds and other persona types, Determineds were also “all in” with regard to facilitating the student going to college. As mentioned above, all Determineds were willing to stretch themselves financially; similarly, nine in 10 (93%) would rather borrow than have the student not attend (students agree at a slightly higher rate: 97% would rather borrow, compared to 91% of parents).

## Working Students Are the Norm

**While traditionally the college experience is focused on educational and social activities, Sallie Mae's *How America Pays for College 2015* found working is a significant aspect of college for a large proportion of students.** Three-quarters (74%) of families reported that the student was employed during 2014-15. Most students worked year-round, found employment in food service or retail, worked an average of 22 hours per week, and highly valued financial prudence.

Students who worked year-round were, not surprisingly, more self-reliant. They contributed a greater share to paying their college expenses; among those who worked all year, 16 percent of the money spent on college came from the student's income and savings, compared with 11 percent among all families. These students relied less on their parents and relatives (28% and 3% of the amount spent on college, respectively), compared to the average for all families (32% and 5%, respectively).



74% of families reported the student was employed during 2014-15

### When they work

Among student workers, a strong majority (7 out of 10) worked year-round. Students from middle-income families were more likely to work all year (76%) than low-income

students (63%). One in five year-round working students were enrolled in school part-time instead of full-time to reduce costs, compared to 7 percent of students who worked on breaks or during school. Overall, 11 percent of working students worked only during breaks from school, with students who borrowed more likely to work only during school breaks (16%) than students who didn't borrow (8%).

### Cost Saving is Key for Working Students

Working students tended to take other measures to help offset the cost of college, although some of these behaviors were more prevalent among students who worked only during specific times of the year (e.g., during school breaks). A greater proportion of students who worked on breaks (72%) reduced personal spending (entertainment, vacations, etc.) than their counterparts who worked all year (66%), during school (63%), or in total (60%). While the students who worked only on school breaks made the most personal spending sacrifices, year-round working students in general engaged in a larger number of cost-saving activities.

Almost two-thirds of year-round student workers increased their working hours, compared with 47 percent of those who worked during school and 55 percent who worked during school breaks. Additionally, more than half of year-round workers lived at home or with relatives (54%), compared to 49 percent who worked during school, 30 percent during breaks, and 48 percent in total.

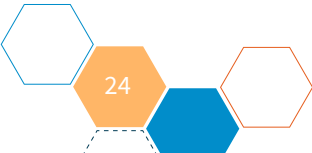


## Personas and Working Students

Given the cost of a college education, American families are taking steps to make college more affordable. Working while in school is one of the more common affordability measures, with 74 percent of all college students working at some point during the year. Not surprisingly, working and number of hours worked tend to follow predictable patterns in the context of the attitudinal personas.

Procrastinators are the persona most likely to report they worked while in school. Roughly eight in 10 Procrastinators (78%) reported working, compared to American Dreamers (73%) and Reluctant Borrowers (71%), who fall much closer to the overall average. Given the extent to which paying for college is planned out by Determineds, it is not surprising that just 56 percent of students in this persona reported working while going to school.

Procrastinators are not only more likely to work, they are more likely to work full time. The distribution of personas among those who worked less than full-time is consistent with the proportion of individuals in each persona. But when looking at full-time workers, more than half (52%) are Procrastinators, while fewer than one in 10 (8%) Determineds was working full-time while attending classes.





Where they work

Student workers were most likely to have sought employment in food service or retail, potentially because of the scheduling flexibility. One-fifth of students (21%) reported having a job in retail and 16 percent reported working in the food industry. About one in 10 students reported jobs that were campus-based (11%), factory- or warehouse-based (9%), or administrative or clerical (9%). Few students had internships (3%) or entry-level jobs in their desired field (2%). Students who were closer to completing college, have parents who went to college, or who worked year-round were more likely to have an internship.

How much they work

Working students were busy working an average of 22 hours per week. The largest share of students reported working between 11 and 20 hours weekly (44%), followed by those who reported working about 21 to 30 hours a week (24%).

Most students worked year-round, found employment in food service or retail, worked an average of 22 hours per week, and highly valued financial prudence

Graduate School Plans

**For many college students, paying for college won't end with graduation.** Nearly half of families with students currently earning an undergraduate degree have plans of attending graduate school (45%). Among those currently working on a bachelor's degree, there was little difference in plans for a graduate degree based on current type of school; roughly half attending four-year public (48%) and four-year private colleges (51%) expected to attend graduate school.

Most planned to attend directly after earning their degree (32%), as opposed to waiting some time before going back to graduate school (14%). One-quarter of families were unsure when or whether their student will seek an advanced degree (25%).

45% of families with students currently earning an undergraduate degree have plans of attending graduate school

Overall, parents were less likely to expect their child will attend graduate school (33%), compared to the proportion of students who plan to attend (57%).

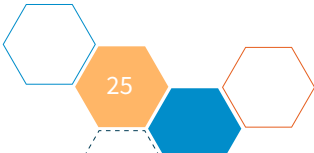
The college majors where plans to attend graduate school were the highest were social sciences (67%), math/science (58%), and professional degrees (e.g. education, law, pre-med) (51%). Those majors with the least likelihood to plan for graduate school were vocational (16%), visual and performing arts (23%), and general studies (29%).

The high rate of social science majors expecting to continue to graduate school was potentially related to employment rates among different degree fields. In an analysis of U.S. Census data, the unemployment rate among recent social science graduates was 10 percent, roughly equivalent to the unemployment rate for those with a high school degree and work experience (9.9%)<sup>7</sup>. This rate drops significantly to 5.6 percent after obtaining a graduate degree. The high initial unemployment rate, coupled with better job prospects for those with a graduate degree, may help explain why those pursuing social science degrees were much more likely to indicate plans to go on to graduate school.

Students approaching the end of their undergraduate career became more committed to pursuing a post-baccalaureate degree. The percentage of families with students planning to attend graduate school increased slightly between freshman and junior year (41% of freshmen, 43% of sophomores, and 46% of juniors), then jumped to 68% senior year.

Those who are the first in their family to attend college were less likely to have plans of attending graduate school (35%) when compared to second-generation students (50%). African-American students were more likely to plan on graduate school (59%) than White (45%) or Hispanic (43%) students.

<sup>7</sup> Georgetown University Center on Education and the Workforce <https://cew.georgetown.edu/wp-content/uploads/HardTimes2015-Report.pdf>



## Conclusion

*How America Pays for College* has demonstrated over time that college students, and parents of college students, highly value a college education. While the high value placed on a higher education is constant, the personas demonstrate that American families show substantial diversity in their perceptions of the college experience. This attitudinal context affects how families go about the process of paying for college.

While *How America Pays for College 2015* highlights the variety of actions and motivations of American families in facilitating the student's college education, it also makes evident three common themes that tie these families together.

First is the role of parents. Over the past four years, the amount families spent on college was tempered somewhat by parent worries about economic issues, such as concern about the value of their home. This year, parents reported they were less worried about economic issues than in previous years. Hand-in-hand with less worry, families spent more on college – and current parent income was the most frequently reported source of funds used to pay for college.

Second is the role of students. Student contributions from savings and income were relatively small compared with parent contributions; however, students came up with other ways to help make college affordable. This year's study found

that students were very mindful of costs, and often removed schools from consideration due to cost. Additionally, students were likely to engage in cost-saving behaviors (such as living at home or cutting back on personal expenses), and a significant number of students reported they worked during the course of their studies to help pay for college.

The third theme, the role of borrowing, connects the roles of parents and students. *How America Pays for College 2015* shows most families did not borrow to pay for college. Not surprisingly, families with a student enrolled in a four-year college or a private college were more likely to borrow. But interestingly, families who chose to borrow did not seem to be doing so just for the reason of enabling college; rather, these families appear to have been borrowing to reach for a more expensive education.

While different families take different paths to college, the commitment to enabling and facilitating the college experience is shared. Both parents and students play key roles in the process. *How America Pays for College 2015* demonstrates the richness of diversity in the process of paying for college and, in this sense, paying for college remains a “family enterprise.”

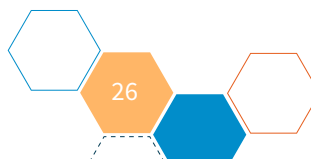


### Sallie Mae's 1-2-3 Approach to Paying for College

*How America Pays for College 2015* demonstrates the wide array of resources families use to pay for college, and highlights the range of use among different families. Sallie Mae advocates that whatever plan families create, it be a responsible one. For more than 10 years, Sallie Mae has encouraged families to follow our 1-2-3 approach to paying for college:

- 1. Start with money you won't have to repay.** Supplement your college savings and income by maximizing scholarships, grants, and work-study.
- 2. Explore federal student loans.** Apply by completing the Free Application for Federal Student Aid.
- 3. Consider a responsible private education loan.** Fill the gap between your available resources and the cost of college.

More information about Sallie Mae's commitment to helping students and families save, plan, and pay responsibly for college is available at [SallieMae.com/PlanForCollege](http://SallieMae.com/PlanForCollege).



## 4 Data Tables

Table 2a — Composite of College Funding Sources

Average Value Contributed from Each Source, by Income Level						
				Income		
			Total	<\$35k	\$35k - <\$100k	\$100k+
Borrowed	Parents	Federal Parent PLUS Loan	\$895	\$633	\$763	\$1,481
		Private education loans	\$171	\$44	\$238	\$227
		Home equity loan or line of credit	\$53	\$19	\$46	\$113
		Credit cards	\$92	\$38	\$152	\$63
		Retirement account loan (including 401k, Roth IRA, or other IRA)	\$37	\$14	\$72	\$9
		Other loans	\$236	\$113	\$213	\$443
	Student	Federal student loans, such as Stafford or Perkins loans	\$2,491	\$2,640	\$2,357	\$2,523
		Private education loans	\$953	\$915	\$736	\$1,383
		Student credit cards	\$48	\$48	\$52	\$41
		Student other loans	\$294	\$392	\$298	\$154
Non-Borrowed	Parents	Parent current income	\$4,680	\$2,392	\$3,930	\$9,095
		College savings fund, such as a 529 plan	\$1,768	\$1,076	\$873	\$4,263
		Other parent savings or investments	\$799	\$607	\$805	\$1,050
		Retirement savings withdrawal (including 401k, Roth IRA, or other IRA)	\$436	\$273	\$452	\$628
	Student	Student current income	\$1,348	\$1,585	\$1,417	\$906
		Student savings	\$706	\$483	\$842	\$775
		Federal Work-study	\$329	\$442	\$241	\$328
		Other student savings or investments	\$300	\$281	\$353	\$233
	Other	Scholarships (received from the school or outside organizations or businesses)	\$4,094	\$3,320	\$3,608	\$5,987
		Grants (Federal, state or school based)	\$3,187	\$4,220	\$2,832	\$2,395
		Relatives or friends (money that doesn't have to be repaid)	\$1,247	\$1,501	\$1,095	\$1,163
	Total Paid		\$24,164	\$21,036	\$21,375	\$33,260

**Table 2b — Composite of College Funding Sources****Average Value Contributed from Each Source, by Race/Ethnicity**

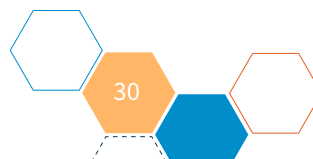
				Race/Ethnicity		
			Total	White	Black	Hispanic
Borrowed	Parents	Federal Parent PLUS Loan	\$895	\$886	\$1,570	\$508
		Private education loans	\$171	\$176	\$236	\$120
		Home equity loan or line of credit	\$53	\$51	\$54	\$53
		Credit cards	\$92	\$74	\$107	\$92
		Retirement account loan (including 401k, Roth IRA, or other IRA)	\$37	\$50	\$24	\$3
		Other loans	\$236	\$213	\$286	\$307
	Student	Federal student loans, such as Stafford or Perkins loans	\$2,491	\$2,948	\$2,152	\$1,867
		Private education loans	\$953	\$1,113	\$768	\$732
		Student credit cards	\$48	\$47	\$16	\$120
		Student other loans	\$294	\$329	\$320	\$172
Non-Borrowed	Parents	Parent current income	\$4,680	\$3,616	\$4,997	\$5,564
		College savings fund, such as a 529 plan	\$1,768	\$1,901	\$2,544	\$634
		Other parent savings or investments	\$799	\$674	\$1,076	\$746
		Retirement savings withdrawal (including 401k, Roth IRA, or other IRA)	\$436	\$433	\$494	\$226
	Student	Student current income	\$1,348	\$1,246	\$952	\$2,286
		Student savings	\$706	\$755	\$372	\$610
		Federal Work-study	\$329	\$365	\$294	\$246
		Other student savings or investments	\$300	\$258	\$282	\$210
	Other	Scholarships (received from the school or outside organizations or businesses)	\$4,094	\$4,490	\$3,618	\$3,691
		Grants (Federal, state or school based)	\$3,187	\$2,887	\$4,360	\$3,668
		Relatives or friends (money that doesn't have to be repaid)	\$1,247	\$1,148	\$1,441	\$1,198
	Total Paid		\$24,164	\$23,660	\$25,963	\$23,053

**Table 2c — Composite of College Funding Sources****Average Value Contributed from Each Source, by School Type**

				School Type		
			Total	2-Year Public	4-Year Public	4-Year Private
Borrowed	Parents	Federal Parent PLUS Loan	\$895	\$104	\$1,209	\$1,661
		Private education loans	\$171	\$218	\$145	\$136
		Home equity loan or line of credit	\$53	\$28	\$46	\$114
		Credit cards	\$92	\$104	\$70	\$131
		Retirement account loan (including 401k, Roth IRA, or other IRA)	\$37	\$8	\$7	\$140
		Other loans	\$236	\$2	\$362	\$397
	Student	Federal student loans, such as Stafford or Perkins loans	\$2,491	\$1,196	\$2,584	\$4,296
		Private education loans	\$953	\$30	\$933	\$2,400
		Student credit cards	\$48	\$80	\$37	\$25
		Student other loans	\$294	\$128	\$216	\$654
Non-Borrowed	Parents	Parent current income	\$4,680	\$3,589	\$4,444	\$6,083
		College savings fund, such as a 529 plan	\$1,768	\$401	\$2,701	\$2,093
		Other parent savings or investments	\$799	\$352	\$1,088	\$868
		Retirement savings withdrawal (including 401k, Roth IRA, or other IRA)	\$436	\$185	\$472	\$704
	Student	Student current income	\$1,348	\$1,692	\$1,060	\$1,150
		Student savings	\$706	\$698	\$706	\$744
		Federal Work-study	\$329	\$115	\$222	\$824
		Other student savings or investments	\$300	\$228	\$280	\$421
	Other	Scholarships (received from the school or outside organizations or businesses)	\$4,094	\$1,115	\$3,116	\$10,840
		Grants (Federal, state or school based)	\$3,187	\$2,927	\$2,250	\$5,497
		Relatives or friends (money that doesn't have to be repaid)	\$1,247	\$331	\$1,241	\$2,679
	Total Paid		\$24,164	\$13,531	\$23,189	\$41,857

**Table 2d — Composite of College Funding Sources****Average Value Contributed from Each Source, by Family Borrowing Status**

			<b>Family Borrowing Status</b>		
			<b>Total</b>	<b>Borrowed</b>	<b>Did Not Borrow</b>
<b>Borrowed</b>	<b>Parents</b>	<b>Federal Parent PLUS Loan</b>	\$895	\$2,212	N/A
		<b>Private education loans</b>	\$171	\$413	N/A
		<b>Home equity loan or line of credit</b>	\$53	\$116	N/A
		<b>Credit cards</b>	\$92	\$216	N/A
		<b>Retirement account loan (including 401k, Roth IRA, or other IRA)</b>	\$37	\$85	N/A
		<b>Other loans</b>	\$236	\$491	N/A
	<b>Student</b>	<b>Federal student loans, such as Stafford or Perkins loans</b>	\$2,491	\$6,262	N/A
		<b>Private education loans</b>	\$953	\$2,396	N/A
		<b>Student credit cards</b>	\$48	\$113	N/A
		<b>Student other loans</b>	\$294	\$730	N/A
<b>Non-Borrowed</b>	<b>Parents</b>	<b>Parent current income</b>	\$4,680	\$2,890	\$5,856
		<b>College savings fund, such as a 529 plan</b>	\$1,768	\$1,161	\$2,167
		<b>Other parent savings or investments</b>	\$799	\$507	\$991
		<b>Retirement savings withdrawal (including 401k, Roth IRA, or other IRA)</b>	\$436	\$299	\$526
	<b>Student</b>	<b>Student current income</b>	\$1,348	\$1,084	\$1,521
		<b>Student savings</b>	\$706	\$691	\$716
		<b>Federal Work-study</b>	\$329	\$270	\$368
		<b>Other student savings or investments</b>	\$300	\$307	\$295
	<b>Other</b>	<b>Scholarships (received from the school or outside organizations or businesses)</b>	\$4,094	\$4,350	\$3,925
		<b>Grants (Federal, state or school based)</b>	\$3,187	\$3,066	\$3,266
		<b>Relatives or friends (money that doesn't have to be repaid)</b>	\$1,247	\$727	\$1,588
	<b>Total Paid</b>		\$24,164	\$28,386	\$21,219



**Table 3a — Composite of College Funding Sources****Average Percent of Total Cost of Attendance Met by Each Source, by Income Level**

				Income		
			Total	<\$35k	\$35k - <\$100k	\$100k+
Borrowed	Parents	Federal Parent PLUS Loan	4%	3%	4%	4%
		Private education loans	1%	0%	1%	1%
		Home equity loan or line of credit	0%	0%	0%	0%
		Credit cards	0%	0%	1%	0%
		Retirement account loan (including 401k, Roth IRA, or other IRA)	0%	0%	0%	0%
		Other loans	1%	1%	1%	1%
	Student	Federal student loans, such as Stafford or Perkins loans	10%	13%	11%	8%
		Private education loans	4%	4%	3%	4%
		Student credit cards	0%	0%	0%	0%
		Student other loans	1%	2%	1%	0%
Non-Borrowed	Parents	Parent current income	19%	11%	18%	27%
		College savings fund, such as a 529 plan	7%	5%	4%	13%
		Other parent savings or investments	3%	3%	4%	3%
		Retirement savings withdrawal (including 401k, Roth IRA, or other IRA)	2%	1%	2%	2%
	Student	Student current income	6%	8%	7%	3%
		Student savings	3%	2%	4%	2%
		Federal Work-study	1%	2%	1%	1%
		Other student savings or investments	1%	1%	2%	1%
	Other	Scholarships (received from the school or outside organizations or businesses)	17%	16%	17%	18%
		Grants (Federal, state or school based)	13%	20%	13%	7%
		Relatives or friends (money that doesn't have to be repaid)	5%	7%	5%	3%

**Table 3b — Composite of College Funding Sources****Average Percent of Total Cost of Attendance Met by Each Source, by Race/Ethnicity**

				Race/Ethnicity		
			Total	White	Black	Hispanic
Borrowed	Parents	Federal Parent PLUS Loan	4%	4%	6%	2%
		Private education loans	1%	1%	1%	1%
		Home equity loan or line of credit	0%	0%	0%	0%
		Credit cards	0%	0%	0%	0%
		Retirement account loan (including 401k, Roth IRA, or other IRA)	0%	0%	0%	0%
		Other loans	1%	1%	1%	1%
	Student	Federal student loans, such as Stafford or Perkins loans	10%	12%	8%	8%
		Private education loans	4%	5%	3%	3%
		Student credit cards	0%	0%	0%	1%
		Student other loans	1%	1%	1%	1%
Non-Borrowed	Parents	Parent current income	19%	15%	19%	24%
		College savings fund, such as a 529 plan	7%	8%	10%	3%
		Other parent savings or investments	3%	3%	4%	3%
		Retirement savings withdrawal (including 401k, Roth IRA, or other IRA)	2%	2%	2%	1%
	Student	Student current income	6%	5%	4%	10%
		Student savings	3%	3%	1%	3%
		Federal Work-study	1%	2%	1%	1%
		Other student savings or investments	1%	1%	1%	1%
	Other	Scholarships (received from the school or outside organizations or businesses)	17%	19%	14%	16%
		Grants (Federal, state or school based)	13%	12%	17%	16%
		Relatives or friends (money that doesn't have to be repaid)	5%	5%	6%	5%





**Table 3c — Composite of College Funding Sources****Average Percent of Total Cost of Attendance Met by Each Source, by School Type**

				School Type		
				Total	2-Year Public	4-Year Public
Borrowed	Parents	Federal Parent PLUS Loan	4%	1%	5%	4%
		Private education loans	1%	2%	1%	0%
		Home equity loan or line of credit	0%	0%	0%	0%
		Credit cards	0%	1%	0%	0%
		Retirement account loan (including 401k, Roth IRA, or other IRA)	0%	0%	0%	0%
		Other loans	1%	0%	2%	1%
	Student	Federal student loans, such as Stafford or Perkins loans	10%	9%	11%	10%
		Private education loans	4%	0%	4%	6%
		Student credit cards	0%	1%	0%	0%
		Student other loans	1%	1%	1%	2%
Non-Borrowed	Parents	Parent current income	19%	27%	19%	15%
		College savings fund, such as a 529 plan	7%	3%	12%	5%
		Other parent savings or investments	3%	3%	5%	2%
		Retirement savings withdrawal (including 401k, Roth IRA, or other IRA)	2%	1%	2%	2%
	Student	Student current income	6%	13%	5%	3%
		Student savings	3%	5%	3%	2%
		Federal Work-study	1%	1%	1%	2%
		Other student savings or investments	1%	2%	1%	1%
	Other	Scholarships (received from the school or outside organizations or businesses)	17%	8%	13%	26%
		Grants (Federal, state or school based)	13%	22%	10%	13%
		Relatives or friends (money that doesn't have to be repaid)	5%	2%	5%	6%



Table 3d — Composite of College Funding Sources					
Average Percent of Total Cost of Attendance Met by Each Source, by Family Borrowing Status					
				Family Borrowing Status	
			Total	Borrowed	Did Not Borrow
Borrowed	Parents	Federal Parent PLUS Loan	4%	8%	N/A
		Private education loans	1%	1%	N/A
		Home equity loan or line of credit	0%	0%	N/A
		Credit cards	0%	1%	N/A
		Retirement account loan (including 401k, Roth IRA, or other IRA)	0%	0%	N/A
		Other loans	1%	2%	N/A
	Student	Federal student loans, such as Stafford or Perkins loans	10%	22%	N/A
		Private education loans	4%	8%	N/A
		Student credit cards	0%	0%	N/A
		Student other loans	1%	3%	N/A
Non-Borrowed	Parents	Parent current income	19%	10%	28%
		College savings fund, such as a 529 plan	7%	4%	10%
		Other parent savings or investments	3%	2%	5%
		Retirement savings withdrawal (including 401k, Roth IRA, or other IRA)	2%	1%	2%
	Student	Student current income	6%	4%	7%
		Student savings	3%	2%	3%
		Federal Work-study	1%	1%	2%
		Other student savings or investments	1%	1%	1%
	Other	Scholarships (received from the school or outside organizations or businesses)	17%	15%	18%
		Grants (Federal, state or school based)	13%	11%	15%
		Relatives or friends (money that doesn't have to be repaid)	5%	3%	7%

**Q.** Of the total [named dollar amount] cost of attendance, how much money did you (student)/your child use to pay for college this year from each of the following sources? Your best estimate is fine.

a. Grants (Federal, state or school based)

b. Scholarships (received from the school or outside organizations or businesses or state programs)

**Table 4 — Grant Use and Average Amounts**

	N	% of Total Families	Average Amount**
<b>Total</b>	<b>1593</b>	<b>45%</b>	<b>\$7,114</b>
<b>Income</b>			
<\$35k	536	61%	\$7,023
\$35-\$100k	676	45%	\$6,470
\$100k+	381	26%	\$9,304
<b>Race/Ethnicity</b>			
White	1090	43%	\$6,651
Black	218	61%	\$7,444
Hispanic	257*	48%	\$7,872
<b>Borrowing Status</b>			
Borrowed	613	52%	\$6,219
Did Not Borrow	980	41%	\$7,807
<b>Grade Level</b>			
Freshman	488	45%	\$7,482
Sophomore	558	49%	\$6,357
Junior	348	37%	\$7,871
Senior	163*	48%	\$7,336
<b>Type of School</b>			
4-Year Public/State College/University	640	42%	\$5,625
4-Year Private College/University	353	55%	\$10,820
2-Year Public/Community College	539	44%	\$6,233

**Table 5 — Scholarship Use and Average Amounts**

	N	% of Total Families	Average Amount**
<b>Total</b>	<b>1593</b>	<b>46%</b>	<b>\$8,843</b>
<b>Income</b>			
<\$35k	536	44%	\$7,370
\$35-\$100k	676	47%	\$7,441
\$100k+	381	44%	\$13,558
<b>Race/Ethnicity</b>			
White	1090	48%	\$9,113
Black	218	44%	\$8,207
Hispanic	257*	45%	\$8,732
<b>Borrowing Status</b>			
Borrowed	613	51%	\$8,766
Did Not Borrow	980	42%	\$8,900
<b>Grade Level</b>			
Freshman	488	48%	\$5,793
Sophomore	558	40%	\$6,541
Junior	348	42%	\$9,121
Senior	163*	65%	\$20,292
<b>Type of School</b>			
4-Year Public/State College/University	640	50%	\$6,469
4-Year Private College/University	353	71%	\$16,527
2-Year Public/Community College	539	29%	\$3,412

Base: Parents of college students and college students

\* Small sample base

\*\* Among those who used each source

Base: Parents of college students and college students

\* Small sample base

\*\* Among those who used each source



**Q.** You told us that you/your child received [\$ amount] in scholarships to pay for college this year. How much of this amount was:

- Awarded by the state/government
- Awarded by the college
- Awarded by a community or nonprofit organization

	N	% State	% College	% Nonprofit
<b>Total</b>	<b>716</b>	<b>68%</b>	<b>86%</b>	<b>76%</b>
<b>Income</b>				
<\$35k	231*	73%	86%	81%
\$35-\$100k	318	66%	84%	73%
\$100k+	167*	66%	89%	77%
<b>Race/Ethnicity</b>				
White	518	67%	87%	74%
Black	96*	65%	88%	79%
Hispanic	106**	73%	78%	72%
<b>Borrowing Status</b>				
Borrowed	304	64%	87%	67%
Did Not Borrow	411	72%	85%	83%
<b>Grade Level</b>				
Freshman	237*	73%	78%	81%
Sophomore	223*	73%	87%	70%
Junior	139*	60%	89%	71%
Senior	107*	58%	97%	84%
<b>Type of School</b>				
4-Year Public/State College/University	299	71%	85%	73%
4-Year Private College/University	228*	63%	94%	77%
2-Year Public/Community College	169*	67%	75%	79%

Base: Parents of college students and college students

\* Small sample base

\*\* Among those who used each source

**Q.** Of the total [named dollar amount] cost of attendance, how much of your/your child's college funding came from relatives or friends (money that does not have to be repaid)? Your best estimate is fine.

	N	% of Total Families
<b>Total</b>	<b>1593</b>	<b>16%</b>
<b>Income</b>		
<\$35k	536	13%
\$35-\$100k	676	20%
\$100k+	381	13%
<b>Race/Ethnicity</b>		
White	1090	13%
Black	218	25%
Hispanic	257*	19%
<b>Borrowing Status</b>		
Borrowed	613	15%
Did Not Borrow	980	17%
<b>Grade Level</b>		
Freshman	488	21%
Sophomore	558	15%
Junior	348	10%
Senior	163*	19%
<b>Type of School</b>		
4-Year Public/State College/University	640	15%
4-Year Private College/University	353	20%
2-Year Public/Community College	539	14%

Base: Parents of college students and college students

\* Small sample base

**Q.** Of the funding coming from relatives or friends, how much of your child's college funding came from 'crowdfunding' or 'crowdsourcing' websites such as Go Fund Me? Your best estimate is fine.

	% of Total Families
<b>N</b>	<b>247</b>
<b>Nothing</b>	86%
<b>Some amount</b>	6%
<b>Don't Know</b>	9%

Base: Parents of college students and college students who reported some relative/friend contributions



**Q.** Of the total [named dollar amount] cost of attendance, how much money did you (student)/your child use to pay for college this year from each of the following sources? Your best estimate is fine.

- a. Federal Work-Study
- b. Your/your child's savings
- c. Your/your child's current income
- d. Other student savings or investments

**Table 8 — Use of Student Income & Savings**

	N	% of Total Families
<b>Total</b>	<b>1593</b>	<b>53%</b>
<b>Income</b>		
<\$35k	536	60%
\$35-\$100k	676	53%
\$100k+	381	42%
<b>Race/Ethnicity</b>		
White	1090	52%
Black	218	46%
Hispanic	257*	65%
<b>Borrowing Status</b>		
Borrowed	613	55%
Did Not Borrow	980	52%
<b>Grade Level</b>		
Freshman	488	52%
Sophomore	558	57%
Junior	348	50%
Senior	163*	50%
<b>Type of School</b>		
4-Year Public/State College/University	640	50%
4-Year Private College/University	353	54%
2-Year Public/Community College	539	57%

Base: Parents of college students and college students

\* Small sample base

**Q.** Of the total [named dollar amount] cost of attendance, how much money did you (parent)/your parents use to pay for college this year from each of the following sources? Your best estimate is fine.

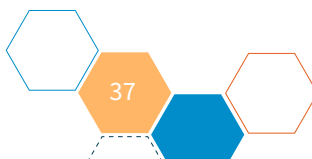
- a. Parent current income
- b. College savings fund, such as a 529 plan or Coverdell ESA
- c. Retirement Savings withdrawal (including 401k, Roth IRA, or other IRA)
- d. Other parent savings or investments

**Table 9 — Use of Parent Income & Savings**

	N	% of Total Families
<b>Total</b>	<b>1593</b>	<b>58%</b>
<b>Income</b>		
<\$35k	536	38%
\$35-\$100k	676	60%
\$100k+	381	80%
<b>Race/Ethnicity</b>		
White	1090	57%
Black	218	57%
Hispanic	257*	51%
<b>Borrowing Status</b>		
Borrowed	613	56%
Did Not Borrow	980	59%
<b>Grade Level</b>		
Freshman	488	55%
Sophomore	558	57%
Junior	348	61%
Senior	163*	62%
<b>Type of School</b>		
4-Year Public/State College/University	640	67%
4-Year Private College/University	353	62%
2-Year Public/Community College	539	45%

Base: Parents of college students and college students

\* Small sample base



**Q.** Were any types of loans, or other types of credit or borrowed money used to pay for college this year? Some examples may include student or private loans, home equity, or credit cards.

**Q.** Who borrowed the money used to pay for college this year?

**Table 10 — Who Contributed Borrowed Funds**

	Family Borrowed		Who borrowed <sup>±</sup>					
	N	% Yes <sup>±±</sup>	N	Student Only % <sup>*</sup>	Parent Only % <sup>*</sup>	Both %	Total Student	Total Parent
<b>Total</b>	<b>1593</b>	<b>43%</b>	<b>683</b>	<b>70%</b>	<b>17%</b>	<b>11%</b>	<b>81%</b>	<b>28%</b>
<b>Income</b>								
<\$35k	536	43%	230	84%	11%	5%	89%	15%
\$35-\$100k	676	45%	301	63%	18%	15%	78%	32%
\$100k+	381	40%	152	61%	23%	15%	76%	38%
<b>Race/Ethnicity</b>								
White	1090	47%	516	71%	14%	13%	84%	27%
Black	218	47%	102**	61%	28%	10%	71%	37%
Hispanic	257	35%	89**	70%	12%	14%	83%	26%
<b>Grade Level</b>								
Freshman	488	39%	191	69%	19%	7%	76%	27%
Sophomore	558	42%	236	68%	16%	15%	83%	31%
Junior	348	45%	157	67%	20%	12%	78%	32%
Senior	163	47%	77**	84%	2%	12%	96%	14%
<b>Type of School</b>								
4-Year Public/State College/University	640	48%	304	67%	19%	13%	79%	32%
4-Year Private College/University	353	62%	217	70%	12%	16%	86%	28%
2-Year Public/Community College	539	26%	141**	73%	20%	3%	76%	23%
<b>Region</b>								
Northeast	329	56%	184	60%	25%	12%	73%	38%
Midwest	378	52%	197	76%	9%	15%	90%	23%
South	477	39%	187	76%	17%	5%	81%	21%
West	399	28%	112**	64%	17%	16%	80%	33%

Base: Parents of college students and college students

<sup>±</sup> Base: Parents of college students and college students in families that borrowed

<sup>±±</sup> This table represents respondents who said “yes” to this question. The borrowing frequency cited in the report text and Tables 1a and 1b denote a lower proportion of borrowers (38%) which reflects respondents who named an actual sum or source of borrowed funds in subsequent questions.

<sup>\*</sup> Categories are mutually exclusive. These are percent of families that borrow.

<sup>\*\*</sup> Small sample base



**Q.** Of the total [named dollar amount] cost of attendance, how much money did you (parent)/your parents use to pay for college this year from each of the following borrowed sources? Your best estimate is fine.

- a. Federal Parent PLUS Loan
- b. Private education loans in your/your parent's name, not including loans where you/your parent are only a cosigner
- c. Home equity loan or line of credit
- d. Credit cards in your/your parent's name
- e. Retirement account loan (including 401k, Roth IRA, or other IRA)
- f. Other loans in your/your parent's name

**Table 11 — Use of Parent Borrowed Funds**

	N	% of Total Families**
<b>Total</b>	<b>1593</b>	<b>12%</b>
<b>Income</b>		
<\$35k	536	7%
\$35-\$100k	676	15%
\$100k+	381	15%
<b>Race/Ethnicity</b>		
White	1090	12%
Black	218	17%
Hispanic	257	14%
<b>Grade Level</b>		
Freshman	488	13%
Sophomore	558	13%
Junior	348	13%
Senior	163	6%
<b>Type of School</b>		
4-Year Public/State College/University	640	15%
4-Year Private College/University	353	16%
2-Year Public/Community College	539	6%

Base: Parents of college students and college students

\*\* Percent of total families naming amount >\$0

**Q.** Of the total [named dollar amount] cost of attendance, how much money did you (student)/your child use to pay for college this year from each of the following borrowed sources? Your best estimate is fine.

- a. Federal student loans, such as Perkins loans, or the Direct Loan Program
- b. Private education loans in your/your child's name, including loans where your parent/you or anyone else is a cosigner
- c. Credit cards in your/your child's name
- d. Other loans in your/your child's name

**Table 12 — Use of Student Borrowed Funds**

	N	% of Total Families*
<b>Total</b>	<b>1593</b>	<b>33%</b>
<b>Income</b>		
<\$35k	536	36%
\$35-\$100k	676	33%
\$100k+	381	30%
<b>Race/Ethnicity</b>		
White	1090	38%
Black	218	31%
Hispanic	257	29%
<b>Grade Level</b>		
Freshman	488	27%
Sophomore	558	33%
Junior	348	36%
Senior	163	43%
<b>Type of School</b>		
4-Year Public/State College/University	640	37%
4-Year Private College/University	353	50%
2-Year Public/Community College	539	18%

Base: Parents of college students and college students

\* Percent of total families naming amount >\$0

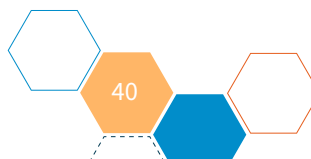


**Q.** Can you tell me the name of the school your child/you attended in the 2013-2014 school year? And which campus is that?  
(Match to school type.)

**Table 13 — Enrollment by Type of School**

	N	4-Year Public	4-Year Private	2-Year Public	2-Year Private*
<b>Total</b>	<b>1593</b>	<b>40%</b>	<b>22%</b>	<b>34%</b>	<b>1%</b>
<b>Income</b>					
<\$35k	536	32%	23%	42%	<1%
\$35k - <\$100k	676	40%	20%	36%	2%
>\$100k+	381	53%	25%	20%	2%
<b>Race/Ethnicity</b>					
White	1090	40%	22%	35%	2%
Black	218	45%	25%	25%	1%
Hispanic	257*	38%	17%	41%	1%
<b>Region</b>					
Northeast	329*	37%	29%	24%	4%
Midwest	378	43%	30%	24%	2%
South	477	43%	16%	38%	<1%
West	399	38%	16%	45%	1%
<b>Grade Level</b>					
Freshman	488	37%	19%	38%	3%
Sophomore	558	29%	23%	45%	<1%
Junior	348	57%	21%	19%	1%
Senior	163*	46%	35%	19%	0%
<b>Borrowing Status</b>					
Borrowed	613	45%	32%	19%	1%
Did Not Borrow	980	37%	16%	43%	2%

\* Small sample base





Q. In which state is student attending college?

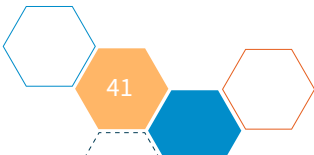
Table 14 — Enrollment by Home State			
	N	In-State	Out-of-State
Total	1593	76%	24%
Income			
<\$35k	536	74%	26%
\$35k - <\$100k	676	79%	21%
\$100k+	381	72%	28%
Race/Ethnicity			
White	1090	75%	25%
Black	218	85%	15%
Hispanic	257	85%	15%
Region			
Northeast	329	59%	41%
Midwest	378	78%	22%
South	477	82%	18%
West	399	82%	18%
School Type			
4-Year Public/State College/University	640	83%	17%
4-Year Private College/University	353	56%	44%
2-Year Public/Community College	539	84%	16%
Borrowing Status			
Borrowed	613	76%	24%
Did Not Borrow	980	75%	25%

Base: Parents of college students and college students  
\* Small sample base

Q. What general subject area is your child/ are you currently studying/majoring in?

Table 15 — Student Course of Study	
	% Major
N	1593
Professional (Education, Law, Medicine, Healthcare, Nursing, Veterinary Medicine)	15%
Math/Science (Biology, Chemistry, Physics, Agricultural Sciences, Computer Science, Mechanical)	19%
Social sciences (Psychology, Anthropology, Economics, Geography, Sociology, Political Science & Government, International Relations, Philosophy)	15%
Business (Accounting, Marketing, Finance, Management, International Business)	12%
Liberal Arts (English, Communications, Advertising, Journalism, Foreign Languages, Linguistics, History)	8%
Visual and Performing Arts (Art, Graphic Design, Fashion Design, Film, Radio, Television, Photography, Music, Performing Arts)	8%
Engineering, Electrical Engineering, Environmental Science, Mathematics)	9%
Vocational (Culinary Arts, Construction Trades, Mechanical Technicians, Computer Technicians)	5%
They have not yet decided	2%
Other	6%

Base: Parents of college students and college students



**Q.** Is the school you are/your child is attending in the 2014-2015 school year the same school you/your child always planned to attend?

- a. Yes
- b. No, I/my child changed plans before beginning my/his/her college education
- c. No, I/my child changed schools after beginning my/his/her college education
- d. No, I/my child changed plans before beginning my/his/her college education and again after I/he/she began attending school
- e. Not sure

**Table 16 — Enrolled School and Plan to Attend**

	N	Yes	No, changed plans before	No, changed schools after	No, changed plans before and again after	Not sure
<b>Total</b>	<b>1593</b>	<b>65%</b>	<b>13%</b>	<b>11%</b>	<b>6%</b>	<b>5%</b>
<b>Parents</b>	<b>780</b>	71%	10%	7%	3%	8%
<b>Students</b>	<b>813</b>	59%	16%	15%	8%	3%
<b>Income</b>						
<\$35k	536	68%	10%	10%	6%	5%
\$35k - <\$100k	676	58%	15%	14%	6%	6%
\$100k+	381	72%	13%	7%	3%	4%
<b>Race/Ethnicity</b>						
White	1090	65%	14%	13%	6%	3%
Black	218	72%	16%	11%	0%	2%
Hispanic	257*	60%	9%	11%	7%	13%
<b>Current School Type</b>						
4-Year Public/State College/University	640	72%	11%	11%	2%	4%
4-Year Private College/University	353	72%	14%	7%	3%	5%
2-Year Public/Community College	539	55%	16%	12%	11%	7%
<b>Planning Status</b>						
Planners	638	71%	11%	7%	5%	8%
Non-Planners	955	61%	15%	14%	6%	4%

\* Small sample base



**Q.** Why did your/your child’s enrollment plans change (pre-enrollment)? *Check all that apply.*

Table 17 — Reasons for Not Enrolling in School Originally Planned to Attend	
N	296
The cost was too high at the school ... planned to attend\Decided to attend less expensive school	37%
The school ... planned to attend did not meet my academic needs	16%
Change in life plans	14%
The school ... planned to attend did not have my desired major	11%
Student was not admitted at the school ... planned to attend	7%
Wanted to move closer to home	5%
Better environment/ better fit	4%
Scholarship options	3%
Still plan to attend this school in the future	3%
Illness or Injury	2%
Job Loss (Self)	2%
Job Loss (Family member)	1%
Wanted to move farther from home	1%
The coursework at the school ... planned to attend was too easy	1%
The coursework at the school ... planned to attend was too hard	<1%
Other	9%

Base: Parents of college students and college students who did not enroll in the school student originally planned to attend

**Q.** Why did your/your child’s enrollment plans change (post-enrollment)?

Table 18 — Reasons for Changing Schools After Enrolling	
N	265
The school ... started at did not meet my academic needs	24%
I changed majors and the school did not have my desired major	19%
Other	16%
The cost was too high at the school ... started at	13%
Change in life plans	11%
Wanted to move closer to home	7%
Graduated	4%
Move to a College after finishing General education	4%
A previous school was not a good fit	4%
Still plan to attend this school in the future	3%
Did not receive enough financial aid to attend the school ... started at	2%
Did not like the social atmosphere/situation	2%
Wanted to move farther from home	2%
Illness or Injury	2%
The coursework was too hard	1%
Sports scholarship	1%
Need to improve job searching possibilities	<1%
The coursework was too easy	0%
Don't know	4%

Base: Parents of college students and college students who changed schools after enrolling

**Q.** For the program in which you/ your child is currently enrolled, what degree or level of undergraduate college do you expect you/ your child to achieve?

**Table 19 — Degree Type Expected to Earn**

	N	BA Degree	AA Degree	Voc/Tech Certificate	No Degree	Not sure
<b>Total</b>	<b>1593</b>	<b>68%</b>	<b>22%</b>	<b>3%</b>	<b>1%</b>	<b>4%</b>
<b>Income</b>						
<\$35k	536	60%	25%	5%	<1%	7%
\$35k - <\$100k	676	65%	25%	2%	<1%	3%
\$100k+	381	84%	12%	2%	0%	1%
<b>Race/Ethnicity</b>						
White	1090	70%	23%	3%	0%	4%
Black	218	70%	20%	5%	<1%	4%
Hispanic	257	55%	28%	2%	1%	5%
<b>Grade Level</b>						
Freshman	488	56%	27%	4%	<1%	8%
Sophomore	558	63%	28%	1%	1%	4%
Junior	348	85%	9%	4%	<1%	1%
Senior	163	87%	11%	0%	0%	0%
<b>Enrollment Status</b>						
Full time	1391	71%	19%	3%	<1%	4%
Part time	177	42%	44%	6%	1%	4%
<b>Borrowing Status</b>						
Borrowed	613	78%	15%	4%	0%	4%
Did Not Borrow	980	61%	27%	2%	<1%	5%
<b>Parent College Experience</b>						
College Degree	475	81%	16%	1%	<1%	2%
Some College, No Degree	407	62%	22%	4%	1%	5%
No College	703	54%	31%	5%	0%	7%

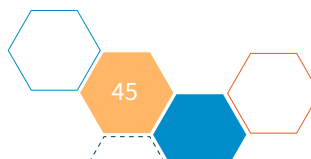
Base: Parents of college students and college students



**Q.** In total, how many years do you anticipate it will take for your child/to earn this degree? Please include any years you have already completed.

Table 20 — Number of Years to Degree Achievement							
	N	1 Year	2 Years	3 Years	4 Years	5+ Years	Don't Know
<b>Total</b>	<b>1563</b>	<b>1%</b>	<b>13%</b>	<b>7%</b>	<b>48%</b>	<b>28%</b>	<b>4%</b>
<b>Parents</b>	<b>780</b>	1%	12%	3%	52%	25%	7%
<b>Students</b>	<b>813</b>	1%	13%	10%	43%	31%	<1%
<b>School Type</b>							
4-Year Public/State College/University	640	1%	4%	3%	55%	33%	4%
4-Year Private College/University	353	1%	6%	4%	70%	17%	4%
2-Year Public/Community College	539	1%	25%	14%	26%	30%	4%
<b>BA Degree Seekers</b>							
4-Year Public/State College/University	556	0%	3%	3%	59%	36%	<1%
4-Year Private College/University	310	<1%	2%	4%	77%	16%	<1%
<b>Grade Level</b>							
Freshman	488	2%	22%	5%	49%	16%	7%
Sophomore	558	1%	12%	9%	48%	27%	3%
Junior	348	1%	7%	6%	45%	40%	<1%
Senior	163	0%	3%	6%	58%	32%	2%
<b>Enrollment Status</b>							
Full time	1391	1%	12%	4%	52%	27%	3%
Part time	177	2%	17%	23%	21%	35%	3%
<b>Borrowing Status</b>							
Borrowed	613	2%	10%	4%	52%	31%	1%
Did Not Borrow	980	1%	15%	9%	45%	26%	5%
<b>Planning Status</b>							
Planners	638	1%	13%	5%	53%	23%	6%
Non-Planners	955	1%	13%	9%	44%	31%	2%

Base: Parents of college students and college students



**Q.** Does your child plan to attend graduate or professional school after earning the degree your child is/Do you plan to attend graduate...

- a. Yes, plan to attend grad school directly after earning this degree
- b. Yes, but don't plan to attend right away
- c. Haven't decided yet
- d. No, don't plan to attend grad school

**Table 21 — Planning on Graduate School**

	N	Yes, directly	Yes, later	Undecided	No
<b>Total</b>	<b>1593</b>	<b>32%</b>	<b>14%</b>	<b>25%</b>	<b>24%</b>
<b>Parents</b>	<b>780</b>	26%	8%	28%	28%
<b>Students</b>	<b>813</b>	38%	20%	22%	20%
<b>School Type</b>					
4-Year Public/State College/University	640	31%	15%	25%	24%
4-Year Private College/University	353	31%	13%	24%	24%
2-Year Public/Community College	539	34%	13%	26%	21%
<b>BA Degree Seekers</b>					
4-Year Public/State College/University	556	33%	15%	24%	22%
4-Year Private College/University	310	35%	16%	26%	22%
<b>Grade Level</b>					
Freshman	488	30%	11%	27%	24%
Sophomore	558	31%	12%	28%	22%
Junior	348	32%	15%	24%	26%
Senior	163	41%	27%	12%	19%
<b>Major</b>					
Professional (ED, Law, Health)	240	34%	17%	26%	22%
Math/Science	297	42%	15%	15%	20%
Social sciences	242	51%	16%	22%	11%
Business	193	16%	18%	30%	33%
Liberal Arts	127**	33%	12%	32%	23%
Visual and Performing Arts	122**	11%	12%	36%	30%
Engineering	140**	30%	15%	28%	22%
Vocational	75**	12%	4%	15%	61%
General Studies	9**	18%	11%	46%	12%

Base: Parents of college students and college students

\*\* Small sample base

Note: 6% responded "don't know"



- Q.** I will read several statements about college. Please state whether you:

  - Strongly agree
  - Somewhat agree
  - Neither agree nor disagree
  - Somewhat disagree
  - Strongly disagree
- a. I am willing to stretch myself financially to obtain the best opportunity for my/my child’s future.
  - b. I would rather borrow to pay for college than not be able/ have my child not be able to go at all.
  - c. College is an investment in my/my child’s future.
  - d. Having a college degree is more important now than it used to be.
  - e. I would go/send my child to college for the intellectual and social experience regardless of whether I/my child earned more money with a college degree.

Table 22 — Attitudes Toward College, Rated "Strongly Agree"									
% Strongly Agree									
	Total	Parents	Students	White	Black	Hispanic	<\$35k	\$35k - <\$100k	\$100k+
N	1593	813	780	1090	218	257	536	676	381
Willing to Stretch Myself Financially	58%	57%	59%	53%	71%	69%	56%	56%	62%
Rather Borrow Than Not Go	54%	52%	56%	53%	58%	60%	51%	55%	58%
Investment in Future	85%	81%	88%	83%	88%	92%	85%	84%	85%
Degree More Important Now	68%	64%	72%	64%	84%	75%	69%	68%	66%
Attend College for the Experience Despite Future Earnings	25%	24%	27%	20%	30%	45%	32%	21%	23%

Base: Parents of college students and college students

Table 23 — Attitudes Toward College, Scale 1-5						
	N	Strongly Agree	Somewhat Agree	Neither	Somewhat Disagree	Strongly Disagree
Willing to Stretch Myself Financially	1593	58%	30%	3%	5%	4%
Rather Borrow Than Not Go	1593	54%	26%	4%	9%	7%
Investment in Future	1593	85%	13%	2%	<1%	1%
Degree More Important Now	1593	68%	19%	5%	5%	3%
Attend College for the Experience Despite Future Earnings	1593	25%	33%	10%	18%	14%

Base: Parents of college students and college students



**Q.** I will read several statements about college. Please state whether you:

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree

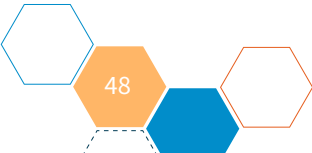
- a. I wanted/I wanted my child to attend college because a college degree is required for my/my child’s desired occupation.
- b. I wanted/I wanted my child to attend college because I/my child will earn more money with a college degree.
- c. College is expected in our family.
- d. A college education is part of the American Dream.

Table 24 — Reasons for Continuing Education, Rated "Strongly Agree"									
% Strongly Agree									
	Total	Parents	Students	White	Black	Hispanic	<\$35k	\$35k - <\$100k	\$100k+
N	1593	813	780	1090	218	257	536	676	381
Needed for Desired Occupation	68%	68%	68%	65%	73%	76%	63%	70%	73%
Earn More Money	63%	60%	67%	59%	78%	72%	66%	61%	62%
Expected in Family	36%	37%	36%	29%	53%	49%	30%	34%	50%
American Dream	40%	44%	37%	36%	50%	56%	41%	39%	41%

Base: Parents of college students and college students

Table 25 — Reasons for Continuing Education, Scale 1-5						
	N	Strongly Agree	Somewhat Agree	Neither	Somewhat Disagree	Strongly Disagree
Needed for Desired Occupation	1593	68%	20%	3%	5%	3%
Earn More Money	1593	63%	26%	5%	5%	2%
Expected in Family	1593	36%	26%	7%	13%	17%
American Dream	1593	40%	40%	8%	7%	5%

Base: Parents of college students and college students



**Q.** Please state your level of agreement with the following statement: Before my child/I enrolled, our family created a plan for paying for all years of college.

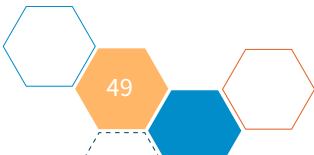
- a. Before my child/I enrolled, our family created a plan for paying for all years of college.
- b. My family has a contingency plan to pay for college in case unexpected events (such as parent job loss or medical emergency) occur.
- c. We considered our child/ I considered not attending college because of the cost.

Table 26 — Planning to Pay for College, Rated "Strongly Agree"									
	Total	Parents	Students	White	Black	Hispanic	<\$35k	\$35k - <\$100k	\$100k+
N	1593	780	813	1090	218	257*	536	676	381
Had a Plan for All Years	21%	27%	15%	20%	16%	20%	14%	17%	38%
Contingency Plan if Emergency	18%	24%	12%	15%	24%	17%	14%	15%	28%
Considered Not Attending	9%	3%	15%	10%	13%	6%	15%	9%	3%

Base: Parents of college students and college students

Table 27 — Planning to Pay for College, Scale 1-5						
	N	Strongly Agree	Somewhat Agree	Neither	Somewhat Disagree	Strongly Disagree
Had a Plan for All Years	1593	21%	19%	5%	20%	35%
Contingency Plan if Emergency	1593	18%	23%	6%	20%	33%
Considered Not Attending	1593	9%	17%	6%	17%	50%

Base: Parents of college students and college students



**Q.** Earlier we discussed borrowing money, had you always planned to borrow money to meet the cost of college?

- a. Yes, I always planned to borrow money
- b. I had a plan where I could borrow money, but hoped I wouldn't have to use it
- c. No, I thought I'd have enough savings (and financial aid or scholarships)
- d. No, but I lost too much money when the stock market crashed (or lost money to other unexpected expenses, or lost earnings due to job loss)
- e. Had no plan to pay for college (no savings/ scholarships)
- f. Did not expect/ plan to go to college
- g. Not sure

**Table 28 — Planned to Borrow**

	N	Yes	Planned I could but hoped I wouldn't	No, underestimated savings/aid	No, unexpected financial loss	No plan to pay	No plan to attend college	Other/not sure
<b>Total</b>	<b>683</b>	<b>45%</b>	<b>25%</b>	<b>14%</b>	<b>4%</b>	<b>1%</b>	<b>2%</b>	<b>4%</b>
<b>Parent</b>	<b>311</b>	38%	19%	17%	5%	2%	3%	6%
<b>Student</b>	<b>373</b>	50%	31%	11%	3%	0%	0%	3%
<b>Income</b>								
<\$35k	230	42%	23%	14%	1%	2%	3%	7%
\$35k - <\$100k	301	46%	28%	12%	4%	1%	1%	3%
>\$100k+	152	47%	22%	15%	7%	1%	0%	3%
<b>Race/Ethnicity</b>								
White	516	47%	26%	13%	4%	1%	1%	4%
Black	102**	47%	20%	18%	3%	4%	0%	1%
Hispanic	89**	39%	28%	9%	1%	0%	0%	12%
<b>Region</b>								
Northeast	184	56%	23%	13%	3%	1%	0%	0%
Midwest	197	44%	23%	14%	2%	0%	2%	2%
South	187	42%	22%	15%	5%	2%	2%	3%
West	112**	33%	37%	12%	5%	1%	2%	4%
<b>Grade Level</b>								
Freshman	191	43%	22%	16%	4%	<1%	0%	7%
Sophomore	236	50%	25%	9%	6%	2%	3%	3%
Junior	157	44%	27%	17%	1%	<1%	0%	4%
Senior	77**	27%	34%	18%	2%	3%	4%	2%
<b>Type of School</b>								
4-Year Public/ State College/ University	304	46%	23%	17%	5%	1%	0%	2%
4-Year Private College/University	217	47%	23%	10%	2%	1%	5%	1%
2-Year Public/ Community College	141**	40%	32%	11%	2%	0%	0%	4%

Base: Parents of college students and college students in families where any borrowed money was used to pay for college this year.

\*\*Small sample base



Q. What resources did your family use to help plan ahead for paying for college?

Table 29 — Planning Resources									
	Total	Students	Parents	White	Black	Hispanic	<\$35k	\$35k - <\$100k	\$100k+
N	1593	813	780	1090	218	257*	536	676	381
Scholarship Search Websites/ Books	26%	24%	28%	27%	23%	21%	28%	29%	18%
High School Counselor/School Workshops	20%	20%	20%	20%	26%	16%	22%	20%	18%
Savings Planner / Financial Advisor	14%	12%	16%	15%	18%	10%	12%	13%	19%
Researched Information	13%	12%	14%	12%	12%	16%	12%	12%	14%
FAFSA	10%	9%	10%	11%	7%	9%	12%	11%	5%
Savings/Earnings/Investments	9%	6%	13%	10%	4%	10%	6%	9%	15%
Bank/Financial Institution/Loans	7%	7%	8%	8%	4%	5%	5%	9%	4%
College Cost Calculator	4%	5%	3%	5%	4%	3%	4%	4%	6%
Friends and Family	4%	5%	3%	5%	1%	1%	2%	4%	6%
Public Programs (GI Bill, Gear Up, 21st Century Scholars etc...)	1%	2%	<1%	1%	2%	1%	2%	0%	1%
Other	4%	2%	6%	5%	3%	<1%	2%	4%	4%
No Resources Used	24%	29%	18%	24%	20%	22%	24%	25%	22%

Base: Parents of college students and college students



- Q. Please let me know whether or not you eliminated any schools based on cost at each of the following steps in the college application process:
- a. Before deciding which colleges to research

b. Before deciding which colleges to apply to

c. After finding out which colleges your child was/ you were admitted to but before looking at financial aid packages

d. After looking at the financial aid packages

Table 30 — Elimination of Colleges Based on Cost					
% Saying Yes at Each Point					
	N	Before Researching	Before Applying	After Admission	After Financial Aid
Total	1593	39%	42%	30%	42%
Parents	780	30%	33%	22%	31%
Students	813	48%	50%	38%	53%
Income					
<\$35k	536	42%	45%	35%	48%
\$35-\$100k	676	39%	42%	31%	43%
\$100k+	381	35%	37%	23%	33%
School Type					
4-Year Public/State College/University	640	40%	42%	29%	42%
4-Year Private College/University	353	28%	32%	26%	40%
2-Year Public/Community College	539	46%	47%	35%	45%
Race/Ethnicity					
White	1090	36%	38%	26%	41%
Black	218	46%	50%	45%	50%
Hispanic	257	46%	49%	40%	47%
Borrowing Status					
Borrowed	613	40%	44%	33%	49%
Did Not Borrow	980	38%	40%	28%	38%

Base: Parents of college students and college students

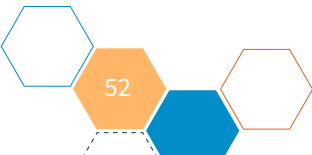
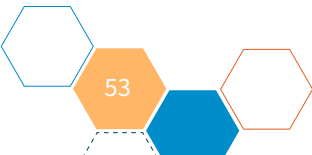


Table 31 — Elimination of Colleges Based on Cost					
Cumulative % Saying Yes after Each Point					
	N	Before Researching	Before Applying	After Admission	After Financial Aid
Total	1593	39%	46%	54%	62%
Parents	780	30%	35%	44%	50%
Students	813	48%	56%	63%	74%
Income					
<\$35k	536	42%	49%	59%	69%
\$35-\$100k	676	39%	46%	54%	61%
\$100k+	381	35%	41%	46%	54%
School Type					
4-Year Public/State College/University	640	40%	47%	55%	63%
4-Year Private College/University	353	28%	35%	43%	53%
2-Year Public/Community College	539	46%	52%	59%	67%
Race/Ethnicity					
White	1090	36%	42%	49%	59%
Black	218	46%	55%	65%	70%
Hispanic	257	46%	56%	64%	68%
Borrowing Status					
Borrowed	613	40%	49%	56%	67%
Did Not Borrow	980	38%	45%	52%	59%

Base: Parents of college students and college students



## Q. For the 2013-2014 academic year did you complete the FAFSA Application?

Table 32 — Completed FAFSA Application

	N	% Yes	% No	% Don't Know
<b>Total</b>	<b>1593</b>	<b>82%</b>	<b>17%</b>	<b>1%</b>
<b>Parents</b>	<b>813</b>	79%	20%	1%
<b>Students</b>	<b>780</b>	85%	14%	<1%
<b>Income</b>				
<\$35k	536	82%	17%	1%
\$35k - <\$100k	676	86%	14%	1%
\$100k+	381	76%	24%	0%
<b>Race/Ethnicity</b>				
White	1090	83%	17%	<1%
Black	218	83%	17%	0%
Hispanic	257	80%	17%	3%
<b>Grade Level</b>				
Freshman	488	82%	15%	2%
Sophomore	558	82%	18%	0%
Junior	348	81%	19%	0%
Senior	163	83%	17%	0%
<b>Region</b>				
Northeast	329	86%	13%	1%
Midwest	378	82%	18%	0%
South	477	82%	17%	2%
West	399	80%	20%	0%
<b>School Type</b>				
4-Year Public/State College/University	640	81%	19%	0%
4-Year Private College/University	353	87%	11%	2%
2-Year Public/Community College	539	79%	20%	1%
<b>Borrowing Status</b>				
Borrowed	613	89%	10%	1%
Did Not Borrow	980	78%	22%	<1%
<b>Family College Experience</b>				
First-in-Family	254	82%	17%	2%
Second Generation	524	82%	18%	<1%

Base: Parents of college students and college students

\*\*Small sample base





**Q.** For the 2013-14 academic year, did you/your child take any of the following actions to make college more affordable? How about...?

- a. Military benefits, ROTC or National Guard
- b. Choosing or transferring to a less expensive school
- c. Living at home
- d. Student got roommate to save on rent
- e. Enrolling part-time
- f. Parent increasing work hours or earnings
- g. Student working while earning his/her degree
- h. Student increasing work hours or earnings
- i. Parent reducing personal spending

j. Student reducing personal spending

k. Accelerated coursework so you/your child could earn a degree in fewer semesters

l. Changed majors to pursue field of study that is more marketable

m. Filing for education tax credits or student loan interest tax deductions

n. Making payments on student loans, rather than postponing them to reduce total loan costs

o. Your child/ I chose a school that was in-state to pay lower tuition fees

p. My child/ I chose a school that was closer to home than other schools I considered to cut down on travel costs

**Table 33 — More Affordable Actions**

% Taking Action																	
	N	Military	Transfer to Less Expensive School*	Living At Home	Add Roommate**	Parent Work More	Student Work More	Parent Reduced Spending	Student Reduced Spending	Part Time	Accelerate	Changed Majors	Tax Credits/Deduc.	Early Loan Payments	In-state tuition	Local school to reduce travel	Student working while earning degree
<b>Total</b>	<b>1593</b>	<b>4%</b>	<b>15%</b>	<b>48%</b>	<b>35%</b>	<b>22%</b>	<b>42%</b>	<b>45%</b>	<b>60%</b>	<b>15%</b>	<b>25%</b>	<b>16%</b>	<b>37%</b>	<b>22%</b>	<b>69%</b>	<b>53%</b>	<b>70%</b>
<b>Income</b>																	
<\$35k	536	5%	16%	48%	42%	15%	43%	42%	66%	17%	34%	20%	29%	16%	72%	56%	69%
\$35k - <\$100k	676	6%	14%	53%	28%	25%	43%	49%	64%	16%	19%	15%	40%	25%	71%	57%	75%
\$100k+	381	1%	14%	38%	37%	25%	39%	42%	46%	11%	23%	11%	43%	26%	59%	43%	61%
<b>Race/Ethnicity</b>																	
White	1090	5%	15%	47%	35%	20%	46%	45%	62%	14%	26%	16%	41%	24%	69%	54%	75%
Black	218	4%	16%	46%	34%	31%	43%	52%	55%	17%	26%	19%	35%	24%	73%	52%	64%
Hispanic	257	3%	16%	62%	38%	24%	41%	49%	70%	19%	24%	21%	26%	22%	74%	66%	63%
<b>School Type</b>																	
4-Year Public/State College/University	640	5%	12%	35%	42%	22%	36%	50%	58%	12%	23%	12%	40%	23%	72%	52%	65%
4-Year Private College/University	353	1%	5%	30%	23%	22%	46%	41%	59%	11%	25%	11%	44%	29%	41%	33%	67%
2-Year Public/Community College	539	5%	24%	72%	40%	21%	48%	43%	64%	22%	28%	21%	28%	16%	85%	68%	74%
<b>Borrowing Status</b>																	
Borrowed	613	2%	15%	40%	37%	28%	47%	50%	68%	15%	26%	16%	53%	35%	69%	50%	73%
Did Not Borrow	980	6%	14%	53%	34%	18%	39%	42%	55%	15%	24%	16%	27%	14%	68%	55%	68%

Base: Parents of college students and college students except where noted

\* Parents of college students and college students where student is not a freshman (total N=1101)

\*\* Parents of college students and college students where student is not living at home (total N=680)

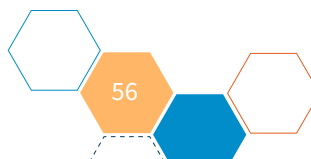


**Q.** [If working students] Are you/Is your child working while attending school in the 2014-2015 school year?

**Table 34 — Working Students**

	N	% Yes, Year Round	Yes, During School Breaks	Yes, Only While Attending School	Sporadically/Not Sure
<b>Total</b>	<b>1173</b>	<b>71%</b>	<b>11%</b>	<b>10%</b>	<b>8%</b>
<b>Income</b>					
<\$35k	399	63%	6%	18%	14%
\$35k - <\$100k	514	76%	12%	5%	7%
\$100k+	260	71%	18%	5%	6%
<b>Race/Ethnicity</b>					
White	864	74%	12%	9%	5%
Black	156	55%	9%	13%	23%
Hispanic	168	70%	12%	14%	4%
<b>Living Situation</b>					
Living at Home	542	82%	7%	10%	N/A
Not Living at Home	531	72%	18%	11%	N/A
<b>Enrollment Status</b>					
Full time	993	68%	12%	10%	10%
Part Time	155	88%	3%	7%	2%
<b>School type</b>					
4-Year Public/State College/University	442	74%	12%	5%	9%
4-Year Private College/University	257	65%	21%	7%	7%
2-Year Public/Community College	422	71%	5%	15%	9%
<b>Planning Status</b>					
Planners	409	64%	16%	10%	10%
Non-Planners	764	74%	9%	10%	7%

Base: Parents of college students and college students where affordable actions responses indicated student is working, or student is working more hours



**Q.** What kind of job do you/does your student work while attending college?

### Table 35 — Types of Student Employment

N	933
Retail Industry	21%
Food Industry	16%
Work-study / On Campus Job	11%
Admin/Clerical	9%
Factory/Warehouse	9%
Babysitting/Nanny	4%
Temp jobs	4%
Internship / Entry Level in Desired Field	5%
Tutor/Teaching	5%
Military	2%
Security	2%
Farm Work	2%
Other	10%

Base: Parents of college students and college students where student is working during the school year

Only jobs garnering at least 2% of responses are listed

**Q.** In a typical school week, how many hours do you work while attending classes?

### Table 36 — Number of Hours Worked

N	933
1 to 5	4%
6 to 10	9%
11 to 20	44%
21 to 30	24%
31 to 40	15%
41+	2%

Base: Parents of college students and college students where student is working during the school year

**Q.** When thinking about paying for college, to what extent are you worried about each of the following economic factors? Please use a five-point scale, where 5 means very worried and 1 means not at all worried. You may use any of the numbers 1, 2, 3, 4 or 5 for your rating.

- a. The value of your home will go down.
- b. The value of your savings or investments will be lower than you expected.
- c. Loan rates will go up.
- d. Student loan money will be less available.
- e. Life insurance alone may not be enough to cover the cost of college if I or child's other parent were to die.
- f. Schools will have to raise tuition to cover their increased costs.
- g. Scholarship and grant money will be less available.
- h. Earned income will go down due to job loss.
- i. Our funds will run out before our child has completed college.

**Table 37 — Parent Economic Concerns, Rated “Extremely Worried”**

	N	Home Value Will Decrease	Value of Savings Will Be Lower	Loan Rates Will Increase	Student Loan Money Less Available	Student Won't Find Summer Job**	Schools Will Raise Tuition	Income Will Decrease Due to Job Loss	Scholarships / Grants Less Available	Funds Will Deplete	Life Insurance Insufficient	Student Won't Find Job After Graduation	School Will Close
<b>Total Parents</b>	<b>780</b>	<b>6%</b>	<b>10%</b>	<b>19%</b>	<b>19%</b>	<b>11%</b>	<b>27%</b>	<b>17%</b>	<b>21%</b>	<b>13%</b>	<b>17%</b>	<b>13%</b>	<b>5%</b>
<b>Race/Ethnicity</b>													
White	540	6%	9%	14%	16%	9%	27%	14%	20%	14%	16%	15%	3%
Black	92*	9%	14%	38%	26%	19%	29%	20%	17%	12%	16%	20%	1%
Hispanic	120*	10%	6%	20%	22%	14%	28%	25%	27%	15%	19%	11%	13%
<b>Income</b>													
<\$35k	195	11%	9%	20%	24%	16%	27%	29%	16%	14%	26%	9%	7%
\$35k - <\$100k	355	6%	11%	18%	19%	10%	28%	15%	25%	17%	15%	15%	4%
\$100k+	230	2%	10%	17%	16%	9%	25%	11%	19%	6%	12%	14%	5%
<b>Region</b>													
Northeast	170	9%	15%	21%	31%	8%	30%	18%	27%	19%	22%	18%	7%
Midwest	192	4%	9%	14%	10%	6%	21%	10%	17%	7%	10%	14%	1%
South	226	4%	8%	23%	19%	13%	27%	22%	23%	10%	19%	5%	3%
West	191	8%	9%	16%	19%	16%	30%	19%	18%	16%	17%	21%	9%
<b>Borrowing Status</b>													
Borrowed	268	12%	8%	23%	20%	16%	31%	12%	17%	15%	15%	17%	6%
Did Not Borrow	511	3%	11%	16%	19%	9%	25%	20%	23%	12%	18%	11%	4%
<b>Family College Experience</b>													
First-in-Family	254	12%	11%	22%	28%	15%	29%	27%	22%	23%	27%	22%	10%
Second Generation	524	4%	9%	17%	15%	9%	26%	13%	21%	8%	12%	12%	3%

Base: Parents of college students except where noted

\*\*Parents of college freshmen, sophomores, and juniors (total N=662)

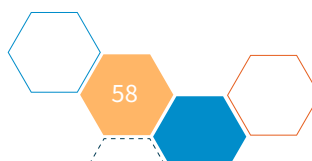
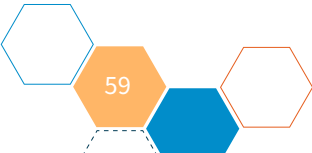


Table 38 — Parent Economic Concerns, Scale 1-5						
	N	1 Not at all Worried	2	3	4	5 Extremely Worried
Home Value Will Decrease	780	66%	12%	11%	4%	6%
Value of Savings Will Be Lower	780	42%	17%	21%	11%	10%
Loan Rates Will Increase	780	39%	10%	19%	14%	19%
Student Loan Money Will Be Less Available	780	36%	10%	18%	16%	19%
Student Won't Find Summer Job*	654	55%	12%	14%	7%	11%
Schools Will Raise Tuition	780	19%	13%	21%	20%	27%
Income Will Decrease Due to Job Loss	780	35%	17%	21%	9%	17%
Scholarships/Grants Less Available	780	25%	14%	22%	19%	21%
Funds Will Deplete	780	47%	14%	19%	7%	13%
Life Insurance Insufficient	780	57%	9%	13%	4%	17%
Student Won't Find Job After Graduation	113**	44%	11%	19%	12%	13%
School Will Close	780	90%	3%	2%	0%	5%

Base: Parents of college students except where noted  
\*Parents of college freshmen, sophomores, and juniors  
\*\*Small sample base



# 5 Technical Notes

## Target Population

Ipsos conducted the *How America Pays for College* survey by telephone between Friday, April 4, 2015 and Thursday, April 30, 2015. Ipsos interviewed 1,600 individuals: 800 parents of 18 to 24-year-old undergraduate students, and 800 18 to 24-year-old undergraduate students.

## Sample Design

Two sample sources were used for this study:

- a purchased list of college students aged 18-24
- a list of parents of college students aged 18-24 from Ipsos panels

The sample design was a disproportionate stratified probabilistic sample for both students and parents. Both samples were designed to over-represent African Americans and Hispanics, with a minimum of 100 responses from each group in both the parent and the student sample. Interviews were conducted in English and Spanish.

The student sample frame was merged with official information on U.S. colleges, obtained from the National Center for Educational Statistics (NCES). This allowed the sample to be further stratified by relevant variables, such as region, size and type of college (as shown in Table A).

Table A — Distribution of Student Sample		
Region	College Enrollment Size	Students
Midwest	< 5000	50
	> 5000	126
Northeast	< 5000	39
	> 5000	108
South	< 5000	77
	> 5000	219
West	< 5000	28
	> 5000	153
Total		800

## Weighting

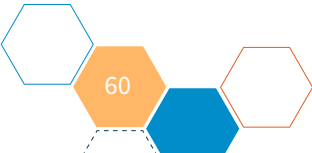
To correct for the disproportionate stratified sample, both samples were weighted using a statistical technique called raking, in which all of the population marginal profiles of interest are replicated in the sample. The sample of parents was weighted by gender, age, race/ethnicity, region, education and by college information (region, size, and type). The sample of students was weighted by gender, age, race/ethnicity, region, and by college information (region, size and type). All of the demographic profiles used for both parents and students in the weights were sourced from the April 2015 Current Population Survey (CPS). The National Center for Educational Statistics provided additional data for the college information weights.

## Margin of Error (MoE)

The MoE is a measure of sampling error. It is used to quantify the range of possible values for an observed sample statistic taking into account the possible sample variation, i.e., the larger the MoE the greater the uncertainty in the survey results with respect to the statistic being analyzed. More specifically, the MoE can be defined as the maximum absolute difference between the statistic and the actual population parameter being estimated that would be expected from a simple random sample, with a pre-determined confidence level.

When estimating percentages from this survey using the whole sample (1,600), the MoE is estimated to be approximately +/- 2.5 percentage points, with a confidence level of 95%. When comparing data between waves, a simple rule of thumb to judge whether the observed difference is statistically significant is to sum the margin of error for the two waves – for comparing the 2014 and 2015 surveys this would be 5%. If the difference is larger, then it is considered statistically significant.

If percentages are being estimated from sub-domains of the survey, i.e. not using the whole sample, then the MoE will be higher than the one stated above, and must be re-calculated. Assuming that each domain being compared has



a different sample size, the rule when estimating percentages from a base of n cases is  $MoE(n) = 1/\sqrt{n}$ . In this context, to judge whether the observed difference between two domains (groups) with different sample sizes, say  $n_1$  and  $n_2$ , is statistically significant, this difference should be compared to  $(1/\sqrt{n_1}) + (1/\sqrt{n_2})$ . If it is larger, then it's considered statistically significant.

Effective base sizes

As discussed in the previous section, the MoE depends on the sample size of the domain being analyzed. To serve as a guideline of the precision and confidence that the reader should have for the survey estimates, Table B shows how much allowance should be made for the sampling error around a single percentage estimate in the study.

Table B — Margin of Error for Different Domain Sizes	
Sample Size	Margin of Error
50	14.1%
100	10.0%
200	7.1%
300	5.8%
400	5.0%
500	4.5%
600	4.1%
700	3.8%
800	3.5%
900	3.3%
1000	3.2%
1100	3.0%
1200	2.9%
1300	2.8%
1400	2.7%
1500	2.6%
1600	2.5%

Calculating How America Pays for College

The primary goal of the How America Pays for College national survey is to understand how and what the “typical American family” is paying for a college education. To enable this understanding and for these figures to be tracked over time, Ipsos has continued to calculate figures for total cost for college, and the use and value of the variety of funding sources, in the same way as they have been calculated in previous waves.

There are two types of averages presented in this report: one relative to the entire population (the “composite scores,” for example see Tables 2a-d and 3a-d pp. X) and others that mention amounts among users of a specific item or funding source (for example see Table 1a and 1b, pp. X).

