

# Trellis' Student Financial Wellness Survey

## Fall 2019 Semester Results

Kasey Klepfer

Senior Research Analyst, Trellis

[kasey.klepfer@trelliscompany.org](mailto:kasey.klepfer@trelliscompany.org)



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C O M P A N Y

# Agenda

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- **About Trellis Research and the SFWS**
- College Affordability Context
- **Supporting Family Financially**
- Paying for College
- **Student Finances**
- Basic Needs Security
- **Student Perceptions of Institutional Support**
- How Institutions are Supporting Students



# About Trellis Research

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- Trellis Research provides colleges and policymakers insight into student success through the lens of college affordability.
- We invite you to visit our library of publications at [www.trelliscompany.org/research](http://www.trelliscompany.org/research).
- Please follow us on Twitter @TrellisResearch for notifications of new research publications and discussions of a variety of higher education topics.
- Please complete the survey after this presentation!



# Student Financial Wellness Survey

Survey Metrics Fall 2019 SFWS Undergraduate Cohort		
	<u>Two-year Institutions</u>	<u>Four-year Institutions</u>
Survey Population	317,547 students	169,856 students
Responses	23,684 students	14,804 students
Response Rate	7.5%	8.7%
Completion Rate	84%	82%
Median Time Spent	14 minutes	12 minutes

- Survey launched on October 21, 2019
- Open for three weeks
- Seventy-eight institutions across 20 states participated:
  - 54 Public 2-year institutions
  - 15 Public 4-Year Institutions
  - 9 Private 4-Year Institutions



# College Affordability Context

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# Students Have Unmet Need



Unmet need is the out-of-pocket cost of college students must come up with beyond expected family contribution and sources that don't need to be repaid (e.g. grants, scholarships, work-study, etc)



Around three out of four students have unmet need. Average of \$4,920 a year at public 2-year institutions and \$9,134 at public 4-years.



Unmet need has risen by 23 percent since academic year 2011-2012

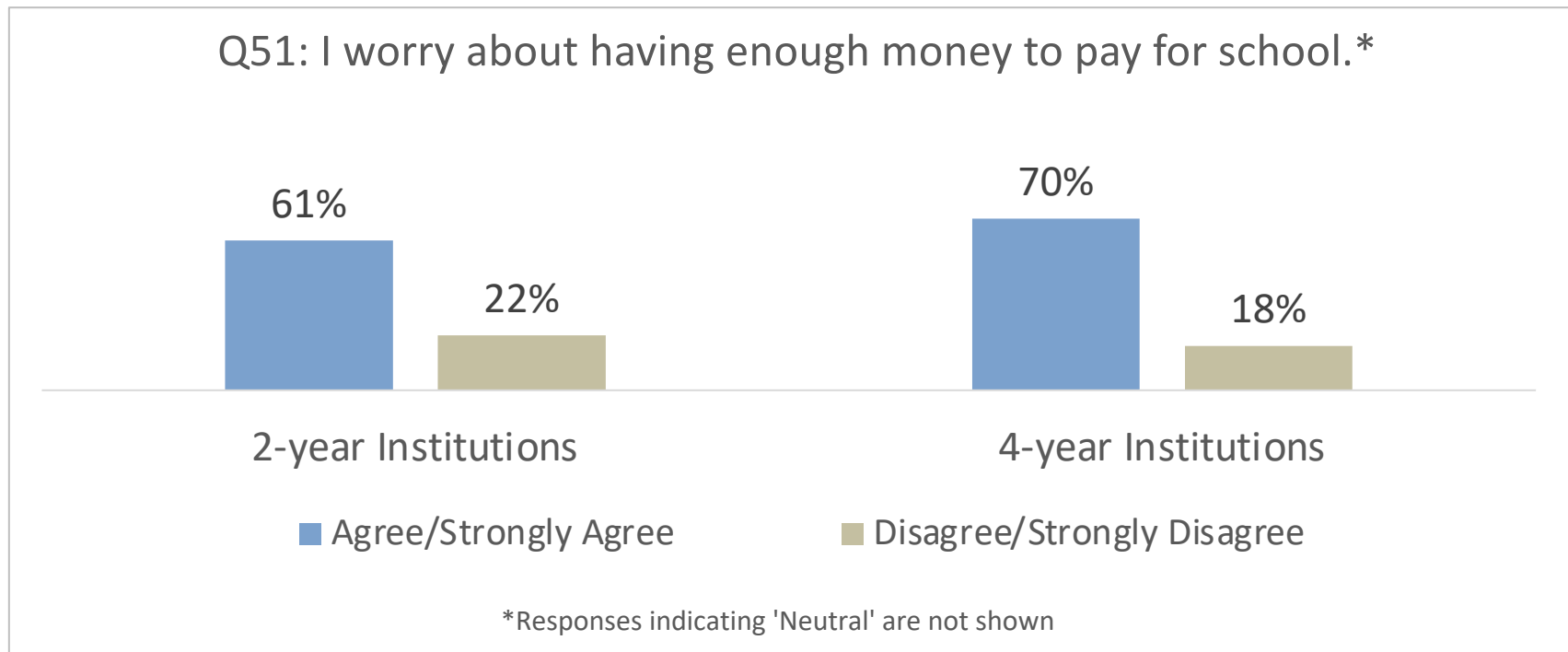


In Texas, even after adding student loans into the calculation, unmet need for low income students is around \$8,000 annually at public 2-year institutions and \$9,000 at public 4-year institutions.

Sources: Walizer, Lauren. When Financial Aid Fall Short: New Data Reveal Students Face Thousands in Unmet Need. December 2018. CLASP.; Fletcher, C., Cornett, A., and Klepfer, K. State of Student Aid and Higher Education in Texas. (May 2020). Trellis Company.



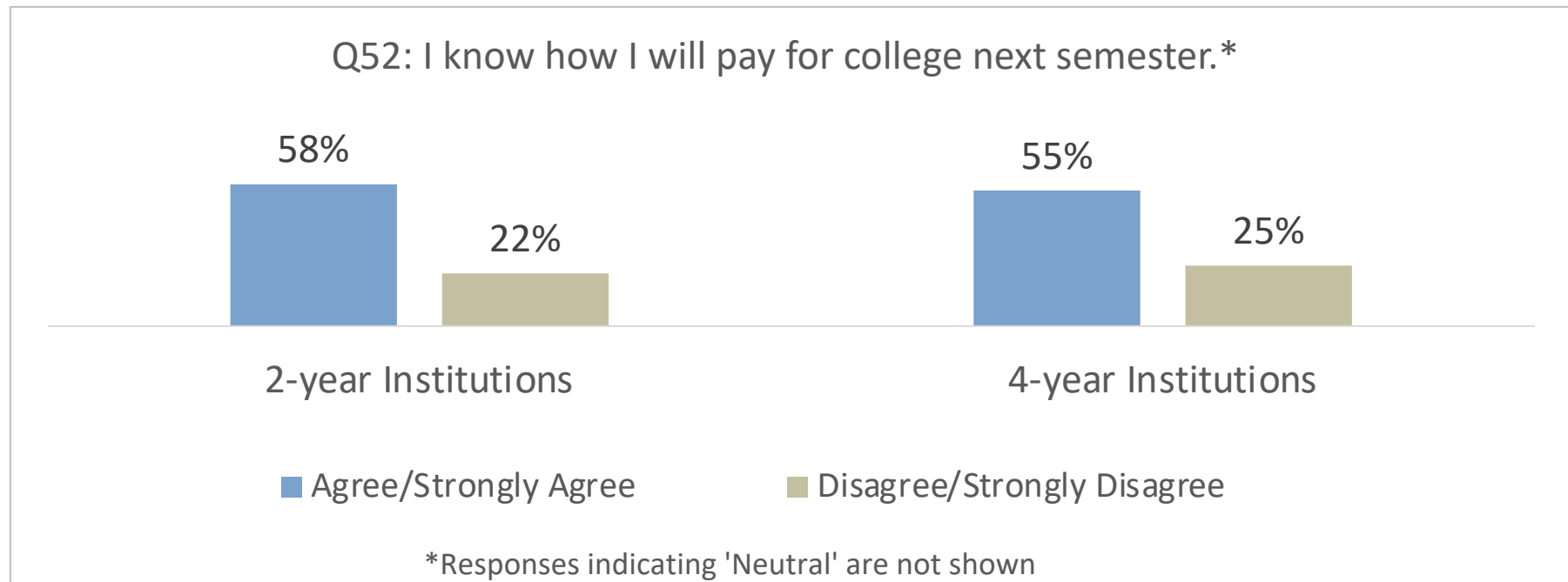
# Affordability Concerns



Most students worry about paying for college. More than three in five students worry about having enough money to pay for school.



# Affordability Concerns



Many students also lacked a financial plan to return for the next semester. Around a quarter of respondents did not know how they will pay for college next semester.



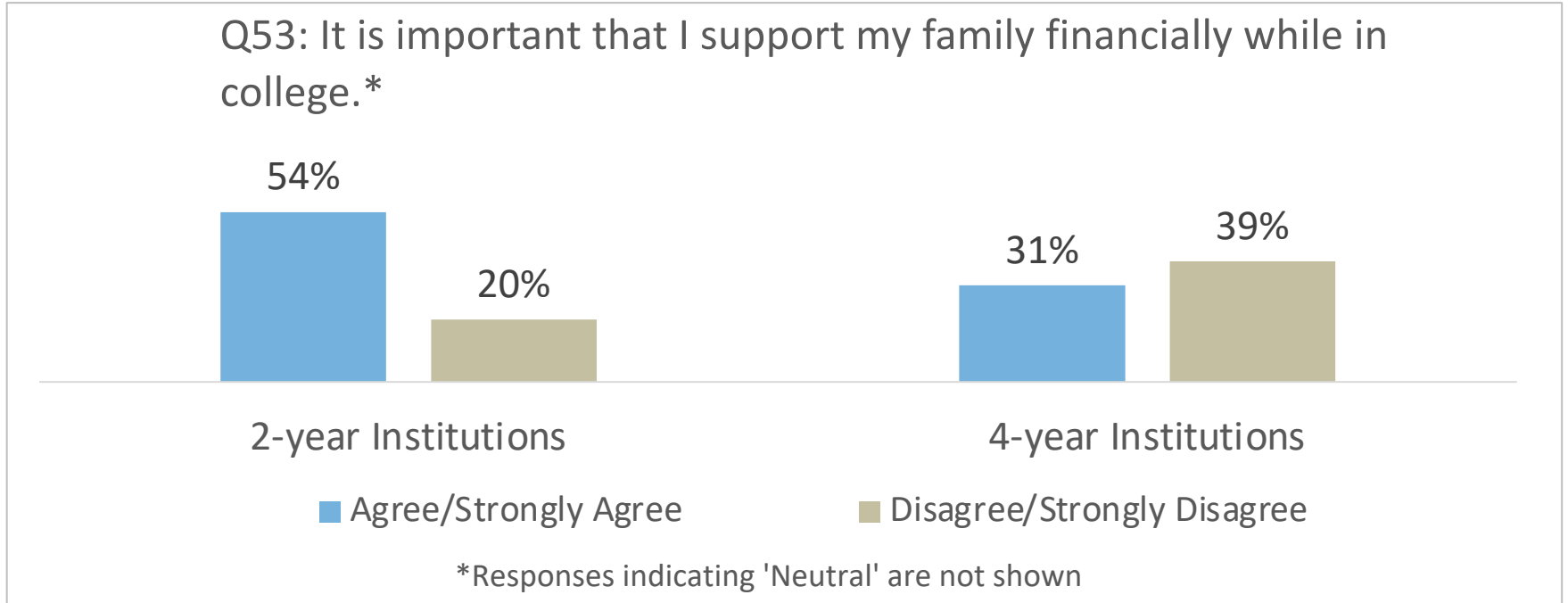




# Supporting Family Financially

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# Supporting Family

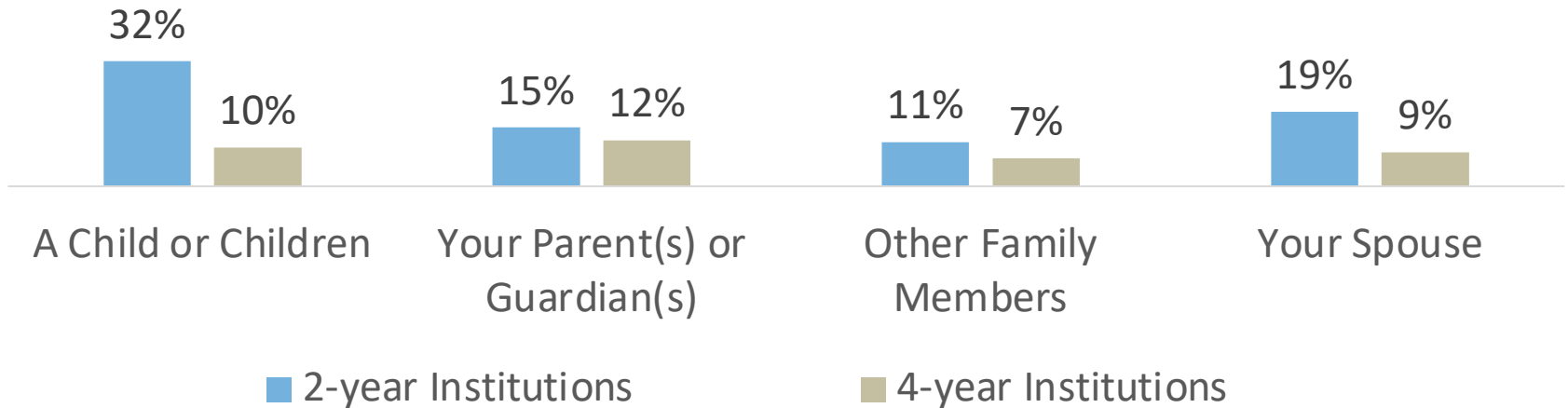


Many students are supporting family while attending college.



# Supporting Family

Q40-43: Do you provide financial support for any of the following individuals? Respondents who answered 'Yes'



At 2-year institutions, students support children at greater rates. At all institutions, more than one in ten students support their parents financially while in school.



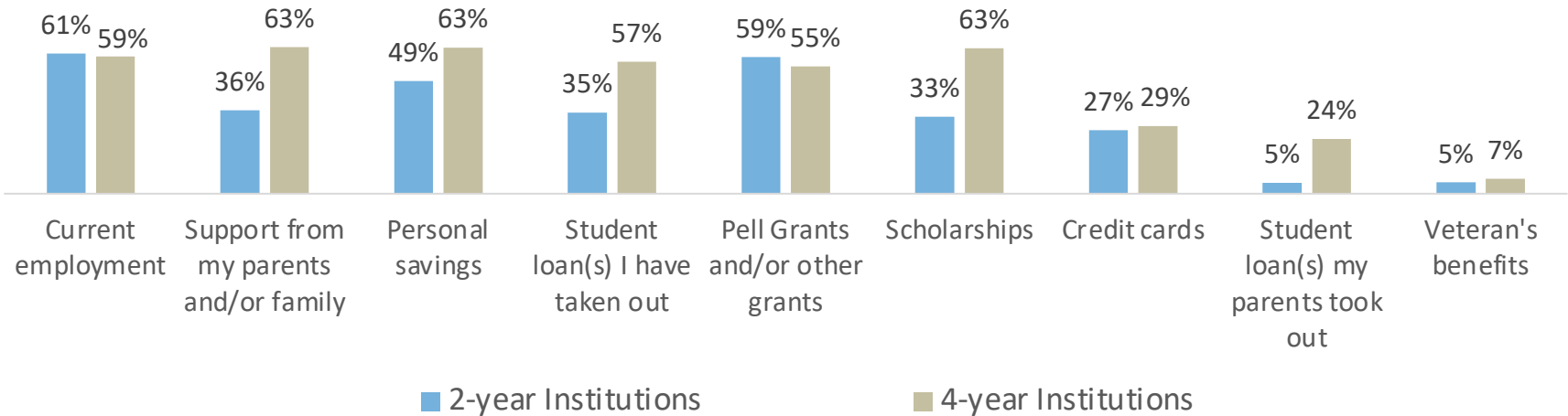


# Paying for College

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# How Students Pay for College

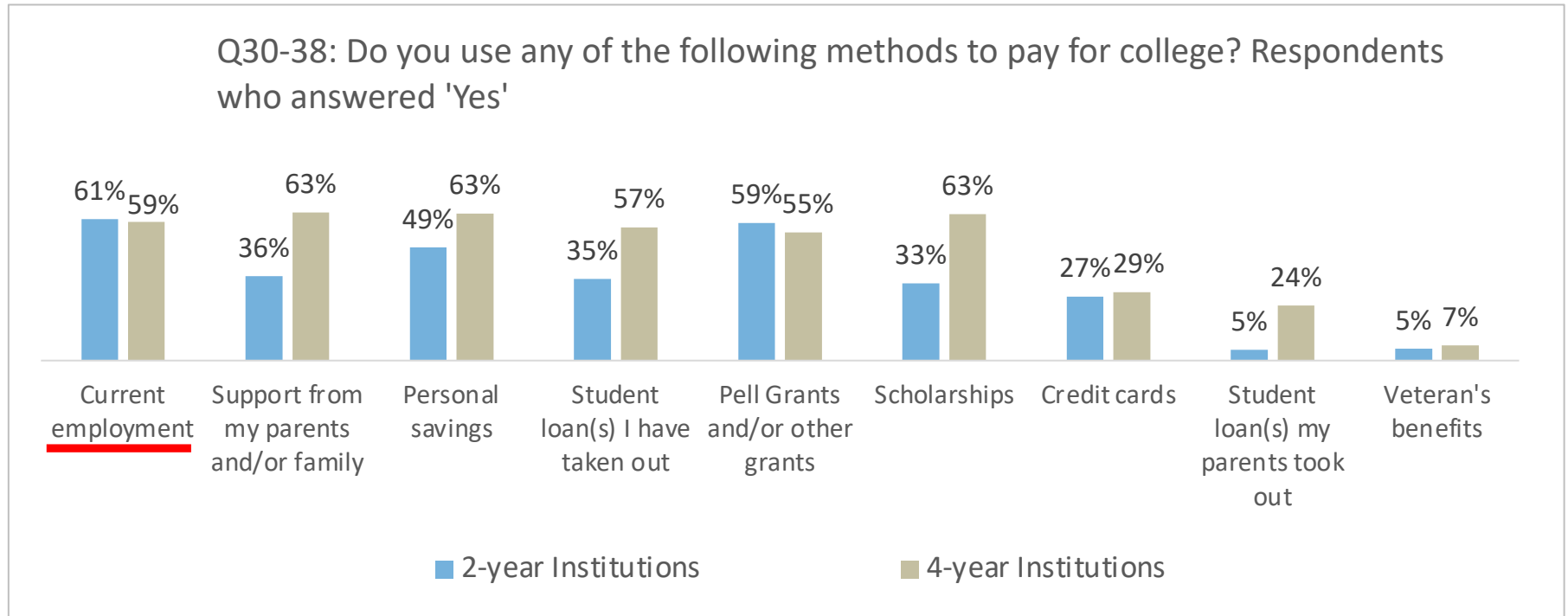
Q30-38: Do you use any of the following methods to pay for college? Respondents who answered 'Yes'



The sources students use to pay for college are broad.



# How Students Pay for College

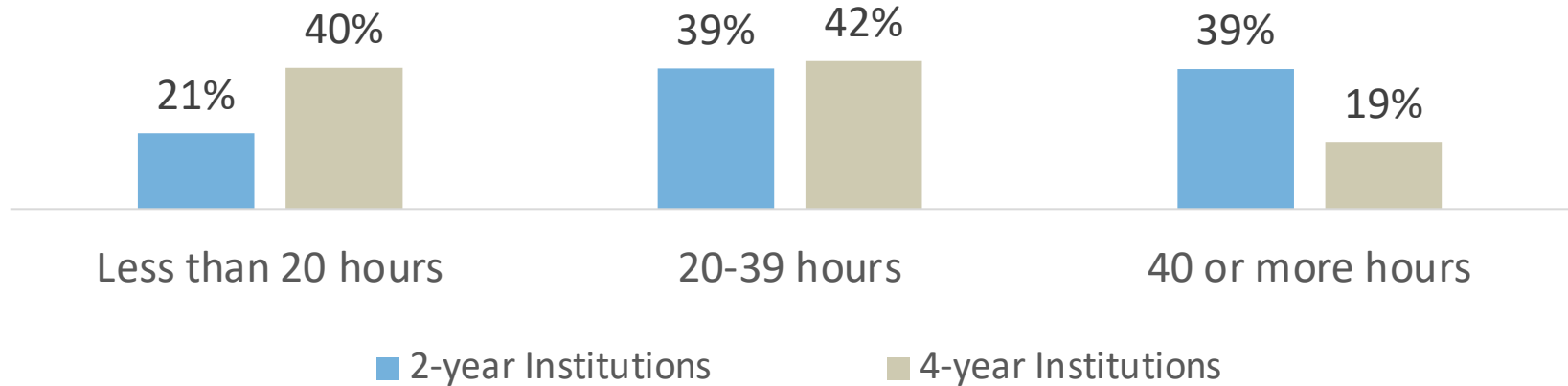


Most students use their current employment to pay for college. Around three in five students work to pay for college.



# Working While in College

Q130: During the school year, about how many hours do you spend in a typical 7-day week working for pay? (of respondents who reported they work for pay)

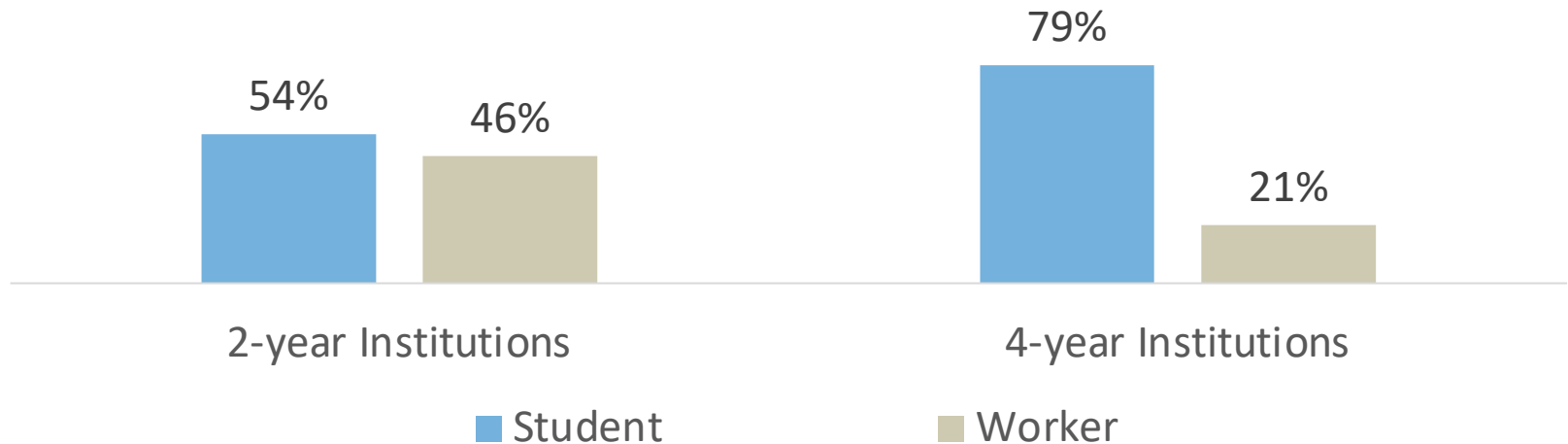


Respondents with jobs at 2-year institutions were more likely report working 40 or more hours while attending college.



# Working While in College

Q129: Do you consider yourself a student who works or a worker that goes to school? (of respondents who reported they work for pay)

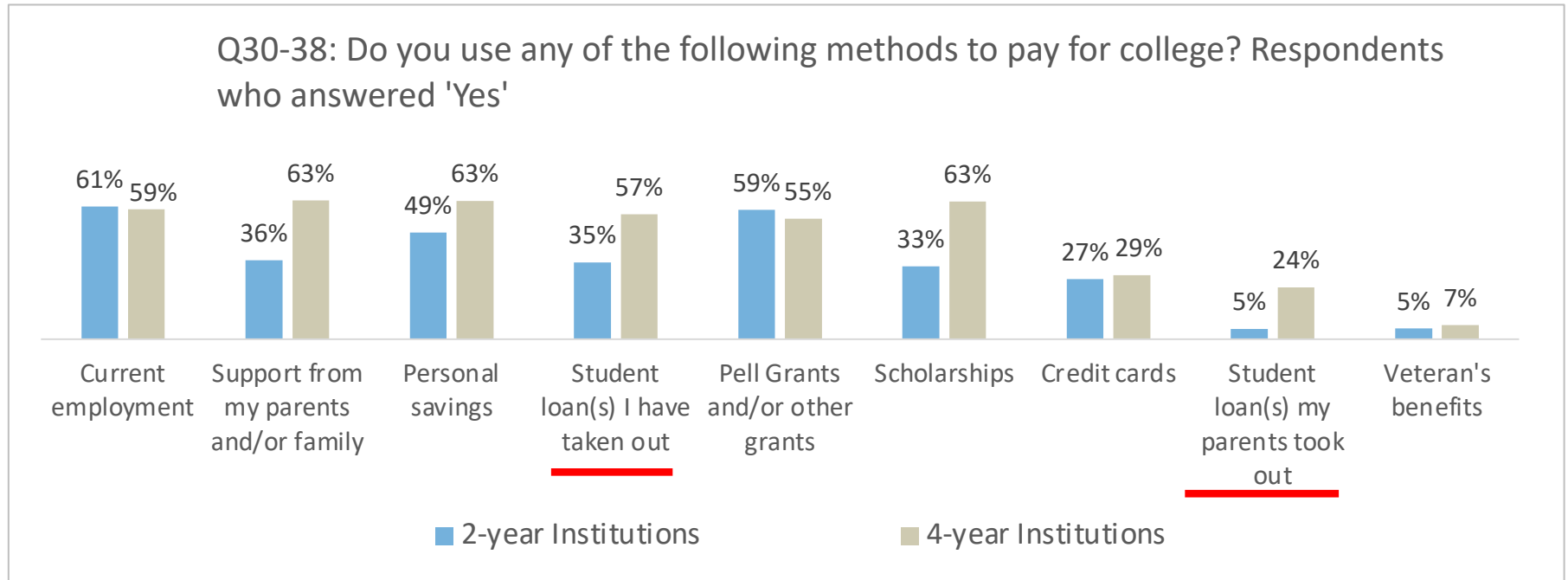


Respondents with jobs at 4-year institutions were more likely to identify as students first and workers second.





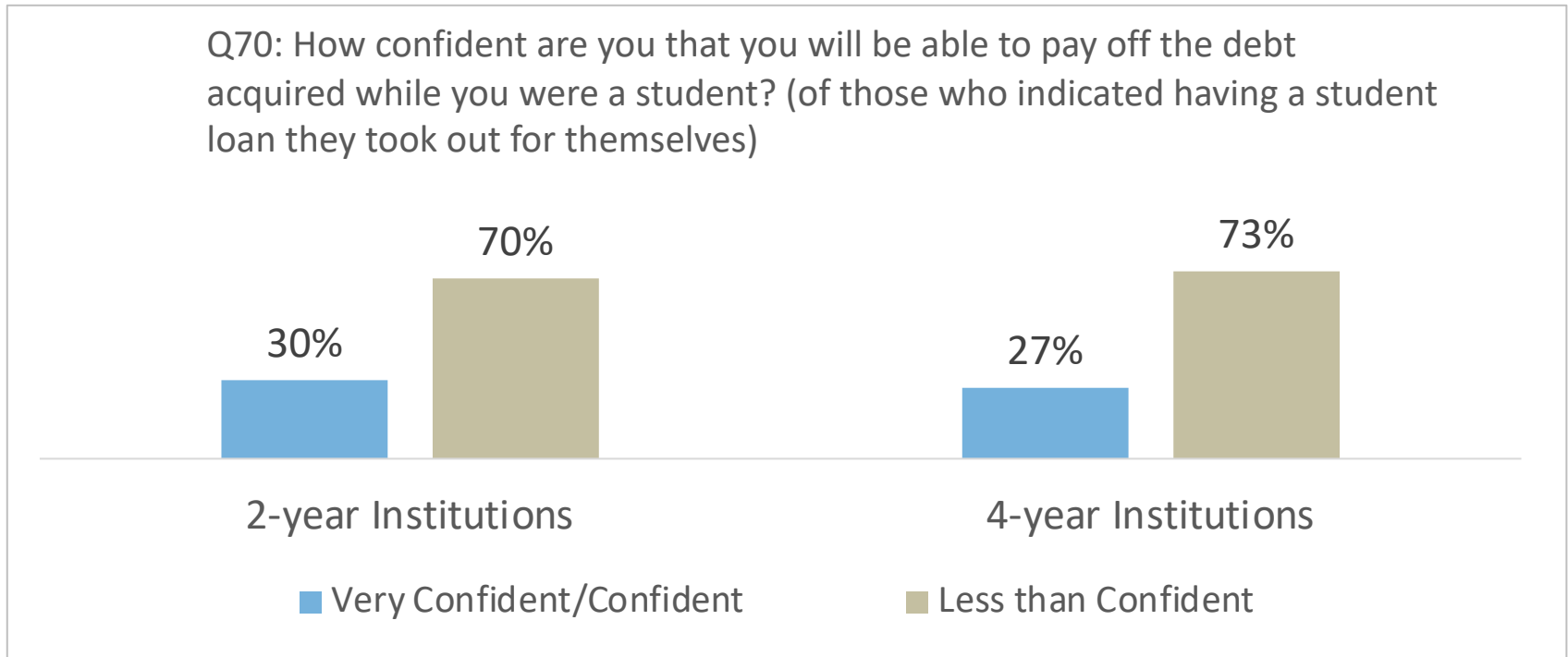
# How Students Pay for College



Respondents at 4-year institutions – and their parents – take out student loans at greater rates than students at 2-year institutions.



# Student Borrowing

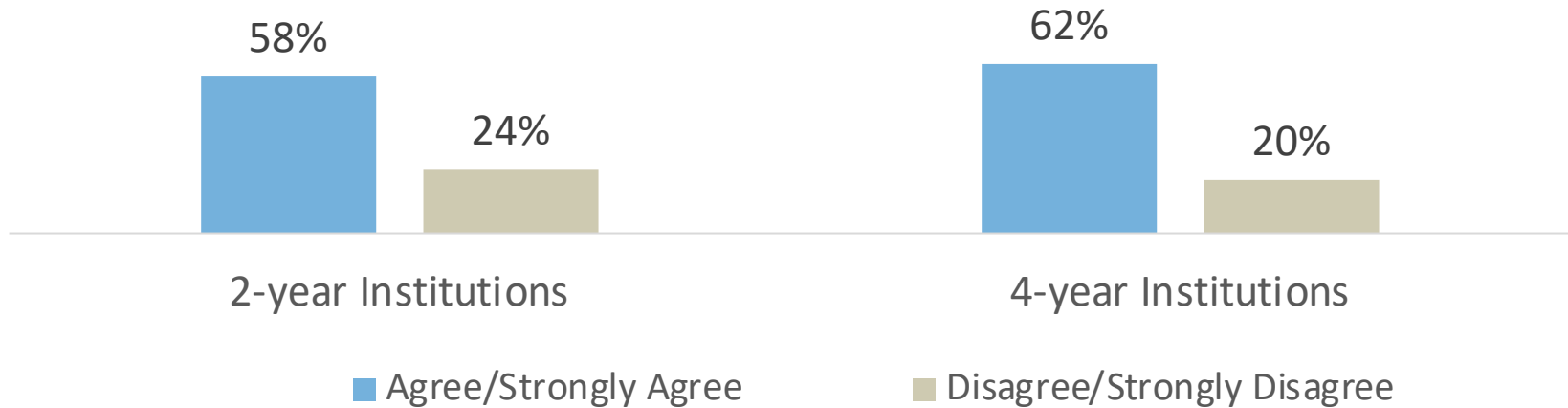


Many students that borrow have little confidence in their ability to repay.



# Student Borrowing

Q69: I have more student loan debt than I expected to have at this point. (of those who indicated having a student loan they took out for themselves)

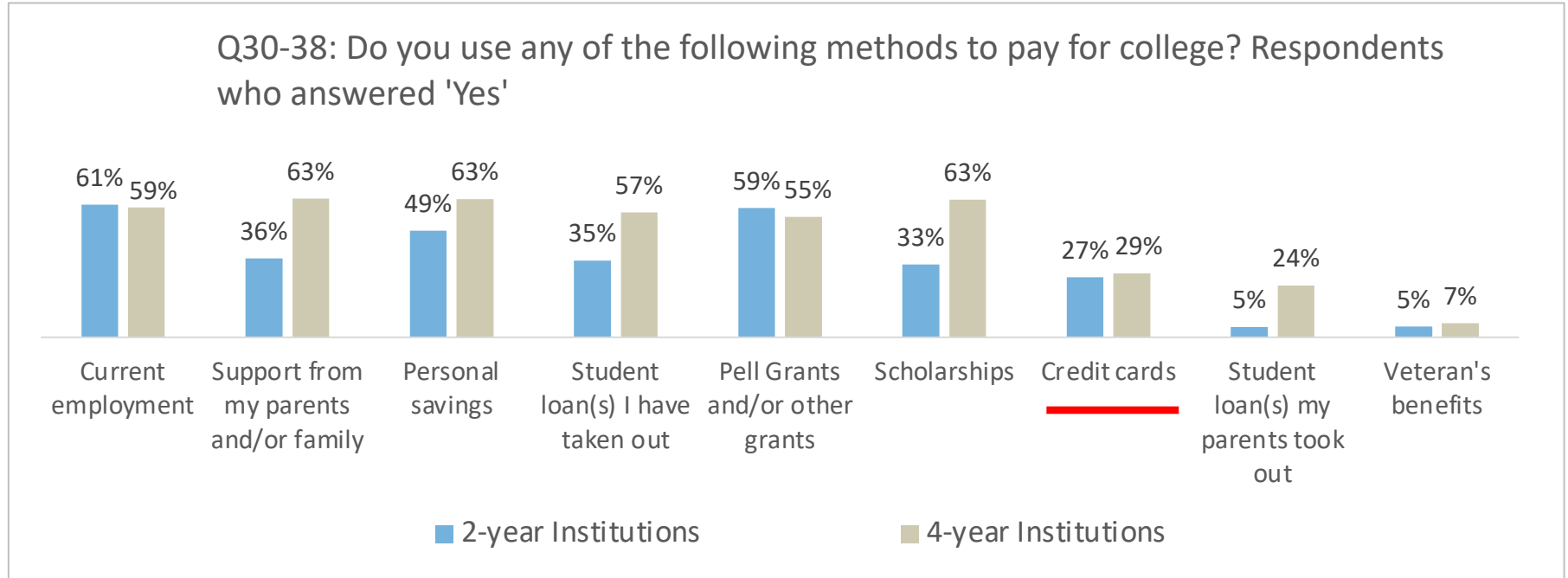


\*Responses indicating 'Neutral' are not shown

Students seldom estimate their student debt correctly – even while they are still in school.



# How Students Pay for College

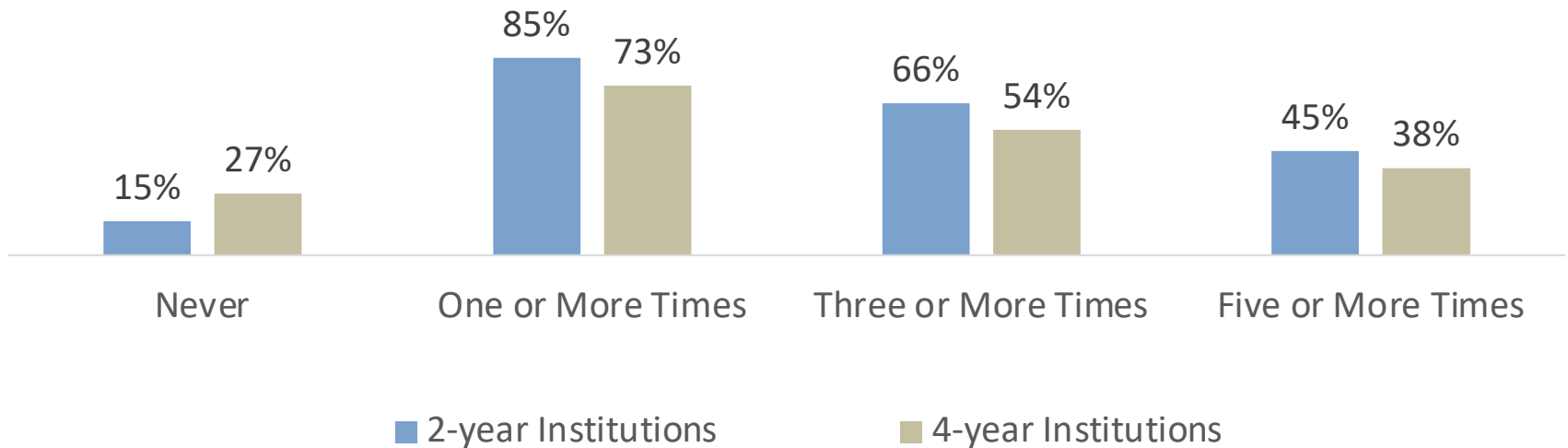


Credit cards are common but come with uncomfortable risks. More than a quarter of respondents report that they use credit cards to pay for college.



# Credit Cards and Risky Borrowing

Q63: In the past 12 months, how many times did you use a credit card for something you didn't have money for? (of those who borrowed on a credit card)

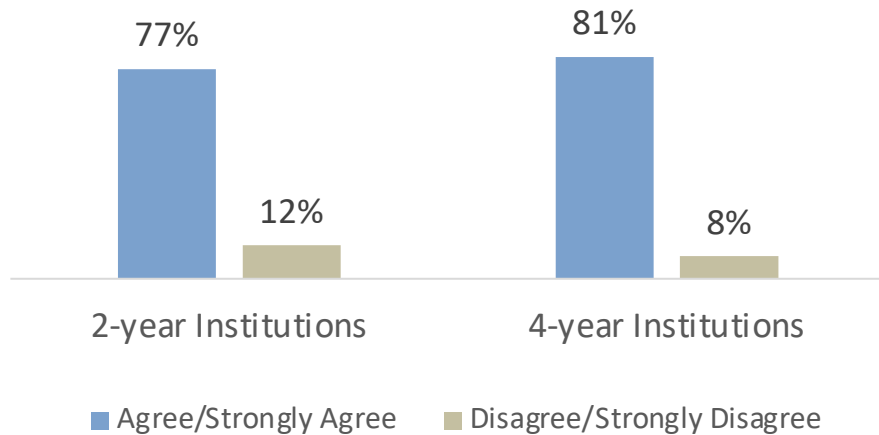


Students are also making a purchases on a credit card for things they do not have money for.



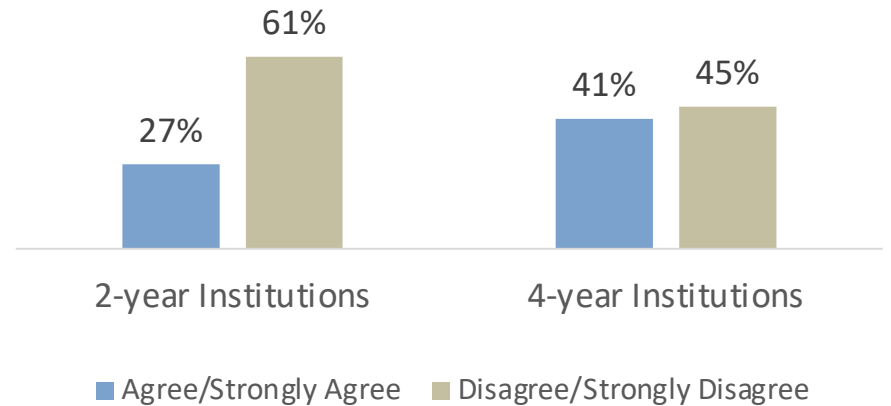
# Credit Cards and Risky Borrowing

Q64: I always pay my credit card bill on time.  
(of those who borrowed on a credit card)



\*Responses indicating 'Neutral' are not shown

Q65: I fully pay off my credit card balance  
each month. (of those who borrowed on a  
credit card)

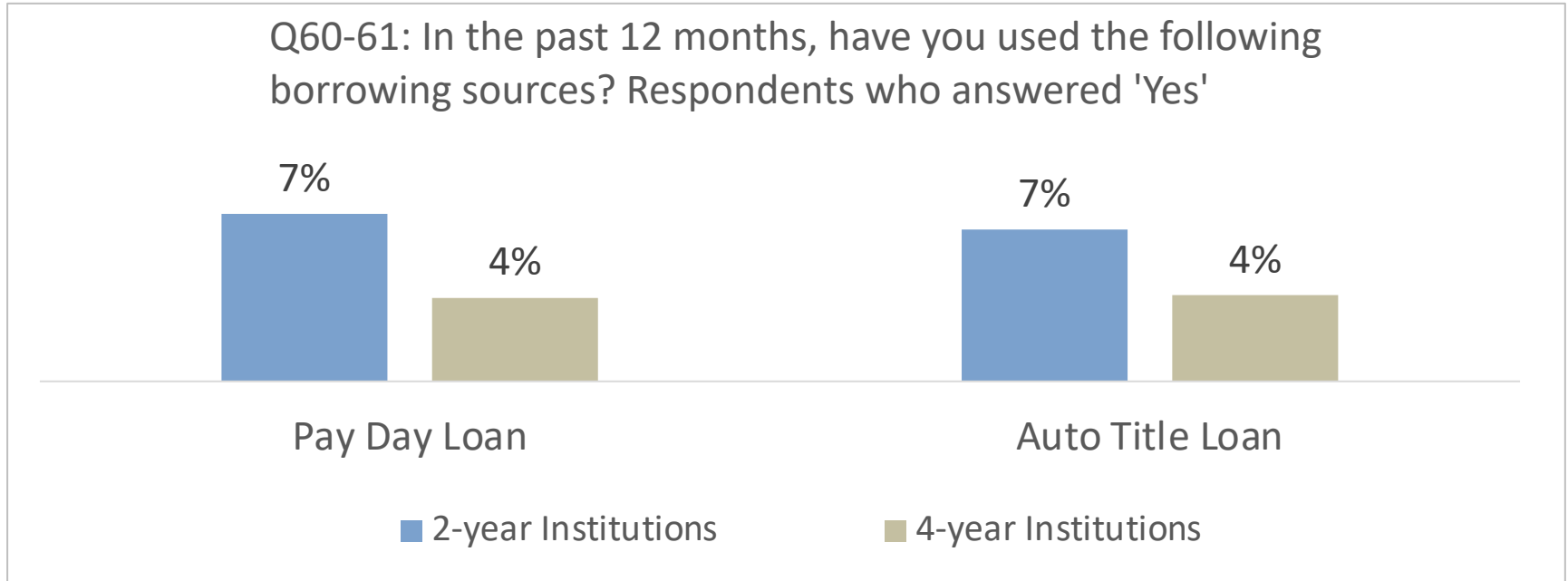


\*Responses indicating 'Neutral' are not shown

Although many credit card users do pay their bill on time, many are not paying off their full balance.



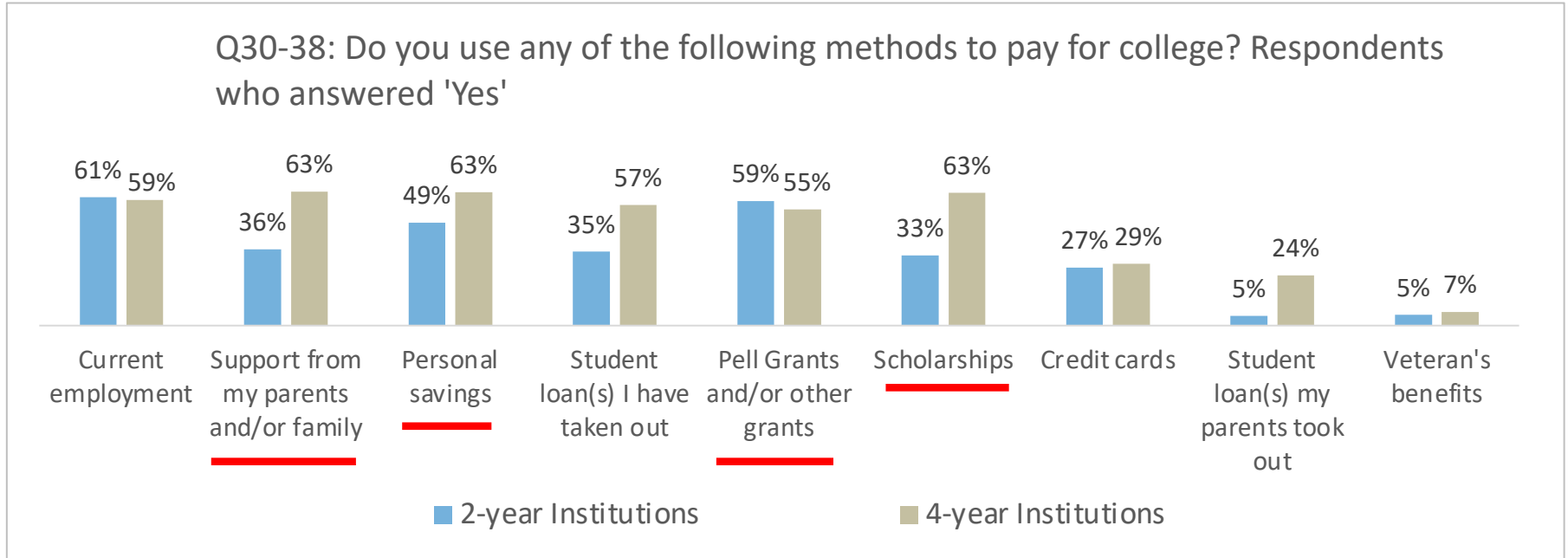
# Credit Cards and Risky Borrowing



Although less common than credit card borrowing, students also use payday and auto title loans.



# How Students Pay for College



Students also use a variety of other sources to pay for college.

- Support from parents and/or family
- Personal savings
- Grants
- Scholarships

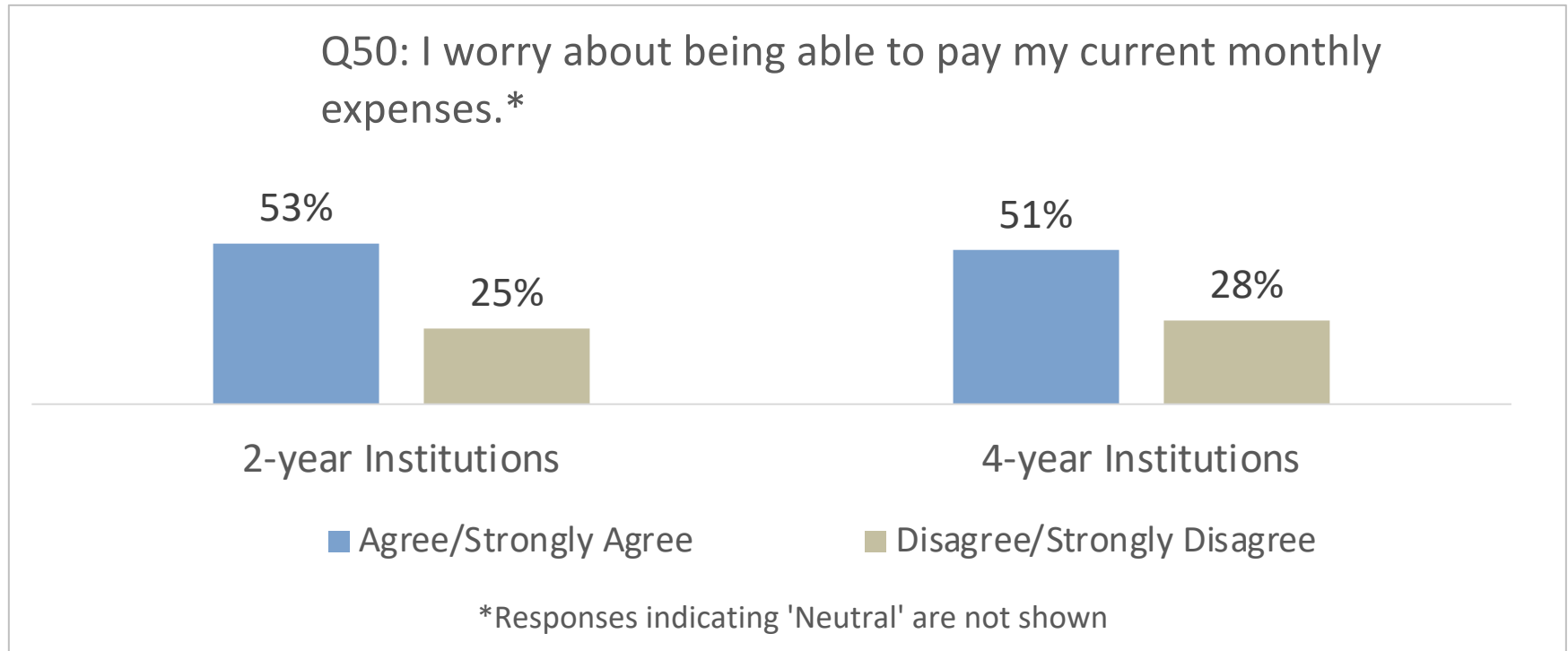




# Student Finances

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# Students Struggle Financially

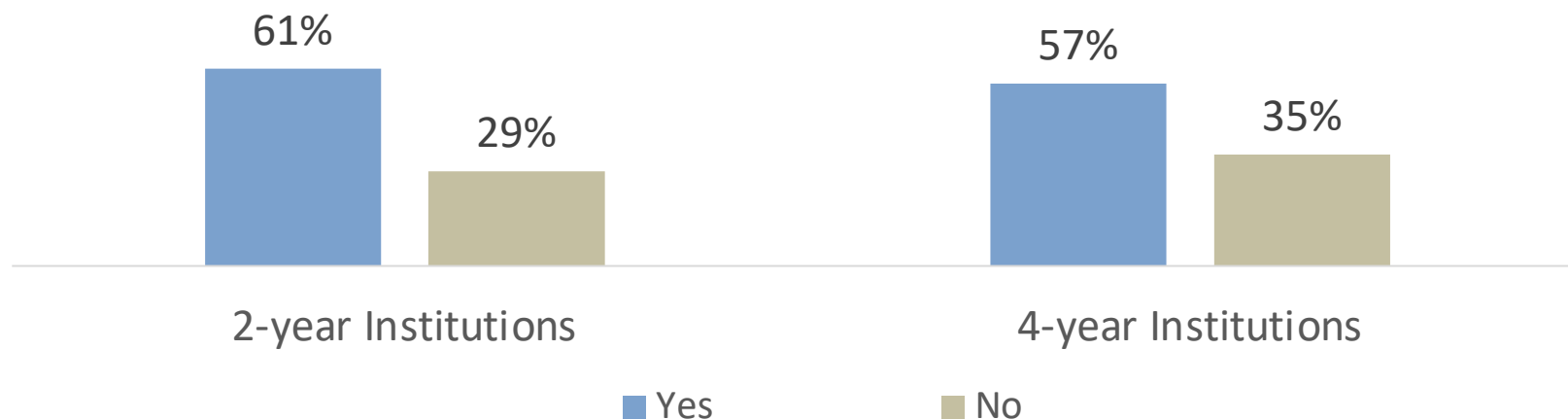


More than half of students worry about affording their current monthly expenses.



# Students Struggle Financially

Q44: Would you have trouble getting \$500 in cash or credit in order to meet an unexpected need within the next month?\*

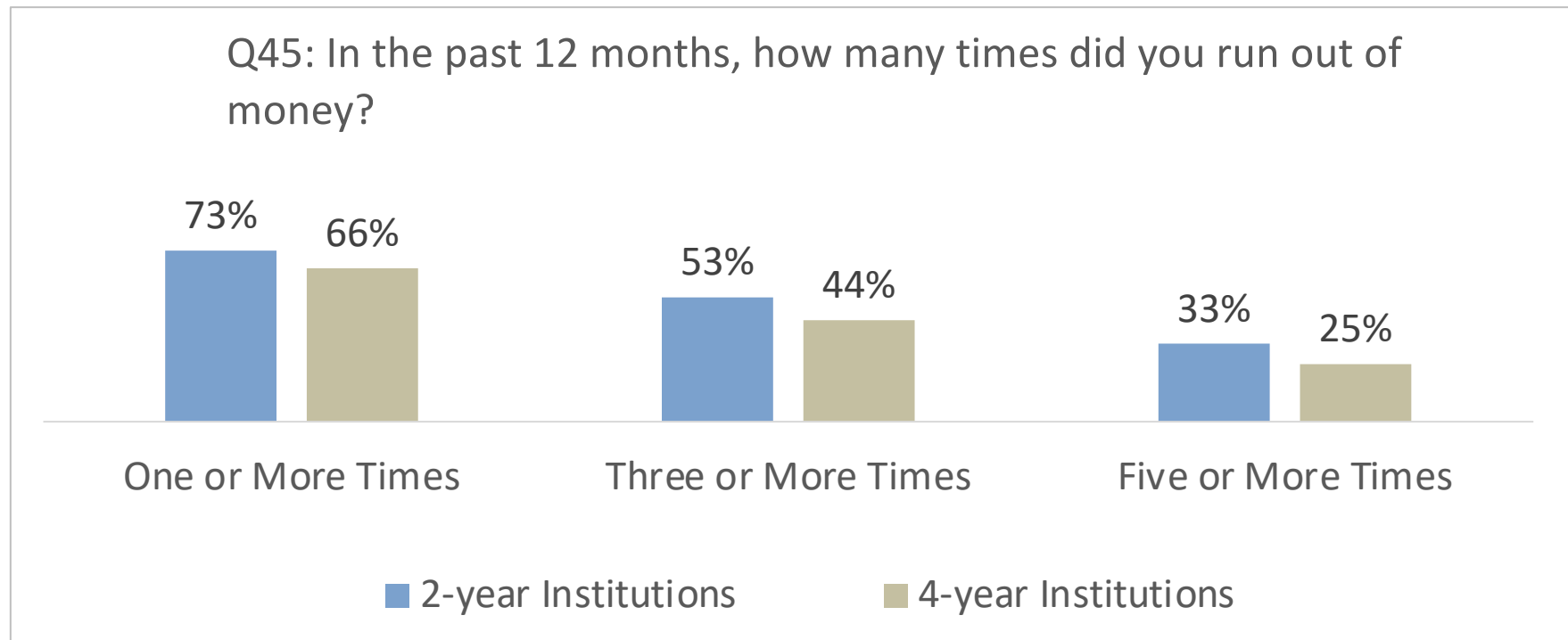


\*Responses indicating 'I Don't Know' are not shown

Unexpected expenses are hard for students to cover. Many students could not get \$500 to meet an unexpected need in an emergency.



# Students Struggle Financially

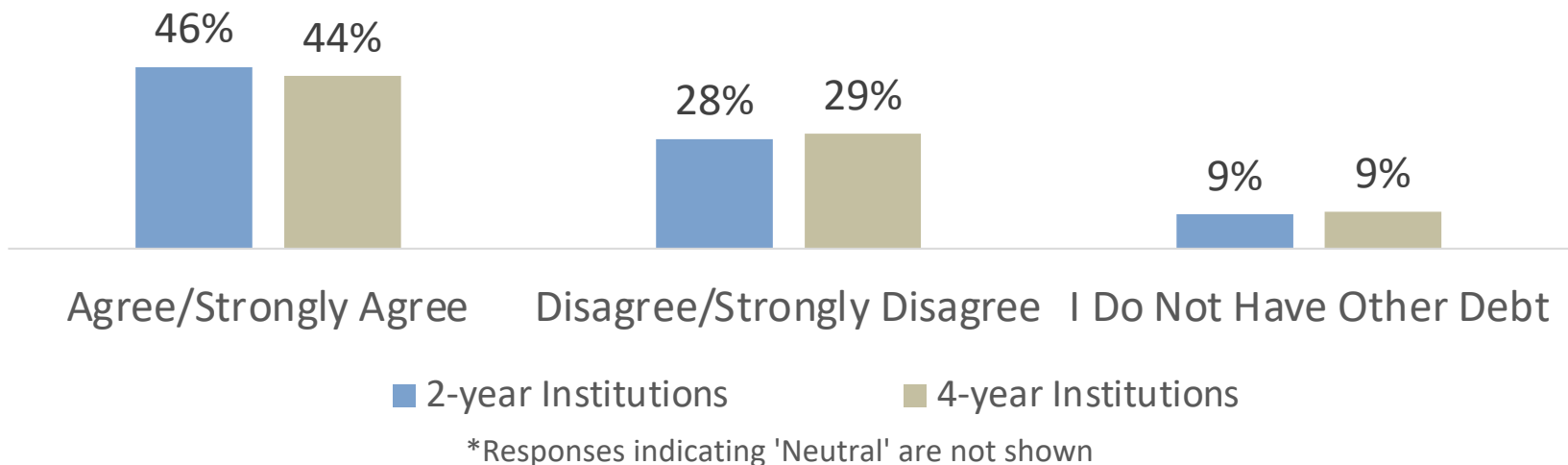


Many students are running out of money throughout the year. A third of 2-year – and a quarter of 4-year – students ran out of money five or more times in the past year.



# Students Struggle Financially

Q72: The amount of total debt (e.g., credit card debt, car loan debt, or money owed to family or friends) I have right now is overwhelming.



Students also hold debt – more than two in five respondents find their total debt to be overwhelming.

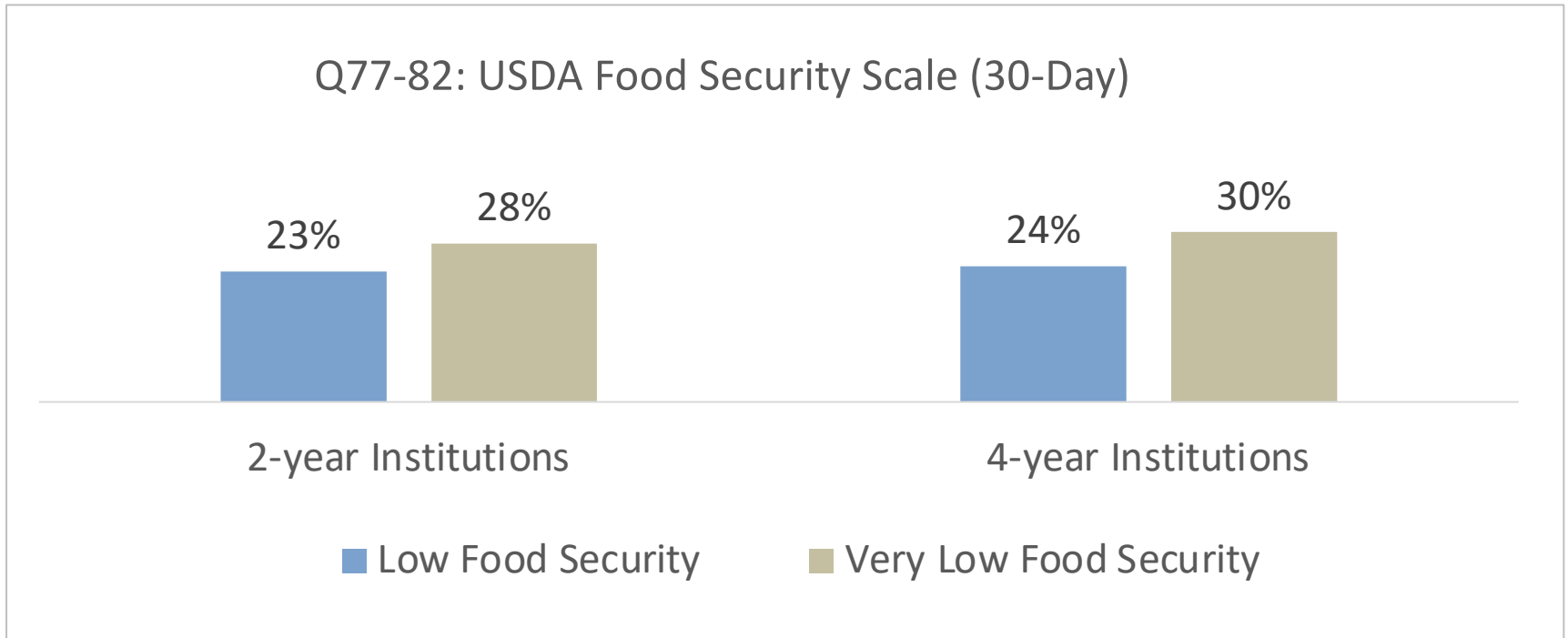


# Basic Needs Security

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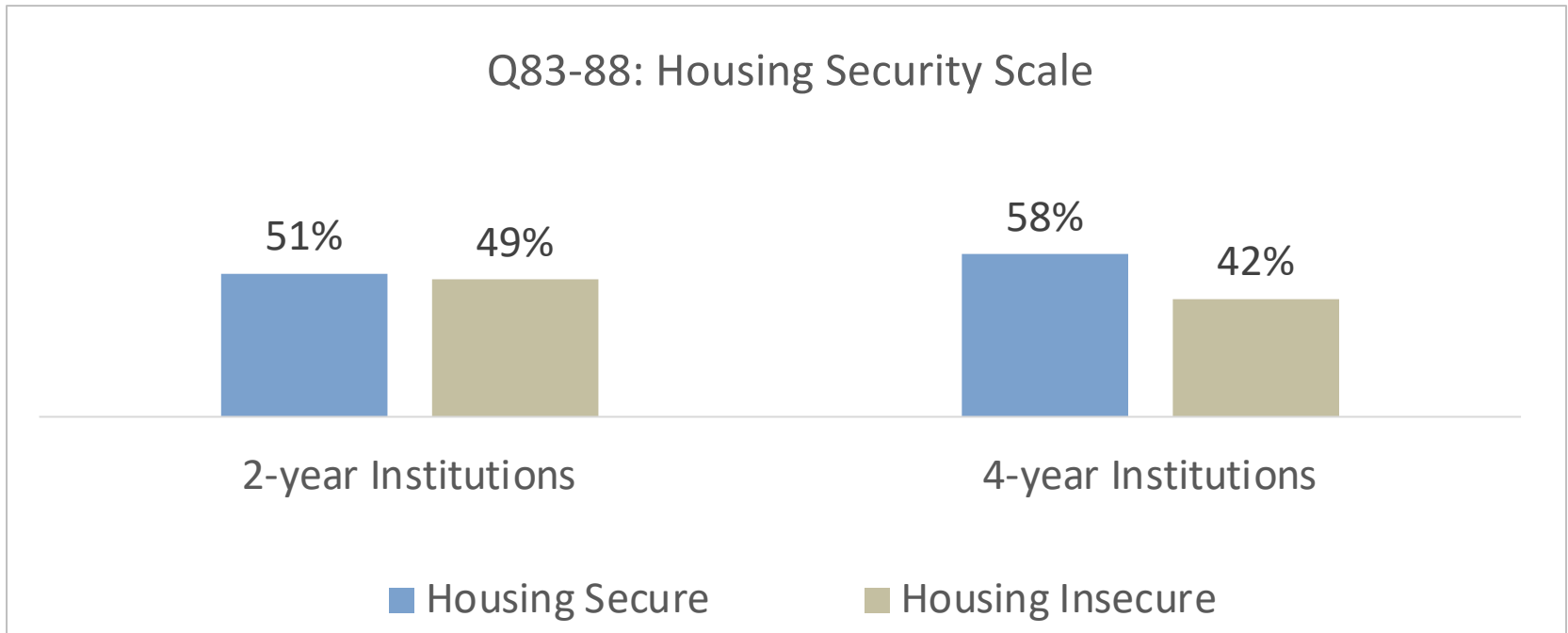


More than half of respondents at 2-year and 4-year institutions showed signs of either low food security or very low food security.



# Basic Needs Security

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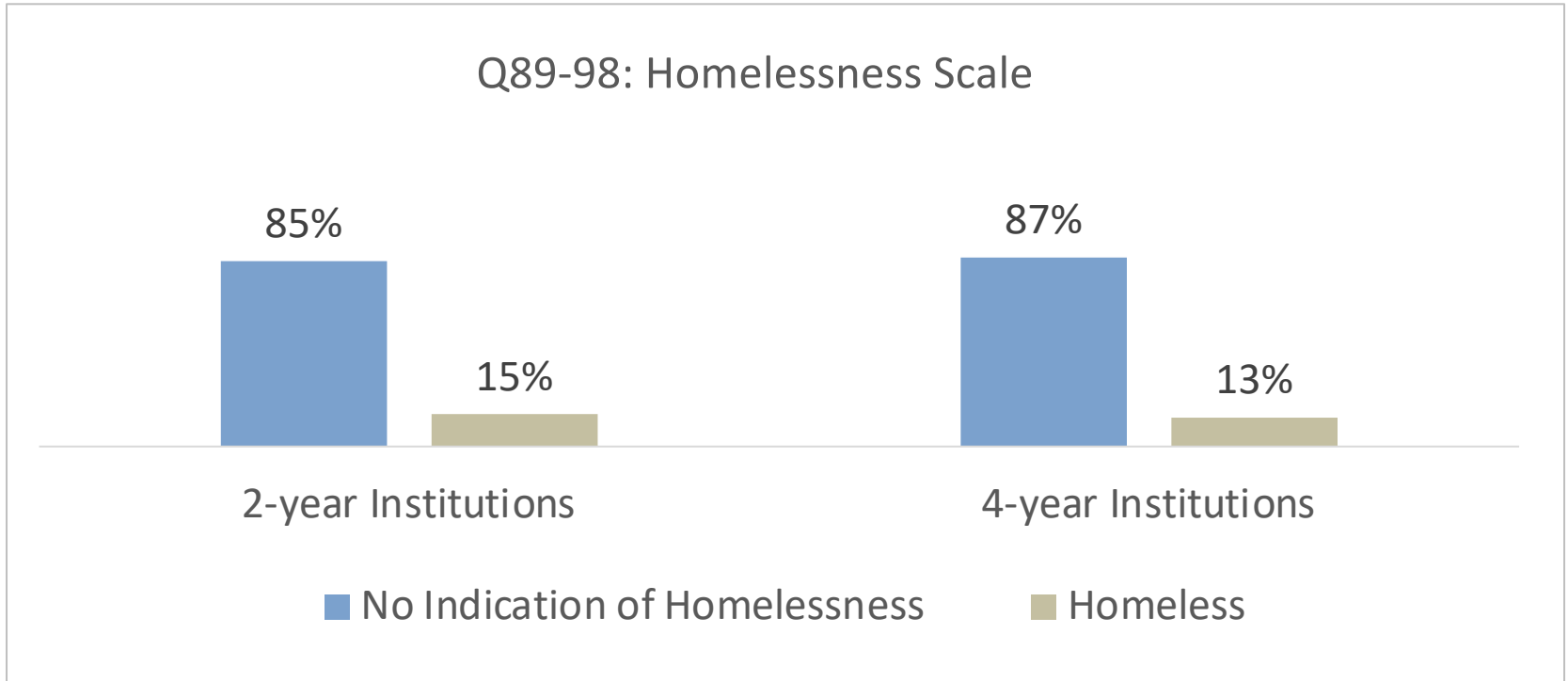


Many students struggle to maintain secure housing; over half were housing insecure.



# Basic Needs Security

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Homelessness presents serious obstacles to achieving full academic potential. More than one in ten students experience homelessness.



# Student Perceptions of Institutional Support

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# Student Perceptions

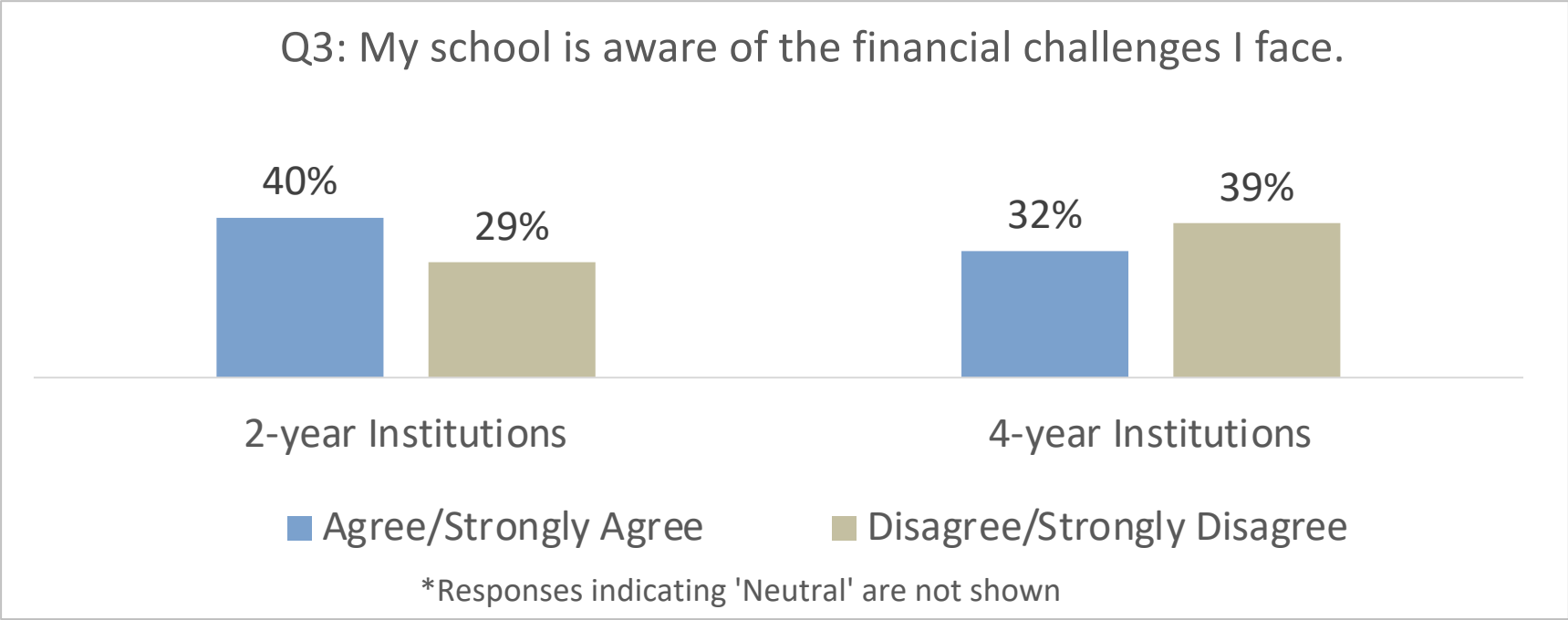
**Q25: Net Promoter Score (NPS)\* How likely is it that you would recommend your school to a friend or family member?**

	Public 2yr	Public 4yr
Promoters (Score 9-10)	55%	35%
Passives (Score 7-8)	29%	38%
Detractors (Score 0-6)	16%	27%
Net Promoter Score (NPS)*	39.46	8.68
	n=22,764	n=12,118

- A Net Promoter Score (NPS) is a research-based method to benchmark and compare customer satisfaction ratings across different services, businesses, and products.
- Those who score 9-10 are promoters, 7-8 are passives, and 0-6 are detractors.  
 $\% \text{Promoters} - \% \text{Detractors} = \text{NPS}$ . A positive NPS ( $>0$ ) is generally considered good, with highest performers usually between 50 and 80.



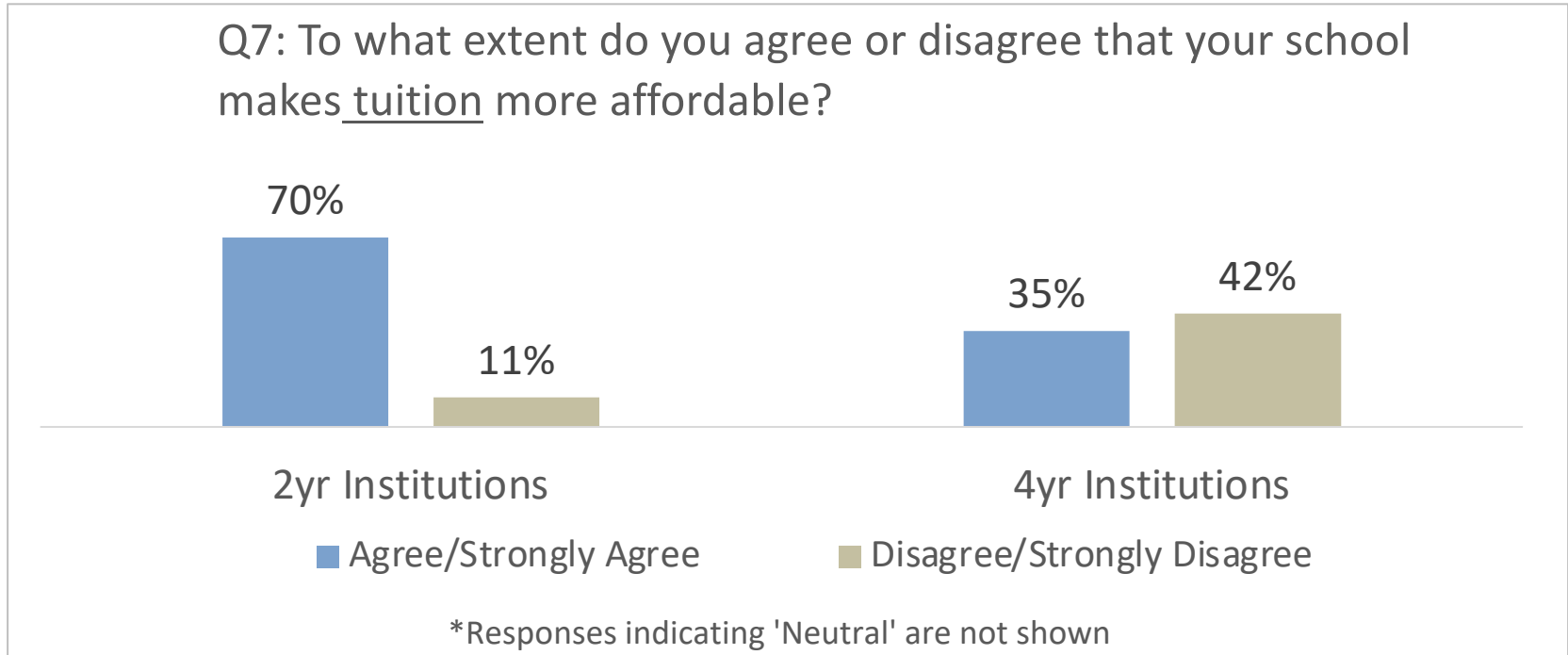
# Student Perceptions



Students disagree over the extent that their schools understand their financial challenges.



# Student Perceptions



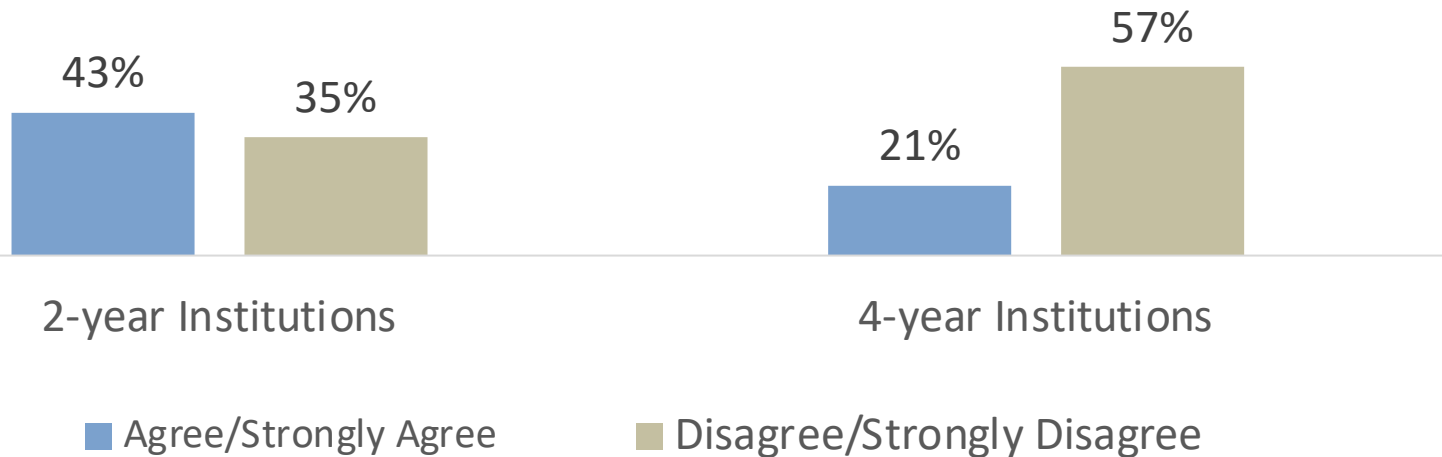
Respondents at 2-year institutions were more likely to report their institutions work to make tuition more affordable



# Student Perceptions

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Q11: To what extent do you agree or disagree that your school makes textbooks more affordable?



\*Responses indicating 'Neutral' are not shown

One common concern of students is that many classes require textbooks that are too expensive and rarely used.



# How Institutions are Supporting Students

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# How Institutions Can Help - Advising

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Paying for college can be challenging, and sometimes funding sources (e.g., savings, parental contributions, work, etc.) can dry up.



Some institutions help students create a financial plan which complements their academic plans for degree completion.



Helping to get students enrolled in savings accounts.



Begun to engage in crisis support teams, which can work to holistically case manage identified students struggling with basic needs insecurity.





# How Institutions Can Help - Resources

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Some institutions help students connect to resources – or learn where to get help – when experiencing financial challenges.



Provided emergency support services for students such as food pantries, temporary housing, transportation vouchers/assistance, and/or emergency funding.



Encouraged faculty to put campus basic needs resources in their syllabus to reach at-risk students.



# How Institutions Can Help - Resources

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Ensured low-price and healthy food options at all campus dining areas (where applicable).



Colleges have also seen measurable improvements in student success outcomes when students receive a combination of support services and financial resources.



Provided and/or connected campus resources and financial education to students struggling to meet their basic needs; market in a high-profile way to destigmatize.



# How Institutions Can Help – Campus Culture

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Implemented staff/faculty training on the financial realities of their student body.



Created communication strategies to provide realistic cost of education estimates to students and to inform students of the work being done to address their financial challenges.



A key to any institution's strategic student success plan is to have the data to better understand the student experience.



Trellis' Student Financial Wellness Survey is a service offered free of charge to all institutions. Sign up now for the Fall 2020 implementation.



# Questions?

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Please follow us on Twitter: @TrellisResearch

Contact Info:

Kasey Klepfer

Senior Research Analyst

[Kasey.Klepfer@trelliscompany.org](mailto:Kasey.Klepfer@trelliscompany.org)





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