



# **Fall Study of American College Students: How Prepared are Students for the Financial Commitments of the 2019/2020 School Year?**

Study Summary & Findings

October 2019

## EXECUTIVE SUMMARY

Ascent Funding's fall study of college students in the U.S. reveals how prepared full-time college students feel to meet financial obligations (everything from tuition and academic supplies, to room and board and food) during the 2019/2020 academic year. In late August, as the academic year was about to start, college students were asked to share how prepared they felt to meet the financial obligations for this school year based on the actions they'd taken during summer months.

When reflecting on the budgeting they did this summer, college students simply wish they would have done more. A majority of college students (62%) wish they would have applied for more scholarships and/or grants, while 38% wish they would have worked a summer job, and 37% wish they would have better managed other costs/expenses related to school.

Of the college students who wish they would have applied for more scholarships and/or grants this summer, 52% said they didn't do so because they didn't think they would qualify. Just slightly over half of this group (51%) simply did not make applying for free money a priority.

With the academic year upon them and time running out to prepare, Ascent asked college students what could help them to be more informed on how to pay for college. Students confirmed they want a variety of information and more resources on [financial wellness](#). Students' top three areas of interest include wanting more education on how loans and credit work (57%), more options to apply for a student loan on their own without family support (47%), and one portal or platform that shows all their student loans, no matter the company (46%).

At a time when higher education and financing practices are in the spotlight, it is refreshing to see students take responsibility and action for their financial obligations. Ascent has been tracking student sentiment around financial responsibility, which can be seen in the company's [2018](#) and [2019](#) national studies on Americans' behavior and sentiment around paying for college.

Most recently, Ascent conducted a [summer 2019 study of college students](#) to understand how they use their time away from school to prepare for the financial needs of the upcoming school year. When asked in real time what the students were doing to financially prepare for the school year, the majority of the college students indicated taking proactive measures – even as this fall follow-up study indicates, students now wish they had done more to prepare.

**With the 2019/2020 academic year, what other sentiment did U.S. college students share about meeting their financial obligations for the school year? The following are additional key findings from Ascent's fall study of full-time college students.**

- 1) When asked what they anticipate being the hardest part of the upcoming academic year, college students most often said managing their class load (32%), finding funding to pay for college (25%), and working while attending school (25%) were among the top three answers.
  - College seniors were most likely to indicate working while attending school will be the hardest part of the upcoming academic year (33%) and least likely to need to find funding to pay for college (17%).
- 2) When reevaluating the budgeting they did this summer, college students simply wish they would have done more.
  - 62% wish they would have applied for more scholarships/grants.
  - 38% wish they would have worked a summer job.
  - 37% wish they would have better managed other costs/expenses related to school.
  - College seniors are statistically less likely than other college students to wish they would have applied for more scholarships/grants (49%).
- 3) Furthermore, college students who wish they would have applied for more scholarships/grants this summer said they didn't do so because:

- They didn't think they qualified (52%).
  - They didn't make it a priority (51%).
    - Female college students (34%) are statistically more likely than their male peers (23%) to indicate they didn't make applying for scholarships/grants a priority.
  - They weren't aware of the opportunity (49%)
- 4) Nearly one-third (31%) of college students are entering the academic year with credit card debt.
- 18% with credit card debt under \$1,000.
  - 13% with credit card debt over \$1,000.
  - The majority of college students entering the school year with credit card debt of \$1,000 or more are college seniors (40%).
- 5) 21% of college students don't anticipate getting their funds in time to pay for college related necessities (tuition, room, board, book fees, etc.).
- 59% of those who don't anticipate getting their funds in time to pay for school expect to cover up to \$1,500 while they wait for their funds.
  - College students who don't anticipate getting their funds in time to pay for school would:
    - Use personal funds or savings to cover expenses (46%).
    - Start a new job/increase work hours (45%).
    - Have a family/friend cover the cost (40%).
  - 16% of college students who don't anticipate getting their funds in time to pay for school would use a credit card to cover school related expenses until they received their funds.
- 6) Compared to last year, 39% of sophomore, junior and senior college students are more confident in their ability to manage school-related costs while 31% are less confident.
- Only 28% of college seniors are confident in their ability to manage this year's school related costs (compared to last year), making them the least confident group per grade level.
- 7) When asked what could help them be more informed on how to pay for college, college students wanted more resources on financial wellness.
- 57% wanted more education on how loans and credit work.
    - College freshmen are statistically more likely to want more financial wellness resources (64%).
  - 48% wanted more options to apply for a student loan on their own, without family support.
    - College freshmen are statistically less likely to want this option than other college students (36%).
  - 46% wanted one portal/platform that shows all their student loans, no matter the company.
  - 38% wanted better access to their school's financial aid office.
- 8) 87% of college students feel their college loan provider was helpful in financially preparing them for the upcoming academic school year.
- College freshmen are statistically more likely than other college students to say their college loan provider was 'extremely' or 'very' helpful (40%).
- 9) 45% of college students, or their parents, have a private loan or combination of federal and private loans to pay for their college education.
- 14% have only taken out a private loan.
  - 56% have only a federal loan.
  - 31% of college students have taken out both federal and private loans.

## **Ascent Funding Contact**

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## **Survey Methodology**

Allison+Partners Research + Insights surveyed 1,002 individuals who met the following parameters: between ages 18 and 26, currently or will be enrolled full time at a 4-year university for the 2019/2020 academic year, and they or their parents have taken out a loan to fund their education. The loans may or may not have been Ascent Student Loans. The survey was fielded using the Qualtrics Insight Platform, and panel was sourced from Lucid. Fielding was executed between August 19-22, 2019.

The information collected in this survey is not intended as a definitive statement on the subject addressed. Rather, they are intended for informational purposes only and should not be construed as legal advice or legal opinion on specific facts. Further, the views of this survey should not be considered representative of the views of Ascent, Allison+Partners Research + Insights, or anyone other than the participants.

## **About Ascent Student Loans**

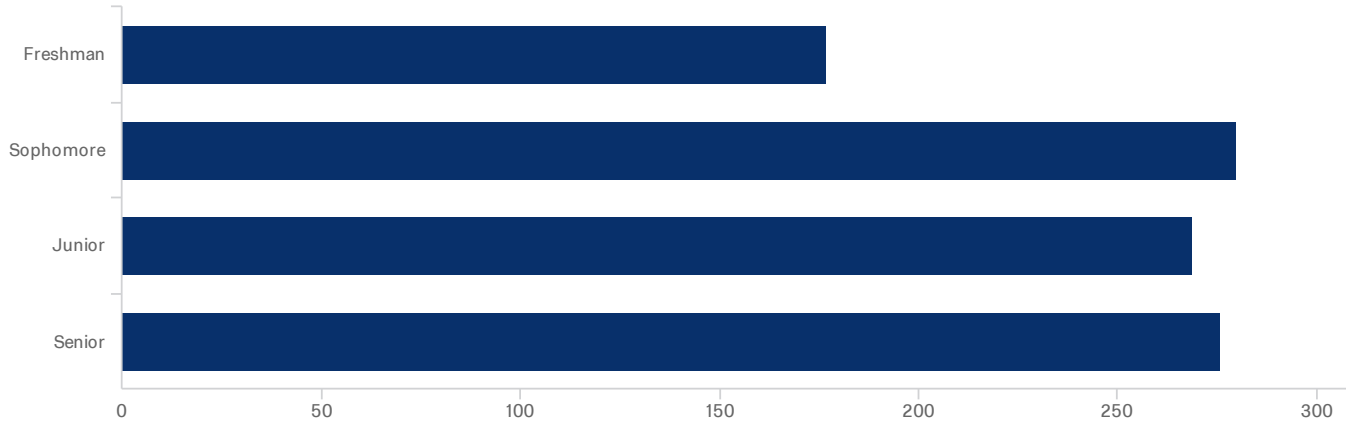
Ascent is built around one guiding principle: Student loans should expand possibilities, not limit them.

That's why Ascent created a new private student loan program that gives students more opportunities to qualify for a loan, with or without a cosigner. Ascent loans are originated by Richland State Bank, Member FDIC. Ascent encourages transparency and financial wellness by incorporating financial education into the application process, preserving the notion that an education is an investment where students and families should understand the return on their investment relative to the cost. Ascent offers benefits (such as 1% cash back, scholarships, a Refer a Friend Program, a Rewards Program, and more) and additional financial resources that set students and families up for financial success.

To learn more about Ascent student loan options and benefits, please visit [AscentStudentLoans.com](https://www.ascentstudentloans.com).

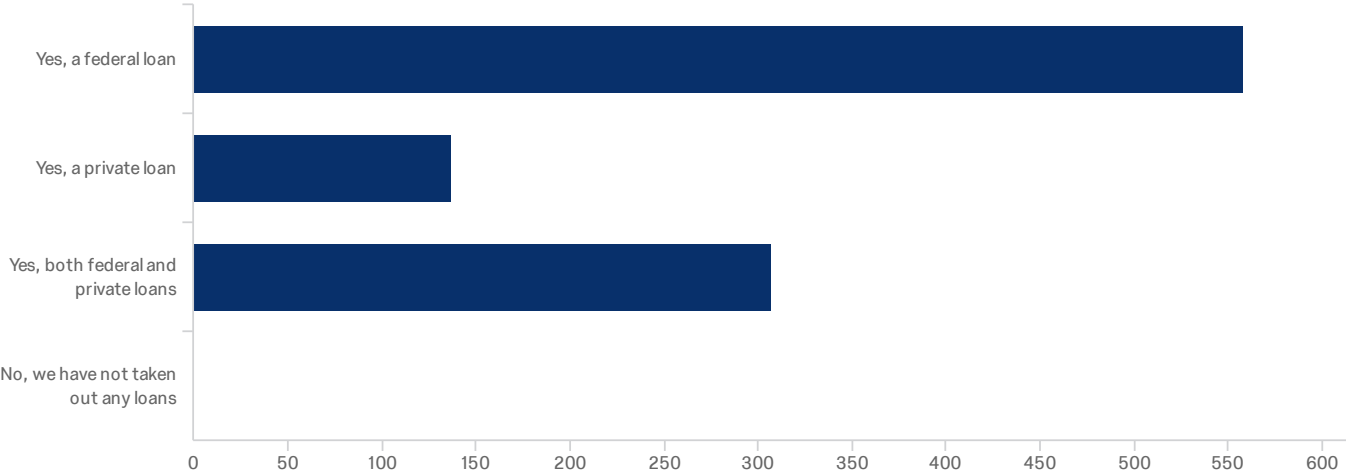
**FULL SURVEY RESULTS**

What year of college student are you?



Field	Percentage	Respondent Count
Freshman	18%	177
Sophomore	28%	280
Junior	27%	269
Senior	28%	276
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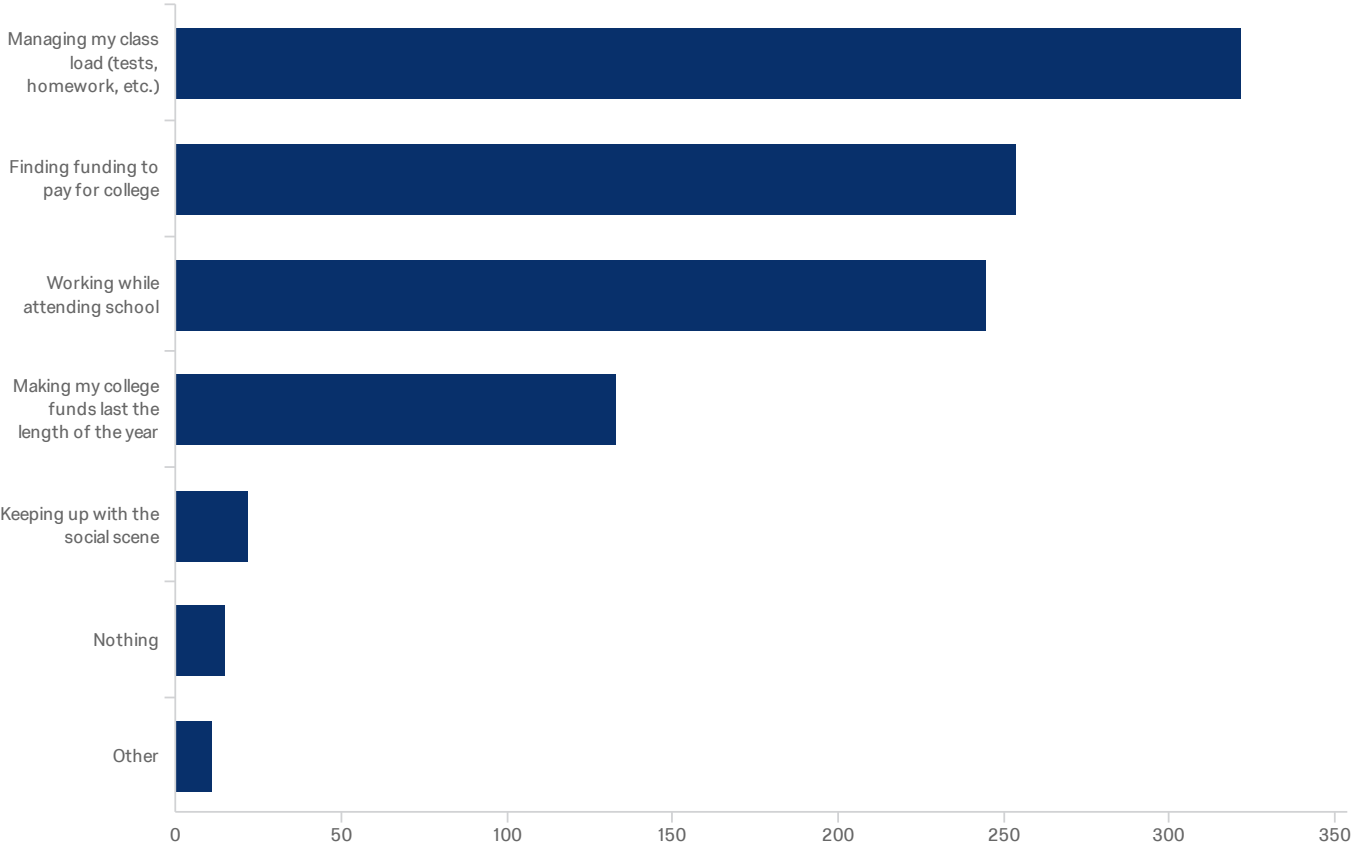
Have you or your parent(s) taken out a loan to pay for any portion of your college education?



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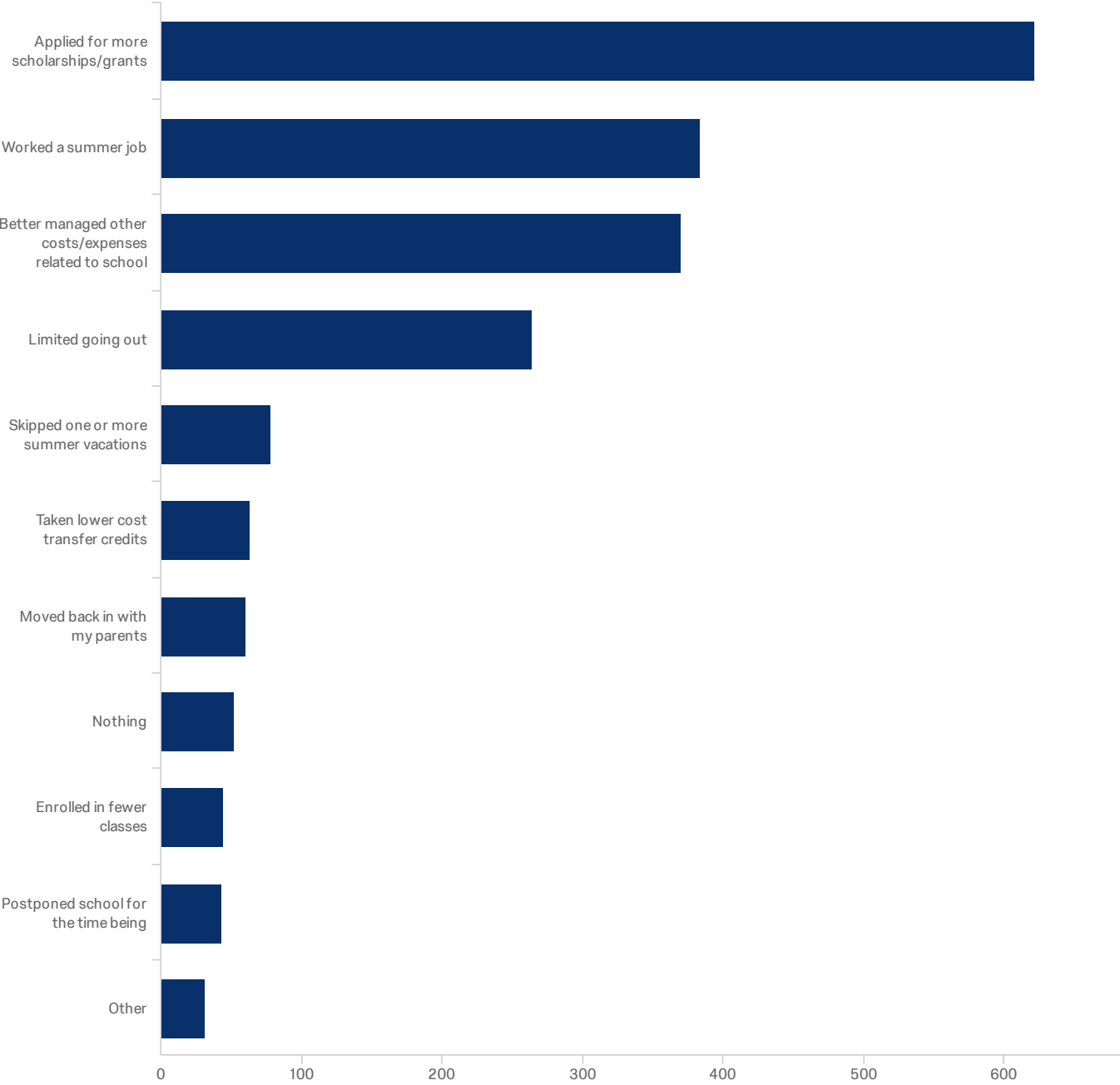
Yes, a federal loan	56%	558
Yes, a private loan	14%	137
Yes, both federal and private loans	31%	307
No, we have not taken out any loans	0%	0
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# What do you anticipate to be the hardest part of the upcoming academic year?



Managing my class load (tests, homework, etc.)	32%	322
Finding funding to pay for college	25%	254
Working while attending school	24%	245
Making my college funds last the length of the year	13%	133
Keeping up with the social scene	2%	22
Nothing	1%	15
Other	1%	11
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Looking back at your financial preparation this summer, what do you wish you had done more of to prepare for this coming academic year? Select all that apply.

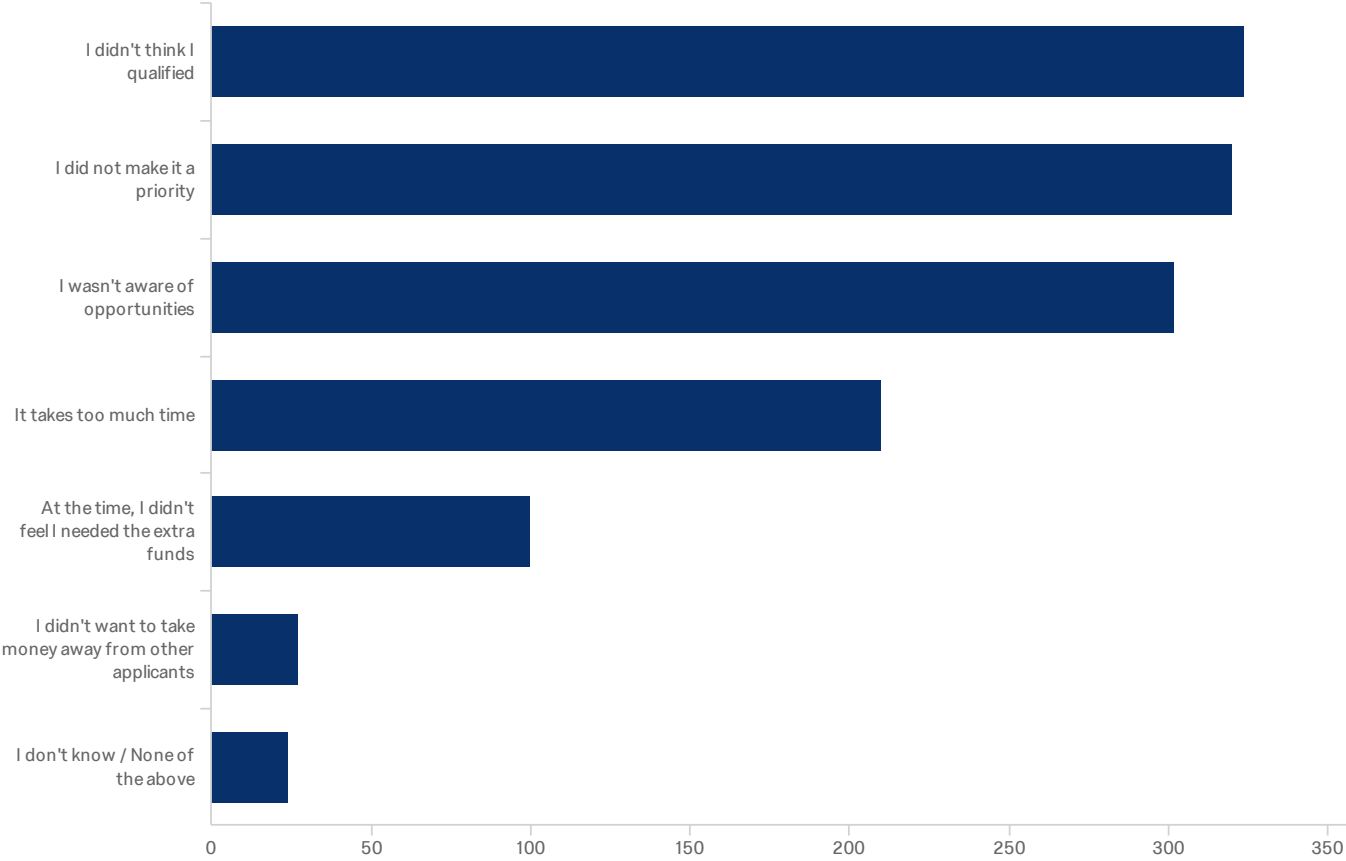


Applied for more scholarships/grants	62%	622
Worked a summer job	38%	384
Better managed other costs/expenses related to school	37%	370



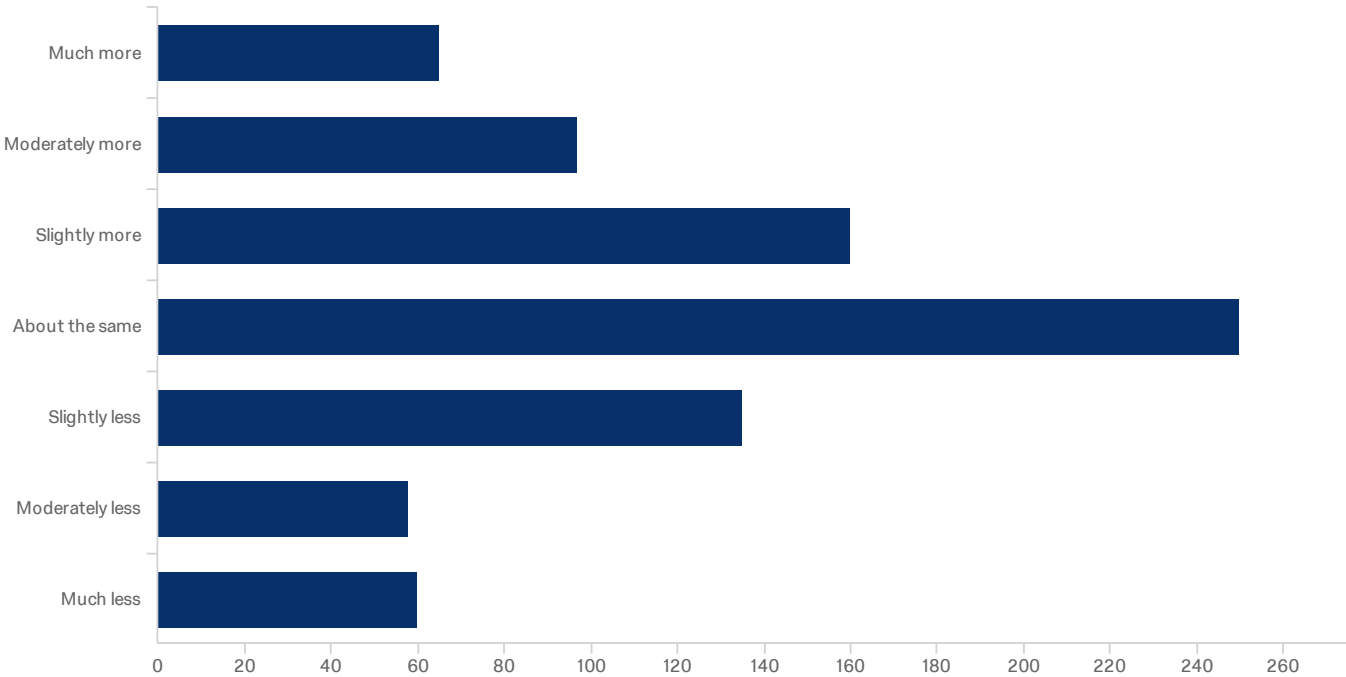
Limited going out	26%	264
Skipped one or more summer vacations	8%	78
Moved back in with my parents	6%	60
Taken lower cost transfer credits	6%	63
Nothing	5%	52
Enrolled in fewer classes	4%	44
Postponed school for the time being	4%	43
Other	3%	31
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You indicated that you wished you applied for more scholarships prior to the academic school year - please indicate why you did not do so, and select all that apply.



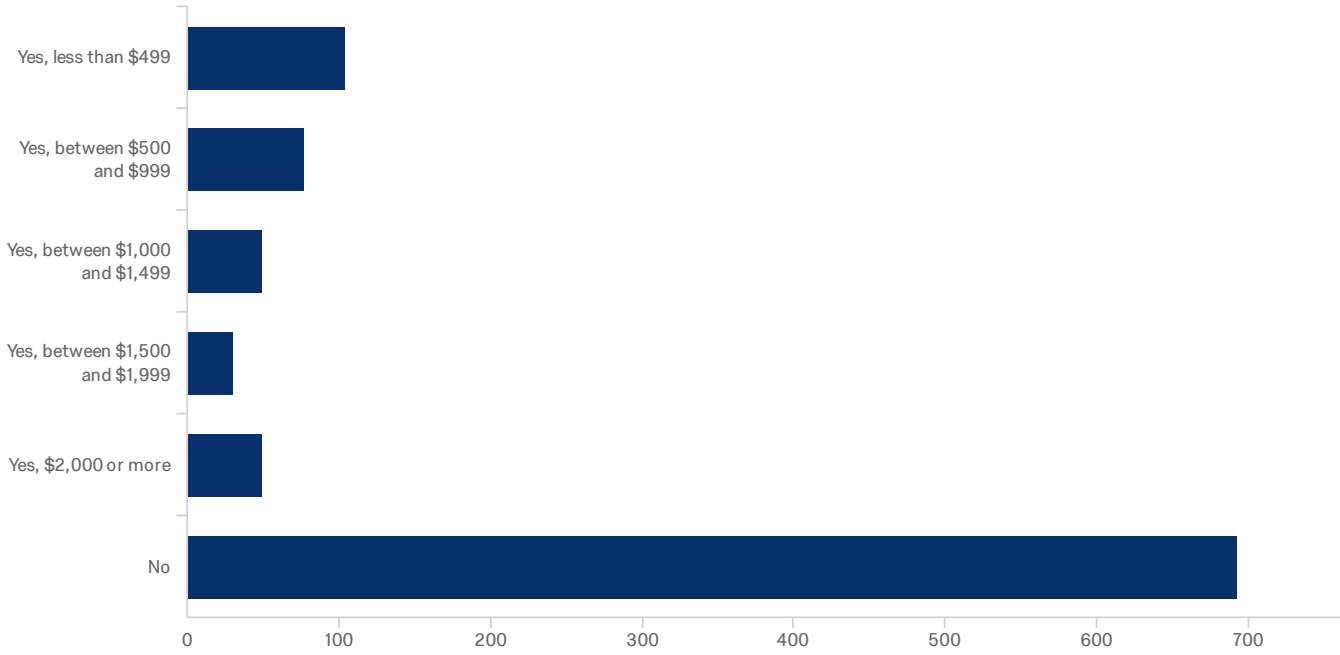
I didn't think I qualified	52%	324
I did not make it a priority	51%	320
I wasn't aware of opportunities	49%	302
It takes too much time	34%	210
At the time, I didn't feel I needed the extra funds	16%	100
I didn't want to take money away from other applicants	4%	27
I don't know / None of the above	4%	24
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Do you feel more or less confident than last year about being able to manage all school-related costs?



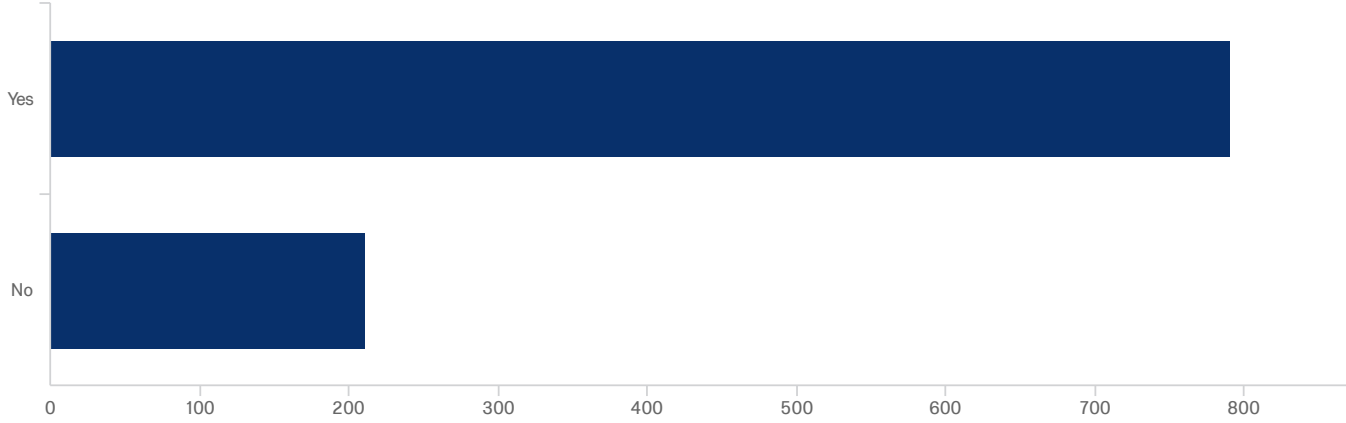
Much more	8%	65
Moderately more	12%	97
Slightly more	19%	160
About the same	30%	250
Slightly less	16%	135
Moderately less	7%	58
Much less	7%	60
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# Are you entering the new academic year with credit card debt?



Yes, less than \$499	10%	104
Yes, between \$500 and \$999	8%	77
Yes, between \$1,000 and \$1,499	5%	49
Yes, between \$1,500 and \$1,999	3%	30
Yes, \$2,000 or more	5%	49
No	69%	693

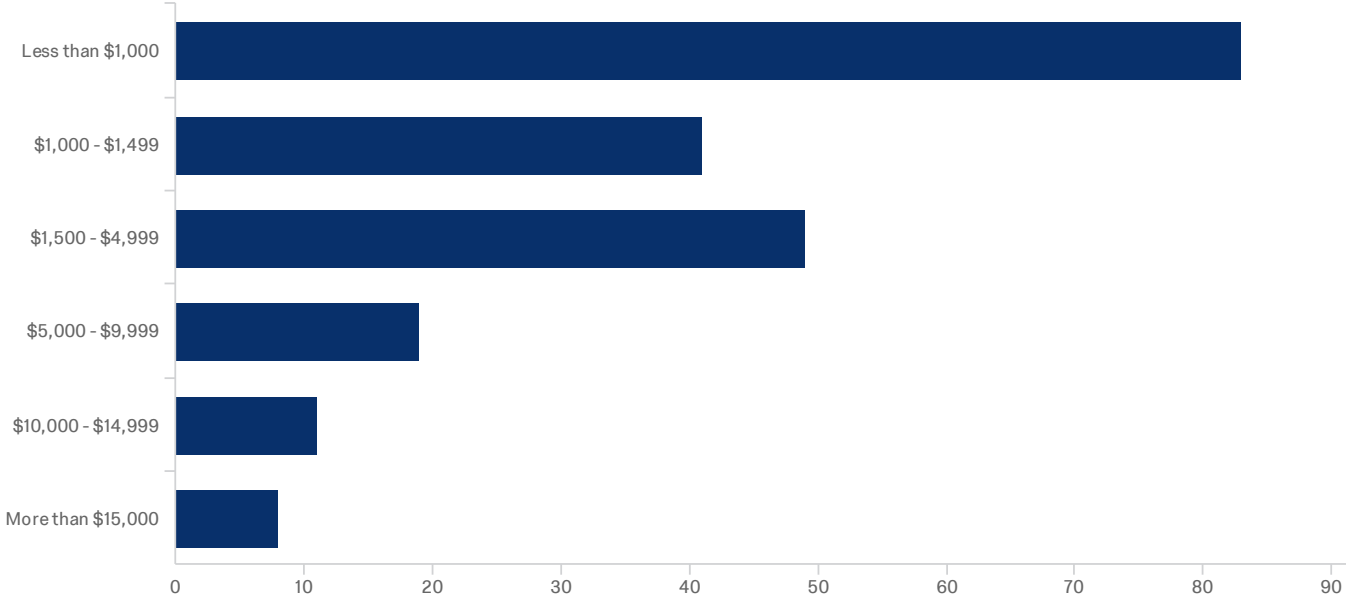
Considering the upcoming/current semester, do you anticipate getting your loan funds to pay for school in time to cover your tuition, room, board, book fees, etc.?



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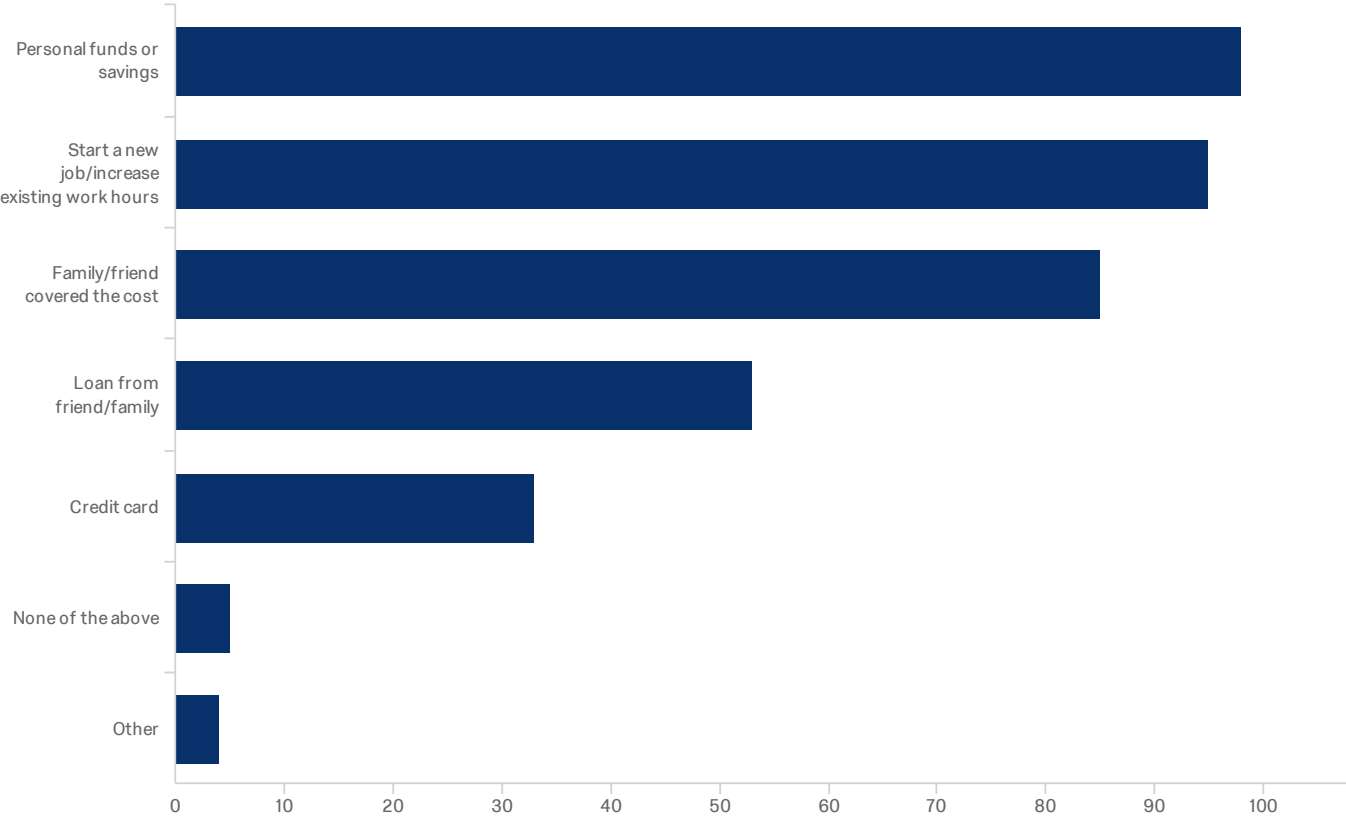
Yes	79%	791
No	21%	211
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If you did not or do not receive the funds in time, how much do you anticipate having to cover until you receive your loan funds?



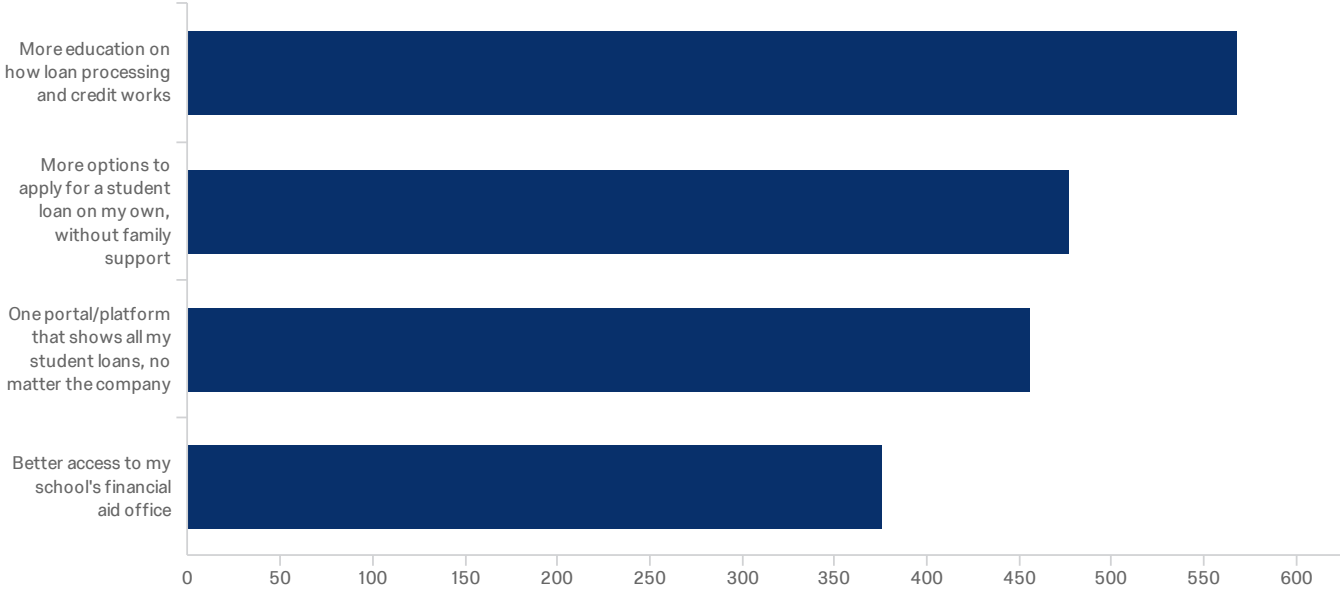
Less than \$1,000	39%	83
\$1,000 - \$1,499	19%	41
\$1,500 - \$4,999	23%	49
\$5,000 - \$9,999	9%	19
\$10,000 - \$14,999	5%	11
More than \$15,000	4%	8

How did or would you cover your expenses until you received the funds? Select all that apply.



Personal funds or savings	46%	98
Start a new job/increase existing work hours	45%	95
Family/friend covered the cost	40%	85
Loan from friend/family	25%	53
Credit card	16%	33
Other	2%	4
None of the above	2%	5
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What financial information or resources do you feel could help you be more informed about financing your complete college education? Select all that apply.

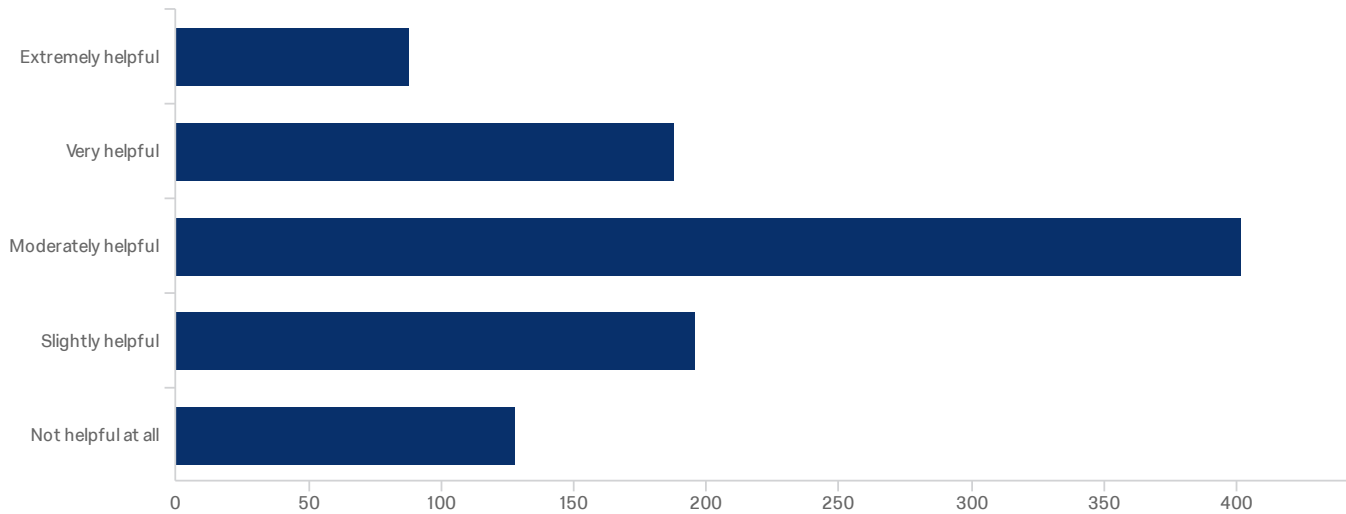


More education on how loan processing and credit works	57%	568
More options to apply for a student loan on my own, without family support	48%	477
One portal/platform that shows all my student loans, no matter the company	46%	456
Better access to my school's financial aid office	38%	376

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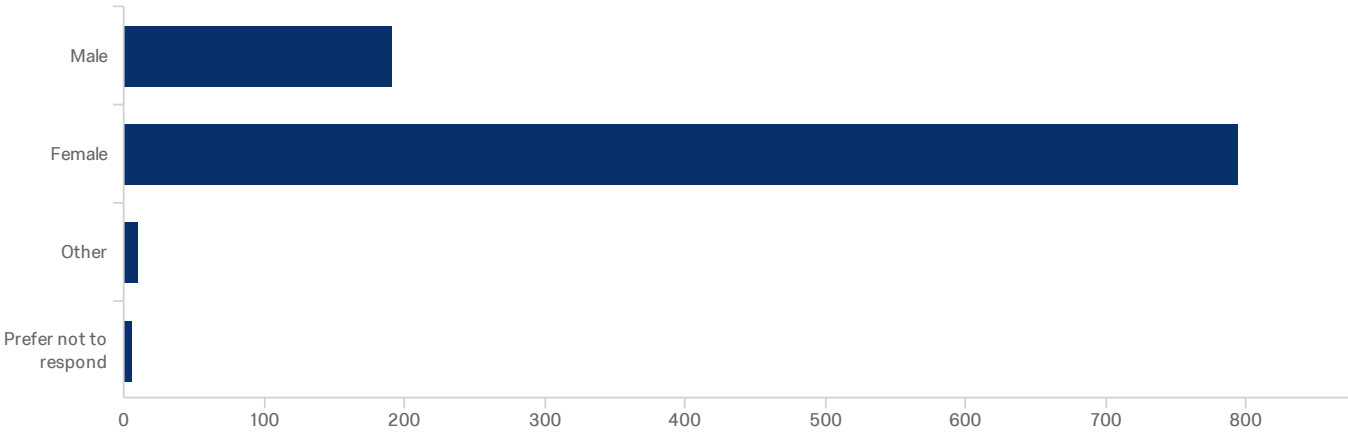
How helpful do you feel your college loan provider was in helping you be financially prepared for the upcoming academic school year?



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Extremely helpful	9%	88
Very helpful	19%	188
Moderately helpful	40%	402
Slightly helpful	20%	196
Not helpful at all	13%	128
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# What is your gender?



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Male	19%	191
Female	79%	795
Other	1%	10
Prefer not to respond	1%	6
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**End of Report**