

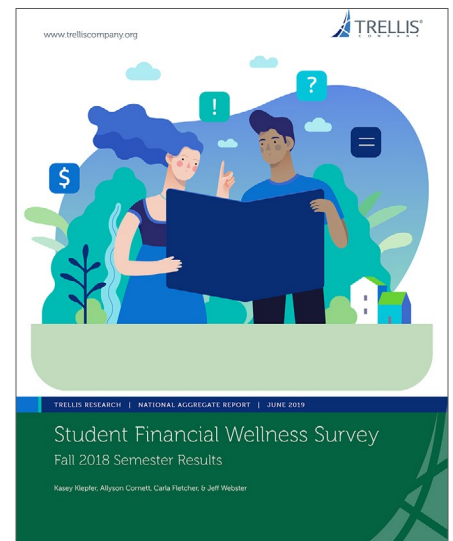
Trellis' Student Financial Wellness Survey: Key Findings from Analysis of Responses by School Sector

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Key Findings

- Community college students are more likely to feel financial obligations to their families, and report less financial support from their families.
- Community college students were far more likely – by almost 30 percentage points – to say they work twenty or more hours a week at their job.
- While food security varied little across school sectors. Housing security was somewhat higher among community college students than their counterparts at four-year institutions.
- Community college students were more likely to agree or strongly agree that their school understands and addresses their financial challenges than students at four-year public, and four-year private institutions.



The Student Financial Wellness Survey (SFWS) is a self-reported, online survey that seeks to document the financial well-being and student success indicators of postsecondary students across the nation.





Community College Students Have Greater Financial Obligations to Family and Less Financial Support

Many students have family responsibilities that can create or exacerbate financial challenges while in school. Community college students faced these challenges at greater rates.

- Attitudes about support for family members: More than half (56 percent) of community college students reported that it is important they support their family financially while in college, compared to 30 percent of four-year public, and 31 percent of four-year private students (Chart 1).
- Support from family members: Community college students were less likely to receive financial support from their family while in college. More than three in five students at four-year public (62 percent) and four-year private (68 percent) institutions report using parental and/or familial support to pay for college. Only 42 percent of community college students used parental and/or familial support to pay for college.
- Reported support for family members: As shown in Table 1, greater percentages of community college students support spouses, children, parents, and other family members financially while in college. A third of community college students support a child or children financially while in college, and 18 percent support their parent(s) or guardian(s).
- Hours caring for dependents: Community college students reported spending more hours per week caring for dependents, than other students with dependents across all sectors. More than half (55 percent) of community college students reported spending 20 or more hours per week providing dependent care, compared to 35 percent of four-year private, and 38 percent of four-year public students.



Chart 1: Percent of Respondents who Agreed or Strongly Agreed it is Important to Support Their Family Financially While in College, by School Sector

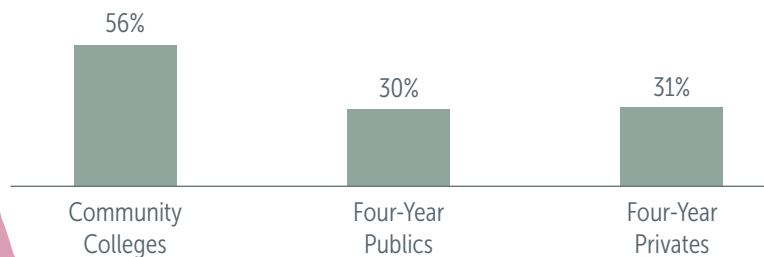


TABLE 1. PERCENT OF STUDENTS WHO SUPPORT FAMILY FINANCIALLY WHILE IN COLLEGE, BY SECTOR

PROVIDE SUPPORT FOR	COMMUNITY COLLEGES	FOUR-YEAR PUBLICS	FOUR-YEAR PRIVATES
A Child or Children	33%	11%	10%
Parent(s) or Guardian(s)	18%	6%	9%
Spouse	17%	8%	8%
Other Family Members	13%	6%	9%

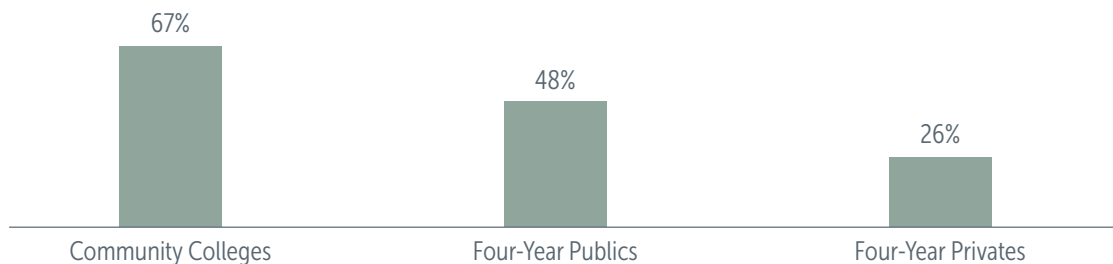


Community College Students Have More Favorable Perceptions of How Their School Understands and Addresses their Financial Challenges

Compared with students at four-year public and private institutions, community college students had more favorable perceptions of how their institution understood and addressed their financial challenges.

- Greater percentages of community college students (40 percent) believed their faculty understood their financial situation, compared with 35 percent of four-year private and 29 percent of four-year public students.
- More than two in five community college students (42 percent) believed their school actively worked to reduce the financial challenges they faced, compared with 29 percent of four-year public and 27 percent of four-year private students.
- Nearly three in four community college students (72 percent) reported that their school had adequate support services to help them address their financial situation, compared to 62 percent of four-year public and 53 percent of four-year private students.
- Greater percentages of students at community colleges (67 percent) believed their school worked to make tuition more affordable, compared to 48 percent of four-year public and 26 percent of four-year private students (Chart 2).

Chart 2: Percent of Respondents who Agreed or Strongly Agreed that their Institutions Works to Make Tuition More Affordable, by Sector



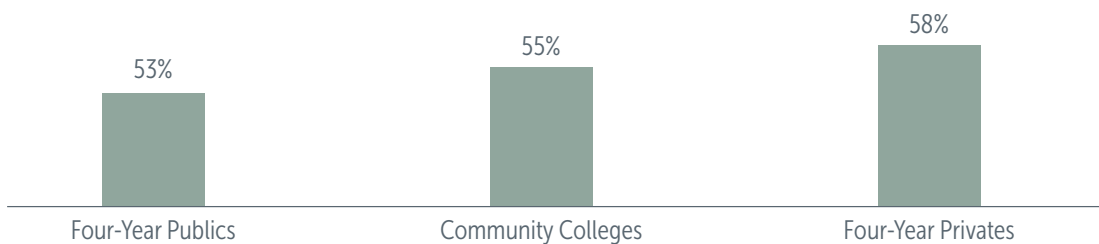


Key Student Financial Wellness Issues are Similar Across School Sectors

Four-year public, four-year private, and community college students responded similarly to a variety of survey questions. In general, community college students often face financial challenges at greater rates than other students because they are more likely to be first-generation, an independent student, and have a lower socio-economic status than students in other school sectors. This was reflected in the SFWS, with a large percentage of community college students having reported experiencing financial challenges.¹ However, many students across all school sectors reported similar anxieties around paying for school, meeting basic needs, and their borrowing habits. Students also responded similarly to questions around their financial behaviors and working for pay.

- **Worries about paying for college:** Students across all sectors reported worrying about paying for school. About two out of three community college (64 percent) and four-year public (66 percent) students worried about having enough money to pay for college. A slightly higher rate (72 percent) of four-year private students agreed that they were worried about paying for school. Around one in four students from all sectors reported they “do not know how they will pay for college next semester”.²
- **Prevalence of basic needs insecurity:** Calculations of students’ basic needs security were not substantially different across sectors. More than half of four-year public (53 percent), community college (55 percent), and four-year private (58 percent) students had low or very low food security within thirty days prior to the survey, per the USDA food security scale (Chart 3). Students who reported homelessness during the prior year were also similar across all sectors (13 percent for four-year publics, 14 percent for four-year privates, and 17 percent for community college students). Housing insecurity was higher for community college students (53 percent) – where these students expressed difficulty paying housing expenses at greater rates³ – but was similar for four-year private (41 percent) and four-year public (42 percent) students.
- **Work while in college:** Around two out of three students in all sectors reported working for pay while in college.⁴ In addition, more than half of four-year public (54 percent), four-year private (55 percent), and community college (56 percent) students reported using their current employment to pay for college. Despite this, community college students were far more likely – by almost 30 percentage points – to say they work twenty or more hours a week at their job.⁵

Chart 3: USDA Food Security Scale, Levels of Low or Very Low Food Security Amongst Students, by Sector



¹ Two-thirds of community college students report they would be unable to get \$500 in cash or credit in case of an emergency, compared to four-year public (56 percent) and four-year private (59 percent) students. Community college students were also more likely to report running out of money five or more times in the prior year (38 percent) compared to four-year public (24 percent) and four-year private (28 percent) students.

² Do not know how they will pay for college next semester – 4-yr Public: 22%; CC: 23%; 4-yr Private: 28%.

³ See questions 83-85 in the housing security scale in Trellis’ Fall 2018 Semester Results publication, www.trelliscompany.org/SFWS.

⁴ Work for pay while in college – 4-yr Public: 64%; 4-yr Private: 66%; CC: 67%.

⁵ Work twenty or more hours at their job – 4-yr Public: 42%; 4-yr Private: 43%; CC: 70%.



- **Managing finances:** Students generally reported similar financial behaviors. More than half of all survey participants agreed or strongly agreed that they “Have the ability to manage their finances well”.⁶ Community college students (53 percent) were slightly more likely to say they follow a weekly or monthly budget, compared to four-year public (47 percent) and four-year private (49 percent).



- **Use of credit cards:** Students’ credit card use was similar across all sectors, but repayment outcomes differed. Around two in five of all survey participants reported using a credit card in the past year.⁷ More than three-quarters of these credit card borrowers, across sectors, reported that they pay their credit card bill on time.⁸ However, community college students were less likely to pay the full credit card balance each month (25 percent) compared to four-year public (37 percent) and four-year private (40 percent) students.
- **Attitudes about debt:** Student borrowers across all sections expressed anxiety about their level of debt and repayment. A little over two in five student borrowers, across all sectors, found their total debt (e.g. credit card debt, car loan debt, or money owed to family or friends) to be overwhelming.⁹ For student loan borrowers, more than half at four-year publics (57 percent), community colleges (58 percent), and four-year privates (62 percent) had more student loan debt than they expected at the time of the survey. Many of these student borrowers report that they are not at all confident they will be able to pay off the debt acquired while they were a student – 28 percent of community college students, 31 percent of four-year public borrowers, and 35 percent of four-year private borrowers.

Research to Practice

The Student Financial Wellness Survey (SFWS) was created to provide a service to higher education institutions that wanted a deeper understanding of the financial barriers their students face. By analyzing aggregate findings, the SFWS can inform work being done by policy makers, practitioners, and higher education advocates. The following are key take-aways from the analysis of SFWS data by school sector:

- **Consider programing for students supporting family:** Findings suggest that community college students are more likely to feel financial obligations to their families. Community colleges could benefit greatly from policies and services that help ease these obligations. Some examples include: on-campus childcare; multi-generational academic counseling; financial coaching; flexible course schedules that account for work and care of dependents; and re-evaluation of federal student aid calculations that do not account for the circumstances of students supporting parent(s) and guardians.
- **Provide staff and faculty training:** To improve student perceptions of belonging, schools can train staff and faculty about the financial realities experienced by many of their students living in poverty. These insights can drive more empathetic relationships and may improve retention rates.

⁶ Ability to manage their money well – CC: 55%; 4-yr Private: 56%; 4-yr Public: 57%.

⁷ Used a credit card within the last year – 4-yr Public: 42%; 4-yr Private: 43%; CC: 44%.

⁸ Fully pay off their credit card balance each month – CC: 74%; 4-yr Private: 77%; 4-yr Public: 81%.

⁹ Find their total debt (e.g. credit card debt, car loan debt, or money owed to family or friends) to be overwhelming – 4-yr Public: 41%; CC: 42%; 4-yr Private: 45%.



- **Develop financial plans for graduation:** To minimize finance-related stop outs, schools can facilitate financial planning that prepares students for meeting the expenses associated with completing their degree program. As students do with academic plans, they should also plan financially for degree completion.
- **Create emergency aid:** To avoid stop outs related to surprise expenses and life disruptions, schools can develop rapid response emergency aid programs to keep students on a dependable path to academic success. Just-in-time emergency aid can help students weather relatively minor emergencies like car repairs, loss of rent-paying roommates, and unexpected medical bills.
- **Establish comprehensive resource centers:** To boost retention rates by addressing the material needs of students living in poverty, schools can develop resource centers that not only provide support services like food pantries, but also provide case management help to determine eligibility for other forms of public assistance and need for mental health services.

About the Data/Methodology

The SFWS is a self-reported, online survey that seeks to document the financial well-being and student success indicators of post-secondary students across the nation. The survey was open on September 24, 2018 and closed on October 15, 2018. Fifty-eight institutions from twelve states across the country participated in the survey – 37 two-year institutions, 10 public four-years, and 11 private four-years. In partnership with participating institutions, web-based survey invitations were sent to 351,806 undergraduate students, of whom 17,531 responded, yielding a 5.0% response rate. A detailed description of survey responder characteristics, comparison groups, tests for representativeness, methodology, response frequencies, and other research notes can be found in Trellis’ Fall 2018 Semester Results publication: www.trelliscompany.org/SFWS.

SURVEY METRICS	
Fall 2018 SFWS – Undergraduate Cohort	
Survey Population	351,806 students
Responses	17,531 students
Response Rate	5.0%
Completion Rate	86%
Median Time Spent	14 minutes

Recent Trellis Research publications

- Student Financial Wellness Survey, Fall 2018 Semester Results
- State of Student Aid and Higher Education in Texas
- Engaging Student Borrowers: Results of a Survey of Financial Aid Professionals
- Effective Counseling, Empowered Borrowers: An evidence-based policy agenda for informed student loan borrowing and repayment

About Trellis Company and Trellis Research Services

Trellis Company (trelliscompany.org) is a nonprofit 501(c)(3) corporation with the dual mission of helping student borrowers successfully repay their education loans and promoting access and success in higher education.

Trellis Research (trelliscompany.org/research) provides colleges and policymakers insight into student success through the lens of higher education affordability. With more than three decades of experience studying key issues such as student debt, student loan counseling, and the financial barriers to attainment, our research team explores the roles of personal finance, financial literacy, and financial aid in higher education.

Interested in collaborations or need research expertise? Trellis Research welcomes opportunities to inform policymakers and help organizations address their analytical needs. For more information, please contact Trellis Research at:

- Contact:** TrellisResearch@trelliscompany.org
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