

DOCUMENT RESUME

ED 421 069

HE 031 413

TITLE Credit Risk or Credit Worthy? College Students and Credit Cards. A National Survey.

INSTITUTION Education Resources Inst., Boston, MA.; Institute for Higher Education Policy, Washington, DC.

PUB DATE 1998-06-00

NOTE 65p.

AVAILABLE FROM Education Resources Institute, 330 Stuart St., Suite 500, Boston, MA 02116-5237; phone: 1-800-255-TERI; fax: 617-451-9425.

PUB TYPE Reports - Evaluative (142)

EDRS PRICE MF01/PC03 Plus Postage.

DESCRIPTORS *College Students; *Credit (Finance); Higher Education; Loan Repayment; *Money Management; National Surveys; Paying for College; *Student Attitudes; Tables (Data); Telephone Surveys

IDENTIFIERS *Credit Cards

ABSTRACT

This report presents findings of a national survey on the use of credit cards by college students. A computer-assisted telephone survey of a stratified random sample resulted in a total of 750 completed surveys. Following a chart summarizing selected earlier studies, the report presents the major findings of this survey: (1) credit card use is a reality for today's students, with 64 percent having at least one such card; (2) most students have reasonable attitudes about how credit cards should be used; (3) most students use credit cards responsibly and do not accumulate large amounts of credit card debt; (4) a significant proportion (22 percent) of students with credit cards have used them to pay for education-related expenses; (5) some students exhibit credit card behavior which could lead to high debt levels; and (6) credit card use among nontraditional undergraduate students differs from that of the student population as a whole. The next two sections of the report consider other important findings and identify issues for further examination, such as the role of credit cards in society and institutional policies governing the acceptance of credit cards as payment. Appendices detail the survey's methodology and provide tables detailing results. (Contains 11 references.) (DB)

 * Reproductions supplied by EDRS are the best that can be made *
 * from the original document. *

CREDIT RISK or CREDIT WORTHY?

College Students and Credit Cards

A NATIONAL SURVEY

PERMISSION TO REPRODUCE AND
DISSEMINATE THIS MATERIAL HAS
BEEN GRANTED BY

The Institute for
Higher Education Policy

TO THE EDUCATIONAL RESOURCES
INFORMATION CENTER (ERIC)

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION
CENTER (ERIC)

- This document has been reproduced as received from the person or organization originating it.
- Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.



HE 03 / 2113

CREDIT RISK *or* CREDIT WORTHY?

College Students
and Credit Cards

A NATIONAL SURVEY

June 1998

TERI

THE EDUCATION
RESOURCES INSTITUTE

THE INSTITUTE

FOR HIGHER
EDUCATION POLICY

The Education Resources Institute, Inc. (TERI) incorporated in June 1985, is a national not-for-profit organization that aids students in attaining an education and assists educational institutions in providing an education in an economical fashion. To achieve this purpose, TERI functions as a private guarantor of student loans and engages in a variety of education policy and research activities.

TERI's Higher Education Information Center (HEIC) division provides information at no cost to students and their families about financial aid for post-high school education and career opportunities. The Center is located at the Boston Public Library and assists over 100,000 individuals a year.

Ernest T. Freeman, President and CEO, TERI
Thomas D. Parker, President, Boston Systems Resources, Inc.

To request a copy of the report, please contact:

The Education Resources Institute
330 Stuart Street, Suite 500 Boston, MA 02116-5237
Phone: 800-255-TERI, Ext. 4762/ Facsimile: 617-451-9425/ Internet: <http://www.teri.org>

The Institute for Higher Education Policy is a non-profit, non-partisan organization whose mission is to foster access to and quality in postsecondary education. The Institute's activities are designed to promote innovative solutions to the important and complex issues facing higher education. These activities include research and policy analysis, policy formulation, program evaluation, strategic planning and implementation, and seminars and colloquia.

Jamie P. Merisotis, President
Colleen T. O'Brien, Managing Director
Katheryn L. Volle, Research Analyst
Alisa Federico Cunningham, Research Analyst
Christina Redmond, Administrative Associate

For further information, please contact:

THE INSTITUTE for Higher Education Policy
1320 19th Street, NW, Suite 400 Washington, DC 20036
Phone: 202-861-8223/ Facsimile: 202-861-9307/ Internet: <http://www.ihep.com>

Previous policy reports published by TERI and The Institute include: *The Next Step: Student Aid for Student Success; College Debt and the American Family; Graduating Into Debt: The Burdens of Borrowing for Graduate and Professional Students; Life After 40: A New Portrait of Today's—and Tomorrow's—Postsecondary Students; Taxing Matters: College Aid, Tax Policy, and Equal Opportunity; and Now What? Life After College for Recent Graduates; Missed Opportunities: A New Look at Disadvantaged College Aspirants.* Copies of these reports can be obtained from TERI at 800-255- TERI, Ext. 4762.

TABLE OF CONTENTS

INTRODUCTION	5
MAJOR FINDINGS	9
OTHER IMPORTANT FINDINGS	17
ISSUES FOR FURTHER EXAMINATION	21
APPENDICES:	
A: Methodology Report	24
B: Characteristics of Survey Respondents	26
C: Selected Tables	27
ENDNOTES	49
REFERENCES	50

ACKNOWLEDGEMENTS

This report was prepared by Katheryn Volle and Alisa Federico Cunningham, Research Analysts at The Institute for Higher Education Policy, under the direction of Colleen O'Brien, Managing Director. Christina Redmond, Jamie Merisotis, Jane Wellman, and Ron Phipps at The Institute, as well as Ted Freeman and Tom Parker at TERI, provided writing and editorial assistance.

In addition, The Institute and TERI would like to acknowledge the individuals and organizations who offered technical expertise, advice, and ideas for the report. In particular, we would like to thank: Jerry Davis, Sallie Mae Education Institute; Len Rickman, Rickman Research and Communications; Arthur Shafer, Strategic Consulting and Research; Free Hand Press; The Printer; and Gil Kline, Strategic Communications.

We heartily acknowledge the help of these individuals and organizations and recognize that they are not responsible for any errors of omission or interpretation contained herein.

INTRODUCTION

Credit cards have become common in the daily lives of most Americans. Accessing credit cards is relatively easy, with regular mailings, television commercials, phone solicitations, and other marketing devices frequently employed by credit card issuers. In addition, as more and more vendors have begun to accept payment by credit card, consumers have come to use them for an increasingly broad range of purchases.

At the same time that credit card use has increased, college prices have climbed rapidly and student loan volumes have skyrocketed. This combination has fueled concern that college students are accumulating high levels of debt by the time they graduate. One important component of this debt is the purchases and cash advances charged to credit cards. Students may be using credit cards solely for convenience and paying off the balance each month. They also may be charging purchases in order to maintain a certain standard of living, thereby adding to their cumulative debt if they carry an ongoing credit card balance. In addition, students may be using credit cards to finance their education rather than relying on lower-cost alternatives such as student loans and other financial aid.

Unfortunately, current knowledge of national trends in students' reliance on credit cards is fairly limited. Several studies have attempted to describe the use of credit cards by college students, for the most part concluding that the majority of students now have credit cards, and many carry substantial monthly balances. Their findings on the extent of student credit card use have stimulated new questions about the "how and why" of such use. For what reasons are students using credit cards? Are students charging because of convenience, because they can earn bonuses such as frequent flyer miles, or because they are waiting for their student loans to be disbursed? What proportion of their usage is for education-related expenses as opposed to routine living expenses? Are students paying off their balances or carrying them over?

To address such issues, The Institute for Higher Education Policy and The Education Resources Institute (TERI) commissioned a computer-assisted telephone survey of college students in March and April 1998. Students were drawn from a nationally representative listing of two million college students, including graduate students, using a stratified random sampling method. A total of 750 surveys were completed, yielding a margin of error of approximately plus or minus 3.5% at the 95% confidence level. The results of the survey as presented in this report are divided into two groups: major findings, and other important findings. In addition, the report highlights issues raised by the survey that require further examination.

Reflecting special interest with their patterns of credit card use, the survey sample has high concentrations of traditional undergraduate students. Thus, 78% of all survey respondents are younger than 24 years of age, 67% are financially dependent on their parents, and 86% are full-time students. Further, 59% of survey respondents attend four-year institutions, 30% are enrolled in two-year institutions or trade schools, and 11% attend graduate or professional schools. In addition, 74% attend public institutions and 57% are in their first or second year of postsecondary education. Like the college student population as a whole, the majority of survey respondents have received financial aid and are working in paid jobs while in school.

Additional information regarding the survey methodology and the demographic profile of survey respondents can be found in Appendices A and B. In addition, selected tables with comprehensive data from the survey are contained in Appendix C.

Selected Studies with Information on Student Credit Card Use

AUTHOR/STUDY	YEAR	SAMPLE	MAJOR FINDINGS
Nellie Mae, Student Credit Card Debt Study	1997-98	Credit files of 363 Nellie Mae private loan applicants from 1997-98 academic year. Applicants are concentrated in the Northeast and California.	Undergraduates age 18-25: - 67% have a credit card; 27% have 4 or more. - Average credit card debt is \$1,879. - Average credit card limit is \$4,661. Undergraduates age 26-57: - 93% have a credit card. - Average credit card debt is \$5,959. - Average credit card limit is \$13,523. Graduate students: - 95% have a credit card. - Average credit card debt is \$4,925. - Average credit card limit is \$15,542.
American Council on Education and Sallie Mae Education Institute	1998	Eight focus groups of college students held in four cities. Groups were from a cross-section of undergraduate, graduate, and proprietary school students.	Knowledge of credit card interest rates, repayment, balances, and limits is high. Cards are being marketed aggressively to students. Most students try to pay more than the minimum due each month.
Nellie Mae, National Student Loan Survey '97	1997	Survey mailed to 2,500 federal student loan borrowers who began repayment between January 1993 and July 1996; 1,098 usable responses. These are Nellie Mae loan borrowers and are concentrated in the Northeast and California.	26% of respondents use credit cards to help finance their education.
Visa Scholars and Cents Study (as cited in CardTrak Online)	July 1997	Telephone survey of 251 college students who were enrolled during the 1996-97 school year and had a major credit card in their own name or were authorized to use their parents' card.	56% pay balance in full each month. 70% use credit cards for emergency purposes. 47% use credit cards for travel. 44% use credit cards for car expenses.
Phoenix Student Fiscal Fitness Survey (as cited in CardTrak Online)	June 1997	Telephone survey of 1,200 students, seventh-graders through college seniors, from households in which at least one parent earned \$40,000 or more.	24% have a credit card for personal use, with 77% as sole bill payers. 61% of those responsible for paying their credit card bills pay the balance in full each month.
Somers and Cofer	1996-97	Interviews and focus groups with 107 undergraduates in upper division courses and 396 graduate and professional students.	It's easy to receive multiple cards. Graduate students report heavy use. Credit cards are used for everyday living expenses, non-routine expenses, and temporarily for education expenses (while waiting on loans).
National Postsecondary Student Aid Study 1996 (NCES)	1995-96	Students enrolled in 1995-96; out of 27,000 computer-assisted telephone survey respondents, the question targeted those who were 30 years of age or younger and did not live with a parent/guardian but received at least \$1,000 from a parent for indirect costs.	28% received charge cards from their parents.
NACUBO and Kent State University, Payment and Pricing Survey	October 1995	Survey mailed to over 2,000 NACUBO member institutions; 787 responded (695 responded to credit card questions).	77% accept credit card payment of fees. Public institutions are more likely to accept credit card payments than private institutions.
Bradshaw and Evers-Lush	1993	Questionnaire to 495 students attending college in the southern region of the US, administered by business professors.	86% have applied for their own credit card. 88% have at least one credit card; 50% have three or more. 27% pay in full each month; 50% pay more than minimum amount due; 22% pay only minimum amount. Knowledge of interest rates and obligations is high.

MAJOR FINDINGS

The credit card survey produced various results that address how and why postsecondary students use credit cards. Areas of interest include ownership of credit cards, the frequency of their use, the basic purposes of credit cards, as well as the extent to which education-related expenses are charged. The following are major findings from the survey.

- Credit card use is a reality for today's college students.

Nearly two-thirds of college students have at least one credit card and one in five of those students have four or more credit cards with their name on it. Not only is credit card ownership common, but their use is also frequent. For example, 77% of students with credit cards report having charged routine personal expenses such as food, clothes, toiletries, and entertainment. In addition, 29% of those students say they used their credit cards often for such purposes, while 46% used them sometimes, and 25% used them rarely.

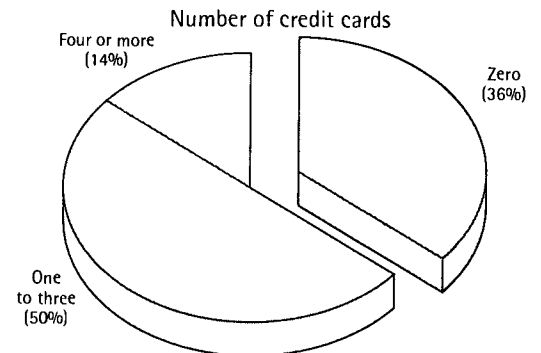
Students are getting into the habit of charging early in their lives. Fifty-five percent obtained their first credit card during their first year of college. A significant proportion obtained them even earlier—one-fourth of students received their first credit card while still in high school. A majority of students, 63%, received their credit cards by applying on their own, while 17% were given them by their parents, and 14% were sent credit cards in the mail (6% cited other methods).

- Most students have reasonable attitudes about how credit cards should be used.

One question frequently raised about college students is whether they understand the utility and basic purpose of having readily available credit. A common perception is that college students view credit cards as a means to purchase items they normally wouldn't buy or couldn't afford. However, the results of this survey indicate that college students have reasonable attitudes about how credit cards should be used.

Students with credit cards were asked to rate the importance of specific reasons for using them on a scale of 0 to 10. Responses were grouped according to high importance (8 to 10), medium importance

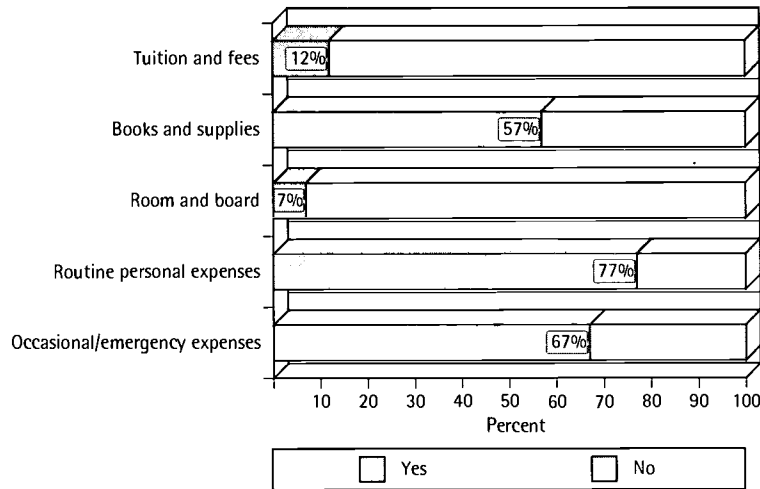
Student Credit Card Ownership
Of all survey respondents



SOURCE: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

Credit Card Purchases in the Current Year

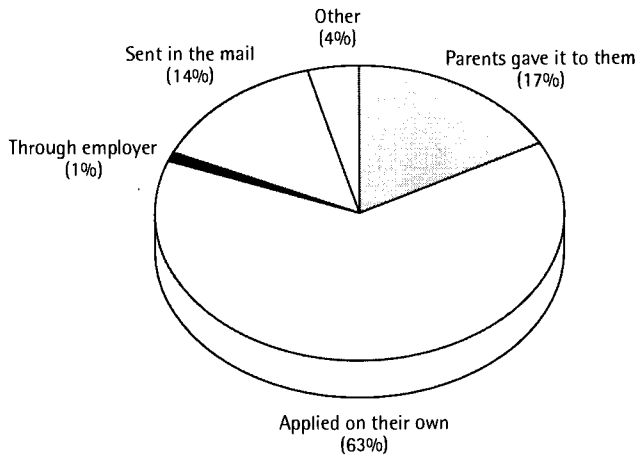
Of survey respondents with credit cards



SOURCE: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

How Students Obtained Their First Credit Card

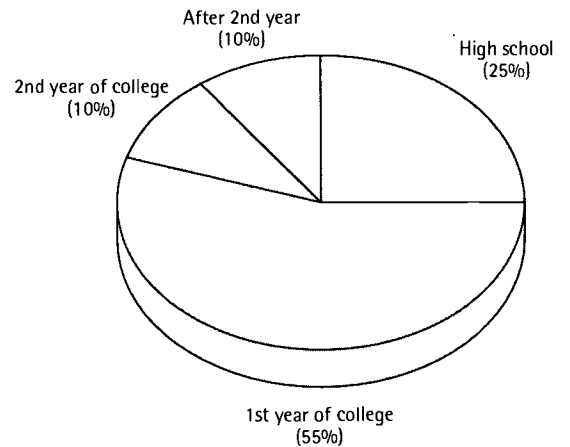
Of survey respondents with credit cards



NOTE: Totals may not add to 100% due to rounding.
 SOURCE: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

When Students Obtained Their First Credit Card

Of survey respondents with credit cards



SOURCE: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

(4 to 7), and low importance (0 to 3). Using a credit card to build a credit history received the strongest reaction, with 52% of students giving it high importance. The reason with the next highest percentage was using credit cards for emergency purposes only, with 45% of students.

In addition, most survey respondents believe that credit cards are not the ideal method of paying for education-related expenses. When asked how they would prefer to pay for tuition, fees, books, and supplies, 51% say that they would prefer to use their savings, while 18% would prefer to use their student loans, and 15% would prefer to use credit cards (the remainder would prefer job income and other sources).

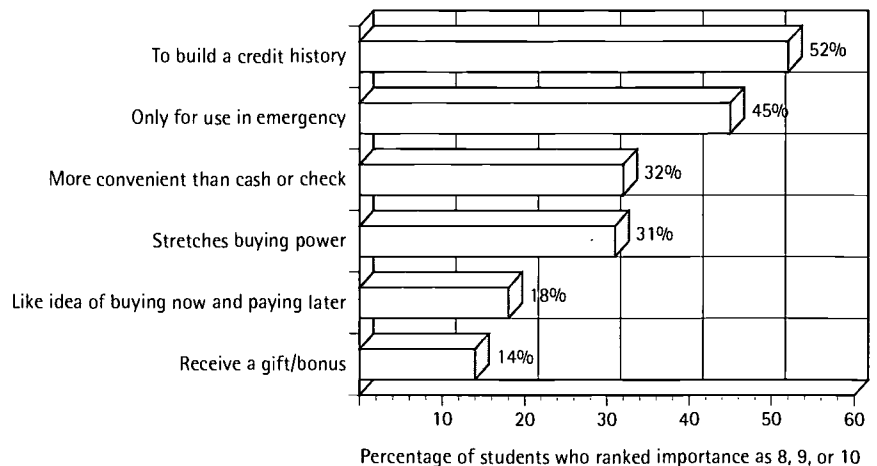
- The majority of students use credit cards responsibly and do not accumulate large amounts of credit card debt.

During discussions of credit card use in higher education, anecdotes about students' irresponsible behavior are common. Some of these stories portray college students as amassing large amounts of debt without regard to their ability to repay it. For example, a 1997 article in *U.S. News and World Report* cites a freshman at the University of Texas-Austin who went from having no credit cards to a balance of \$2,800 in one year (Shenk, 1997). Yet, the results of this survey indicate that a vast majority of students are managing their debt well.

The majority of students, 59%, typically pay off their monthly balances right away. Of the 41% who carry over their balances each month, 81% pay more than the minimum amount due. In addition, the overwhelming majority of students pay their own credit card bills; the 14% of students who do not pay their own bills receive assistance mostly from parents or spouses.

The average monthly balances reported by students also appear to be manageable. Eighty-two percent of students with credit cards who know their balance report average balances of \$1,000 or less,¹ and 9% have average balances between \$1,001 and \$2,000. In addition, slightly more than half of student credit card users report combined limits of \$3,000 or less. All of these factors indicate that the majority of students use credit cards responsibly.

Importance of Reasons Students Use Credit Cards
Of survey respondents with credit cards



SOURCE: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

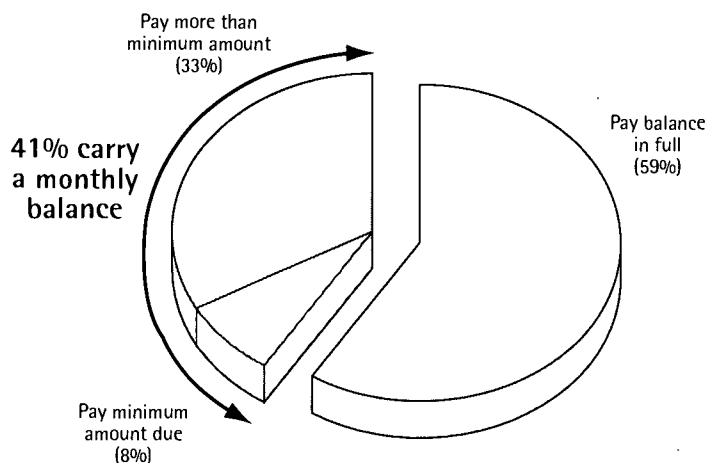
- A significant proportion of students with credit cards use them to pay for education-related expenses.

Students' potential reliance on credit cards to pay for education-related expenses, such as tuition and fees or books and supplies, is a source of concern. Some students use credit cards for these transactions because of convenience, but for those who do not, charging education-related expenses and carrying over the balance may result in the payment of high interest rates, increasing the cost of attending college.

One in every five survey respondents with credit cards indicate they have used credit cards to pay for tuition and fees at some time.² Of those students who have charged tuition and fees, 57% paid the balance off right away, while 43% carried over the balance of this transaction. An even greater percentage of students, 57%, have charged their books and supplies in the current year. As a result, all education-related expenses comprise a substantial proportion of students' credit card bills. Student credit card users report that, on average, 22% of their balance is for education-related purchases. In comparison, 44% is for routine living expenses and 24% is for large, occasional purchases.³ The results of this survey show that paying for education-related expenses by credit card is common, but it appears that by paying off their balances right away, students are not accumulating high-interest debt.

Payment of Monthly Credit Card Balances

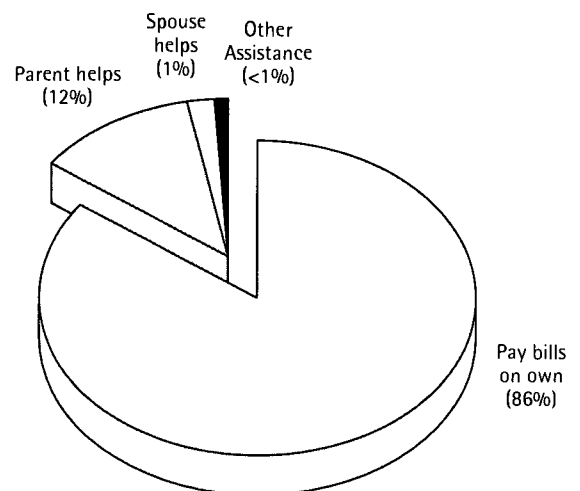
Of survey respondents with credit cards



SOURCE: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

Payment of Credit Card Bills

Of survey respondents with credit cards



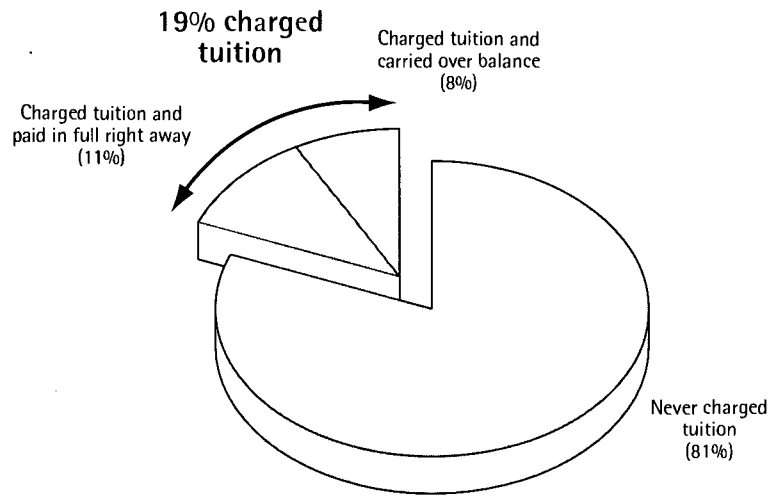
SOURCE: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

■ Some students' credit card behavior could lead to high debt levels and misuse.

Although most students are using their credit cards responsibly, some appear to be having more difficulties. When students have certain characteristics of credit card use—having average credit card balances greater than \$1,000, owning four or more credit cards, carrying over a balance each month, or charging tuition and fees—the potential for the accumulation of high interest payments on large amounts of credit card debt increases. While no one of these factors may singularly warrant cause for alarm, the combination of these traits should raise warning signals, particularly among college students whose resources for repayment are often limited.

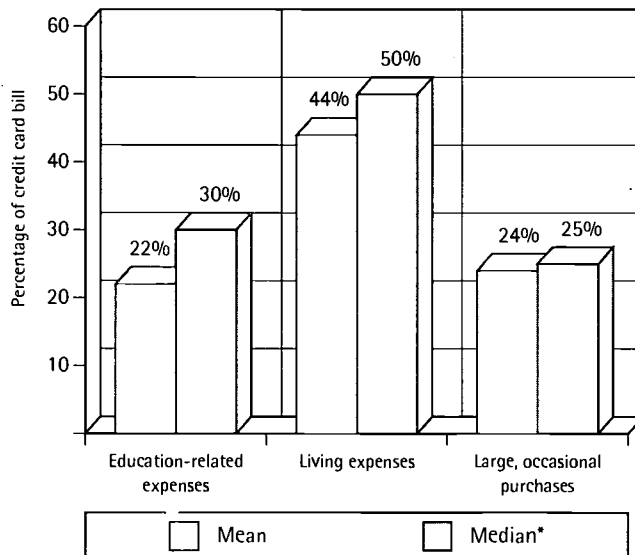
For example, of the almost one in five students who report average balances greater than \$1,000, 49% have four or more credit cards and only 18% pay off their outstanding balances each month. In addition, 48% of these students have other debt and nearly one-third have charged tuition and fees. Similarly,

Credit Card Payment of Tuition and Fees
Of survey respondents with credit cards*



* Does not include students who reported that their institutions do not allow credit card payment of tuition and fees
SOURCE: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

Distribution of Credit Card Use
Of survey respondents with credit cards



* Medians do not include zero responses.
SOURCE: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

Overlapping Characteristics of Potentially Problematic Credit Card Use

	Have four or more credit cards	Carry over a balance	Average monthly balance over \$1,000 (of those who know)	Ever charged tuition or fees*	Have other debt
Have four or more credit cards	n/a	60%	39%	20%	35%
Have one to three credit cards	n/a	36%	12%	19%	17%
Carry over a balance	32%	n/a	35%	21%	34%
Pay balance in full	15%	n/a	5%	18%	12%
Average monthly balance over \$1,000	49%	82%	n/a	31%	48%
Average monthly balance \$1,000 or less	17%	33%	n/a	15%	16%
Ever charged tuition or fees *	24%	46%	30%	n/a	33%
Never charged tuition *	22%	41%	15%	n/a	21%

Give high importance to reasons for credit card use:

	To build a credit history	Only for use in emergency	More convenient than cash or check	Stretches buying power	Like idea of buying now and paying later	Receive a gift/bonus
Have four or more credit cards	48%	33%	39%	46%	24%	21%
Have one to three credit cards	53%	48%	29%	26%	16%	11%
Carry over a balance	53%	47%	29%	39%	25%	14%
Pay balance in full	51%	43%	33%	24%	13%	13%
Average monthly balance over \$1,000	54%	47%	30%	41%	23%	24%
Average monthly balance \$1,000 or less	52%	44%	34%	29%	17%	12%
Ever charged tuition or fees *	54%	46%	39%	35%	19%	15%
Never charged tuition *	53%	44%	28%	30%	18%	12%

* Does not include students who say their institutions do not allow credit card payment of tuition and fees
 The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

39% of students who have four or more credit cards report average monthly balances greater than \$1,000, compared to 12% of those students with fewer credit cards. Students who have charged tuition and fees also are more likely to have higher balances than those who have never charged tuition and fees: 30% versus 15% have average monthly balances exceeding \$1,000.

Students with these characteristics also appear to hold different attitudes toward credit card use. For example, 39% of students with four or more credit cards give high importance to using credit cards because they are more convenient and 46% rank stretching their buying power as important, compared to 29% and 26%, respectively, of students with one to three credit cards. In addition, 39% of students who have ever charged tuition and fees feel that using credit cards for convenience is an important reason, compared to 28% of those who haven't charged tuition.

- **Credit card use among non-traditional undergraduate students varies from that of the student population as a whole.**

Non-traditional undergraduates tend to be older, financially independent, and part-time students, and often are married and have children.⁴ It is not surprising that credit cards are a part of non-traditional students' lives, since they typically have more experience with credit and consumer debt than do other undergraduates due to their differing financial circumstances.

According to the results of this survey, non-traditional students—who comprise 29% of all undergraduates in the survey—are more likely than traditional undergraduates to have more than one of the characteristics of credit card use that can lead to financial difficulties. For example, non-traditional students tend to have more credit cards and larger credit limits. Twenty-one percent of non-traditional students say they have four or more credit cards, compared to just 9% of traditional students. Almost twice as many non-traditional students report credit limits exceeding \$3,000, 58% versus 31% of traditional students. Non-traditional students also are more likely to have higher average balances and are less likely to pay off their balances each month. Thirty-three percent of non-traditional students report average monthly balances greater than \$1,000, compared to 11% of traditional students. In addition, 60% of non-traditional students carry over their balances, versus 34% of traditional students.

How these students use their credit cards in the context of pursuing an education is of particular interest. Non-traditional students are more likely than their counterparts to have ever charged tuition and fees, 25% versus 14% of traditional students. One potentially troubling aspect is that it appears that more than half of these non-traditional students carry over the balance of their tuition and fees, adding the interest paid on the balance to the cost of attending college. This compares to 40% of traditional students who carry over the balance of tuition and fees. In addition, non-traditional students frequently must manage other debt than traditional students—41% of non-traditional students report having other debt, compared to just 10% of traditional students. Together, all of these factors suggest that non-traditional students' use of credit cards both before and during college should be explored further, especially the issue of whether postsecondary education has placed a burden on their resources, causing them to use their credit cards differently.

Non-traditional Undergraduate Students

	Have at least one credit card	Have four or more credit cards	Total credit limit over \$3,000 (of those who know)	Carry over a balance	Average monthly balance over \$1,000 (of those who know)	Ever charged tuition or fees **	Have other debt
Non-traditional	63%	21%	58%	60%	33%	25%	41%
Traditional	61%	9%	31%	34%	11%	14%	10%
Part-time *	65%	20%	59%	64%	33%	38%	52%
Full-time *	64%	13%	42%	37%	14%	15%	14%
Independent	59%	22%	64%	60%	38%	26%	46%
Dependent	62%	10%	31%	36%	11%	15%	11%

* Includes graduate students

** Does not include students who say their institutions do not allow credit card payment of tuition.

SOURCE: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

OTHER IMPORTANT FINDINGS

Several other important patterns of credit card use that merit attention arose from the survey. Although they do not reflect the experience of the college student population as a whole, these patterns highlight significant aspects of students' credit card use. They include the combination of credit cards and student loans, the use of credit cards by graduate and professional students, and institutional policies regarding credit cards.

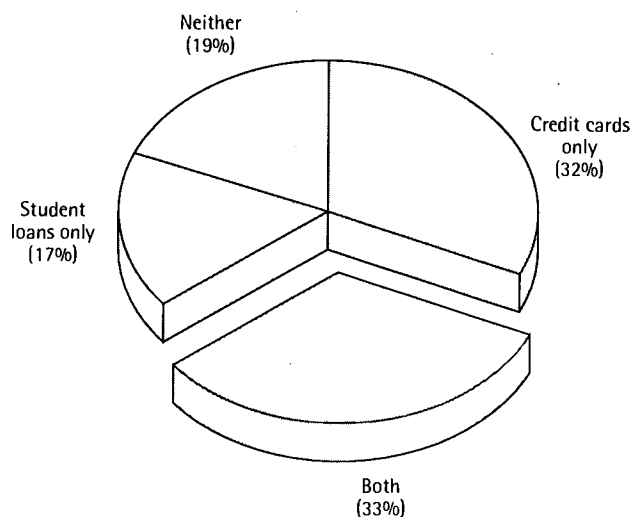
Student loans and credit cards

One specific issue regarding student credit card use is how it is combined with student loans. Loan recipients will graduate with debt, and their burdens may be compounded if credit card debt is accumulated during college. At the same time, there is a trade-off between the convenience of using credit cards to finance postsecondary education and the lower interest rates charged for student loans.

Approximately half of all survey respondents report having student loans; full-time students, traditional undergraduates, graduate students, and students at private institutions are relatively likely to have loans. Of students with loans, 50% also have one to three credit cards and 15% have four or more credit cards. These figures closely mirror the patterns of non-recipients. In addition, similar percentages of loan recipients and non-recipients who have credit cards report average monthly balances over \$1,000. However, loan recipients are more likely to carry over a balance—51% compared to 31% of non-recipients.

Perhaps due to the availability of funds from their student loans, only 14% of credit card users who are loan recipients have ever charged tuition and fees, compared to 24% of those who are non-recipients. In the current year, 8% of loan recipients with credit cards have charged their tuition and fees and 58% have charged books and supplies, versus 16% and 55% of non-recipients. Not surprisingly, more loan recipients prefer to use money from their loans for education-related expenses, whereas 13% prefer to use credit cards (more students still prefer cash from savings, 43%, the remainder prefer job income, 9%, and other sources, 1%).

Overlap Between Credit Cards and Student Loans
Of all survey respondents

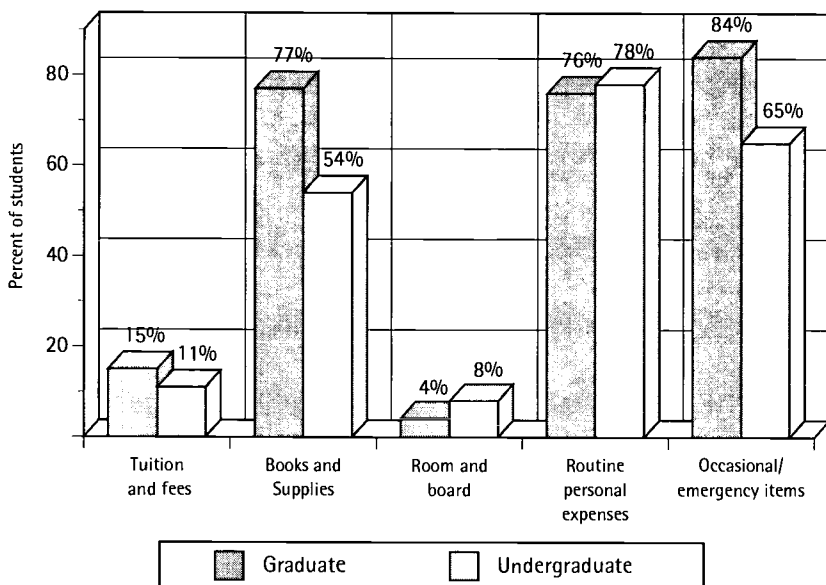


NOTE: Totals may not add to 100% due to rounding.
SOURCE: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

Loan recipients who have borrowed relatively high amounts appear to have slightly different patterns of credit card use. Of loan recipients who know how much they have borrowed, 46% have borrowed \$7,500 or more; borrowers who are enrolled in private institutions or graduate school or who are independent are more likely to have borrowed \$7,500 or more. Seventy-five percent of loan recipients

Graduate and Undergraduate Use of Credit Cards in the Current Year

Of survey respondents with credit cards



SOURCE: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

student loans will be, while only 7% do not know their monthly credit card balances. In addition, 43% of these students do not know the repercussions of failing to repay their student loans, compared to 30% who do not know what would happen to them if they did not pay their credit card bills.

Credit cards and student loan disbursement

The impact of the financial aid process on students' ability to pay for college in a timely manner also is related to student credit card use. If students do not apply for or receive their financial aid promptly, they must either resort to other means of payment or discontinue pursuing an education altogether. The fact that some students charge education-related expenses—or general living expenses—may therefore be a sign that students have been temporarily caught without funds. This issue is especially salient for student loans, as the majority of students now depend on loans to pay for some portion of their education and living expenses. According to the survey, over one-third of students who have both credit cards and student loans have found themselves needing to use their credit cards while waiting for their student loan money to be disbursed. Using credit cards in this fashion is especially common among graduate students, independent students, students with higher average balances, and students who have four or more credit cards.

who have borrowed \$7,500 or more have credit cards, versus 60% of those who have borrowed less. They are also twice as likely to have four or more credit cards, 21% compared to 11%, respectively. A greater proportion of loan recipients who have borrowed \$7,500 or more—27%—report average monthly balances over \$1,000, compared to those who have borrowed less, 16%. Finally, 49% of those who have borrowed \$7,500 or more have used their credit cards while waiting for their loan funds, compared to 30% of those who have borrowed less.

In general, survey respondents appear to have greater knowledge of credit card repayment than of student loan repayment. Of students who have both credit cards and loans, 41% do not know what their monthly payment on their

Graduate and professional students

As graduate and professional students frequently carry more substantial student loan debts and face different financial and family circumstances than undergraduates, their patterns of credit card use also can be viewed separately from college students as a whole. Although the low survey sample size makes it difficult to reach conclusions about this group, it appears that graduate students use credit cards frequently for education-related expenses as well as other needs. In particular, they may be charging to compensate for delays in their student loan disbursement.

Graduate students are more likely than undergraduates to have credit cards and have more of them: 87% have at least one card, compared to 62% of all undergraduates, and about 26% of graduate students have four or more credit cards, versus only 12% of all undergraduates. Of graduate students with credit cards, over half report total credit limits over \$7,000. Despite this combined potential for high credit card debt, most graduate students appear to have reasonable debt loads. Only 22% of graduate students report average monthly balances over \$1,000. In addition, only 36% of graduate students with credit cards carry over a balance, compared to 42% of undergraduates. Of those graduate students who carry a balance, 96% pay more than the minimum amount due.

More graduate students prefer to use credit cards for education-related expenses, as opposed to cash from savings, loans, or job income, than undergraduates—33%, compared to 17% of undergraduates attending four-year institutions and only 5% of those at two-year schools. In fact, 27% of graduate students who have credit cards have charged tuition and fees, compared to 17% of all undergraduates. Of all graduate students with credit cards, 15% have charged tuition and fees in the current year, 77% have charged books and supplies, and 84% have charged occasional or emergency items such as car repairs or health care. Undergraduates with credit cards are less likely to charge these items—11% have charged tuition and fees, 54% have charged books and supplies, and 65% have charged occasional or emergency items in the current year. About the same proportion of graduate and undergraduate students have charged routine personal expenses such as food and toiletries, 76% and 78%.

Perhaps most significantly, graduate students with both credit cards and student loans are more than twice as likely as undergraduates to have needed to charge various items while waiting for their loans to come through, 65% versus 31%. This represents a substantial proportion of all graduate students, as over half say they have student loans (52%). In addition, 78% of graduate students with loans who know their cumulative loan amounts have borrowed \$7,500 or more, compared to 43% of undergraduate borrowers.

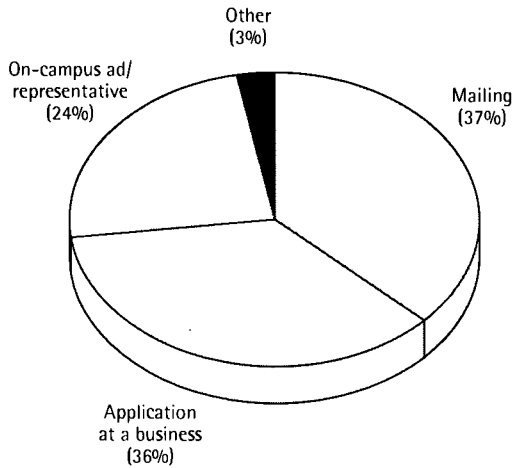
Institutional policies

The administrative policies adopted by colleges in recent years appear to have enabled significant proportions of students to gain access to credit cards and use them for education-related expenses. For example, many institutions now permit credit card companies to advertise on campus, and the majority accept credit cards for tuition and fees and other expenses (NACUBO, 1995). This survey allows a glimpse of such policies by asking respondents how they applied for credit cards and whether their institutions accepted payment of tuition and fees by credit card.

Almost a quarter of survey respondents who applied for credit cards on their own say they applied through on-campus representatives or advertisements; however, greater proportions still apply through a mailing or an application at a business. Traditional undergraduates and graduate students are more likely to apply through such on-campus methods—27% and 31%, respectively—than non-traditional undergraduates, 14%.

Method of Applying for First Credit Card

Of survey respondents who applied for their first credit card on their own



SOURCE: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

In addition, 51% of students in the survey say their schools accept credit card payments for tuition and fees, while 19% report they do not accept credit cards, and 30% do not know. Students at certain institutions are more likely to be able to charge tuition and fees. For example, 55% of students attending public institutions say they can use credit cards to pay tuition, compared to 38% of students at private institutions. Moreover, 65% of students at two-year schools are able to charge tuition, versus 44% of students at four-year schools.

ISSUES FOR FURTHER EXAMINATION

This report provides a description of student credit card use and the attitudes of college students toward such use. While the survey results have painted a clearer picture of how and why college students are using credit cards, they also have identified issues that require further investigation—either because they are beyond the scope of this survey or because they could not be addressed conclusively due to the size of the sample. Issues that warrant further examination include the role of credit cards in society, institutional policies, and analysis of specific groups of students.

Role of credit cards in society

Students' use of credit cards does not occur in a vacuum. It is influenced by general societal trends and economic conditions in the United States. If these factors change, then it is likely that the credit card behavior of students will change as well.

- Credit card use in the population as a whole has been on the rise for many years. According to the most recent Federal Reserve Board Survey of Consumer Finances (Kennickell et al., 1997), by 1995, 67% of families had a bank-type credit card, 44% of these cardholders ran a balance, and the median balance for those who carried a balance was about \$1,500. Interestingly, as the age of the head of household increases, the percentage of families holding credit card debt decreases—in 1995, for example, 55% of families whose head of household is less than 35 years old held credit card debt, compared to 43% of families whose head of household is between 55 and 64 years of age. It is difficult to ascertain how, if at all, being enrolled in college influences general credit card behavior.
- This survey was conducted during a period in which continuing economic expansion has prevailed throughout the country. Inflation and unemployment have been consistently low, real wages have been inching upward again after many years of stagnation, and, according to recent media reports, prospects facing recent college graduates are fairly lucrative. This economic health may have affected students' expectations of credit card use and ability to pay monthly balances in full, among other things. In a weaker economy, more students might be forced to rely on credit, or they might be more wary of charging non-necessities.

Institutional policies

As the presence of credit cards grows on campus, the relationship between credit card companies and colleges and universities becomes increasingly complex. Institutional policies governing the acceptance of credit cards as payment, the marketing of credit cards on campus, and the availability of affinity cards are just some of the issues that require further investigation.

- Many institutions now allow students to charge tuition and fees, as well as other services. Over half of survey respondents say that their institutions allow credit card payment of tuition and fees, and one of every five students with credit cards have charged tuition and fees at some point. While the percentage of students having ever charged tuition may seem low, it is important to note that allowing credit card payment of tuition and fees is a relatively recent phenomenon. It is unclear whether this trend will increase, or what the benefits and disadvantages of this practice to students and postsecondary institutions are.
- Some colleges and universities have developed more direct relationships with credit card companies. Many institutions allow the marketing of credit cards on campus. Credit card representatives offer incentives to students to apply, such as free gifts, and some credit card companies pay students to solicit their classmates for new applicants. These efforts appear to be reflected in the survey results: almost one-quarter of all students who applied for their first credit card on their own applied through an on-campus representative or advertisement. In addition, some institutions are issuing affinity cards to alumni and students in hopes of making a profit. Colleges and universities contract with credit card companies to allow their institution's logo to appear on a credit card, and then market these cards to students and alumni. In return for increasing the credit card company's membership, the institution receives a percentage of each cardholder's balance from the credit card company.

Beyond the survey

The survey was designed to address how and why the general student population uses credit cards, especially regarding education-related expenses. While the survey sample allowed significant analysis of credit card use among many subgroups of students, the examination of others remains to be addressed.

- The results of the survey represent only a snapshot of the current behavior of college students and can only hint at the role credit card use and debt will play in the post-college lives of students. Despite much attention, not enough is known about the ability of recent college graduates to manage the debt they have accumulated throughout their academic careers, including student loan debt, credit card debt, and other debt such as a car loan or mortgage.
- No conclusions regarding differences in credit card use by income could be drawn from the survey results (see Appendix A for details). Family income is likely to have significant effects on the financial decisions of college students, and may also influence their attitudes toward credit

card use. For example, students from lower-income households may know more about their financial situation, including student loan repayment and credit card balances (ACE, 1998).

- Finally, although the ability of proprietary school students to manage debt is of concern to higher education policymakers, analysis of their use of and attitudes toward credit cards is inconclusive from this survey due to low sample size. Proprietary school students tend to be non-traditional students who are from low-income households. Relatively higher proportions default on their student loans—an indication that these students may have difficulty dealing with debt. In addition, as a result of federal policy changes, some proprietary schools lost eligibility to participate in the federal student loan programs, perhaps causing students to seek other methods to pay for their education. Further review of the extent to which credit cards have been one of the alternatives to student loan borrowing therefore is needed.

APPENDIX A :

METHODOLOGY REPORT

The Institute for Higher Education Policy, in partnership with The Education Resources Institute (TERI), commissioned Rickman Research & Communications (RRC) of Silver Spring, Maryland to conduct a national survey of postsecondary students about their use of credit cards. The purpose of the survey was to determine how and why students use credit cards, especially in regard to education-related expenses. The behavior of students, as well as their attitudes toward credit card use, can be described by their demographic and enrollment characteristics, including dependency status, class level, and type of institution.

Sample Design

The target population of the survey was all postsecondary students, including students with no credit cards. A list of currently enrolled students was obtained from the American Student List Company (ASLC) of Mineola, New York. The database consists of an address list of more than six million college students, including graduate students, with the at-school telephone numbers of more than two million students.

In order to help ensure that the sample reflected the reality of the college student population in the United States, a stratified random sampling of students was employed including the following guidelines:

1. undergraduate students 85%, graduate students 15%;
2. four-year institutions 60%, two-year institutions 40%; and
3. public institutions 80%, private institutions 20%.

More specifically, ASLC tallied the number of students in its database that fit each criterion, assigned each entry a number and used the “nth number” selection process to generate the specified number of listings per segment. The sample of survey respondents closely reflects these specifications. For further information on the demographics of the survey sample, see Appendix B.

Pretesting and Data Collection

A computer-assisted telephone (CATI) survey instrument was designed and pretested by a professional field service hired by RRC. The pretest was conducted under identical conditions to the eventual data collection. The pretest looked for problems with the clarity of the questions asked, the quality of the responses, and the logic and effect of skip patterns. It also confirmed the length of time needed to complete the survey. As is typical in survey research, some problems were found during

the first pretest that led to the rewording of some questions and the addition of new questions and skip patterns. A second pretest was performed that produced responses that validated the appropriateness of the changes made to the original instrument.

The survey was conducted by the field service during March and April of 1998. Each telephone interview averaged approximately nine minutes for students with credit cards and was considerably shorter for students with no credit cards. A total of 750 surveys were completed, yielding a margin of error of approximately plus or minus 3.5% at the 95% confidence level.

Data Limitations

The survey was designed to address the attitudes toward and use of credits cards in the general student population. In addition, it has allowed the analysis of subgroups of students based on certain characteristics. The analysis of other subgroups of students, however, remains inconclusive from the survey due to our decision not to over-sample for these students. Such groups include proprietary school students, graduate students, older students, and married students.

In addition, there are some limitations of the data resulting from the nature of self-reporting. The results of any survey are dependent upon the knowledge and honesty of the respondents. Self-reported data is more suspect for inaccurate responses than other forms of data collection, especially regarding financial information. In this survey, the difficulties associated with self-reported financial information occur primarily with the reported average credit card balances of students. Survey respondents were asked to choose a range that accurately reflected their average monthly credit card bill. According to the results, the majority of students had credit card balances of \$1,000 or less. These results may be underestimated in that they do not reflect the relatively larger balances reported in other surveys on student use of credit cards.⁵ One reason for this may be that data from the other surveys were collected in part from individual students' credit reports, resulting in more complete and accurate information.⁶

Finally, a technical error in the implementation of the CATI led to an inability to examine student credit card use by students' income level. During the administration of the survey, parental household income and personal income were categorized separately for both independent and dependent students. Instead of basing the differentiation on the students' dependency status, the CATI based it on whether or not the student received financial assistance from his or her parents. All attempts made to correct this error resulted in low sample sizes that rendered drawing conclusions based on income difficult. Rather than report information with such low sample sizes, we have chosen to eliminate all income-based analysis.

APPENDIX B :

CHARACTERISTICS OF SURVEY RESPONDENTS

(n=750)

Gender	Male	45%
	Female	55%
Age	Younger than 24 years old	78%
	24 or older	22%
Marital Status	Married	13%
	Unmarried	87%
Dependency Status	Dependent	67%
	Independent	33%
Attendance Status	Full-time	86%
	Part-time	14%
Institutional Level	Two-year	26%
	Trade	3%
	Four-year	59%
	Graduate	10%
	Professional	1%
Institutional Control	Public	74%
	Private	26%
Year in School	First	30%
	Second	27%
	Third	16%
	Fourth	13%
	Fifth or higher	15%
Financial Aid	Received financial aid	61%
	Received loans	50%
	No aid	39%
Work Status	Working	59%
	Not working	41%

Totals may not add to 100% due to rounding.

A P P E N D I X C : SELECTED TABLES

DEFINITIONS

- The following are terms used in the tables contained in this appendix.
- Full-time/Part-time. Students were asked whether they attend college full- or part-time.
 - Independent/Dependent. Independent students are defined as having at least one of the following characteristics: graduate student, married, have children, 24 years of age or older, and is currently or has been a member of the armed services. Dependent students are defined as all other students in the survey.
 - Traditional/Non-traditional undergraduate. Students are defined as non-traditional students if they are independent (but not a graduate student) and/or if they attend college part-time.
 - Graduate school. The graduate school category includes both graduate and professional school students.
 - Average balance \$1,000 or less/Average balance over \$1,000. These categories represent average monthly balances on all credit cards combined.
 - Pay off balance/Carry over balance. Students were asked if they typically pay their credit card balances in full each month or if they carry some over.
 - Used credit cards for tuition/Haven't used credit cards for tuition. Students who reported that their institutions accepted credit card payment for tuition and fees (and those who said they did not know), were asked if they had ever charged tuition and fees. Responses include both students who have charged tuition during the current year and those who have done so in the past.
 - No student loans/Received student loans. Students were asked "Which, if any of the following (financial aid), [did] you receive?" and were given the following to choose from: grants, student loans, work study, or none. If they did not indicate through this question that they received student loans, they were asked more explicitly if they had any student loans. The positive responses were combined in the category "received student loans," and include student loans borrowed both in the current academic year and previously.
 - Loans less than \$7,500/Loans \$7,500 or more. Responses represent cumulative student loan amounts.
 - Credit card and loans/Credit card no loans. "Credit card and loans" represents students who indicated they have at least one credit card with their name on it and have a student loan. "Credit card no loans" includes only students who report having at least one credit card but do not have loans.

Many Credit Cards Do You Have With Your Name On Them?

Survey respondents



	None	One	Two	Three	One to Three	Four	Five	Six	Seven	Eight	Nine	Ten	> Ten	Four or More
TOTAL	36%	24%	16%	10%	50%	5%	4%	2%	1%	0%	0%	0%	1%	14%
Full-time	36%	26%	15%	11%	51%	5%	4%	2%	1%	0%	0%	0%	0%	13%
Part-time	35%	14%	23%	7%	44%	7%	4%	3%	1%	0%	0%	1%	5%	20%
Dependent	38%	29%	14%	10%	52%	4%	3%	1%	1%	0%	0%	0%	0%	10%
Independent	31%	14%	20%	11%	45%	8%	6%	4%	2%	1%	0%	0%	2%	23%
Traditional undergraduate	39%	29%	14%	10%	52%	4%	3%	1%	1%	0%	0%	0%	0%	9%
Non-traditional undergraduate	37%	16%	18%	8%	42%	6%	4%	4%	1%	1%	0%	1%	3%	21%
Public school	38%	22%	15%	10%	47%	6%	4%	2%	1%	1%	0%	0%	1%	15%
Private school	29%	29%	19%	10%	58%	4%	5%	2%	1%	0%	0%	1%	1%	13%
Two-year school	51%	18%	14%	3%	35%	5%	3%	3%	1%	1%	0%	1%	2%	14%
Four-year school	33%	28%	15%	12%	56%	4%	4%	1%	1%	0%	0%	0%	1%	12%
Graduate school	13%	15%	26%	20%	61%	11%	9%	2%	4%	0%	0%	0%	0%	26%
No credit cards	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
1-3 credit cards	0%	48%	32%	20%	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%
4 or more credit cards	0%	0%	0%	0%	0%	37%	29%	13%	7%	3%	0%	3%	7%	100%
Average balance \$1000 or less	0%	42%	25%	16%	83%	9%	4%	2%	1%	0%	0%	1%	1%	17%
Average balance over \$1000	0%	9%	27%	20%	51%	10%	16%	8%	5%	1%	0%	1%	8%	49%
Pay off balance	0%	46%	25%	14%	85%	6%	4%	2%	1%	1%	0%	1%	1%	15%
Carry over balance	0%	25%	24%	18%	68%	11%	10%	5%	3%	1%	0%	0%	3%	32%
Used credit cards for tuition	0%	29%	26%	21%	76%	13%	3%	3%	1%	1%	0%	0%	3%	24%
Haven't used credit cards for tuition	0%	38%	24%	16%	78%	9%	6%	3%	2%	1%	0%	1%	2%	22%
No student loans	37%	25%	15%	10%	49%	6%	4%	2%	1%	0%	0%	1%	1%	14%
Received student loans	35%	23%	17%	10%	50%	5%	5%	2%	2%	1%	0%	0%	1%	15%
Loans less than \$7500	40%	25%	14%	10%	49%	3%	5%	2%	1%	1%	0%	0%	1%	11%
Loans \$7500 or more	25%	20%	22%	11%	54%	7%	5%	3%	3%	1%	0%	0%	3%	21%
Credit card and loans	0%	35%	26%	16%	77%	8%	7%	3%	2%	1%	0%	0%	2%	23%
Credit card no loans	0%	39%	23%	16%	78%	9%	6%	3%	1%	0%	0%	1%	1%	22%

Note: Totals may not add to 100% due to rounding.
Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

How Did You Obtain That First Credit Card With Your Name On It?

Of survey respondents with credit cards

	Parents Gave It To You	Applied On Your Own	Through Employer	Sent To You In The Mail	Other
TOTAL	17%	63%	1%	14%	4%
Full-time	18%	63%	1%	14%	4%
Part-time	7%	67%	1%	19%	6%
Dependent	21%	61%	2%	13%	4%
Independent	9%	68%	1%	17%	5%
Traditional undergraduate	22%	59%	2%	13%	4%
Non-traditional undergraduate	7%	68%	1%	19%	5%
Public school	12%	67%	2%	15%	5%
Private school	29%	55%	1%	13%	2%
Two-year school	7%	69%	2%	19%	3%
Four-year school	21%	60%	1%	13%	5%
Graduate school	14%	66%	1%	16%	3%
No credit cards	n/a	n/a	n/a	n/a	n/a
1-3 credit cards	18%	62%	2%	15%	4%
4 or more credit cards	13%	67%	1%	13%	6%
Average balance \$1000 or less	18%	62%	2%	15%	3%
Average balance over \$1000	6%	72%	0%	15%	6%
Pay off balance	22%	64%	2%	10%	2%
Carry over balance	9%	63%	1%	20%	7%
Used credit cards for tuition	21%	61%	3%	11%	4%
Haven't used credit cards for tuition	15%	66%	1%	14%	4%
No student loans	21%	61%	1%	13%	4%
Received student loans	12%	66%	2%	16%	5%
Loans less than \$7500	13%	59%	2%	20%	6%
Loans \$7500 or more	10%	71%	2%	14%	4%
Credit card and loans	12%	66%	2%	16%	5%
Credit card no loans	21%	61%	1%	13%	4%

Note: Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

BEST COPY AVAILABLE

Did You Apply Through....?

Of survey respondents who applied for their first credit card on their own

	A Mailing	An Application At A Business	An On-Campus Rep/Ad	Other
TOTAL	37%	36%	24%	3%
Full-time	36%	35%	26%	3%
Part-time	43%	43%	13%	2%
Dependent	34%	35%	26%	5%
Independent	41%	38%	21%	0%
Traditional undergraduate	34%	34%	27%	5%
Non-traditional undergraduate	48%	37%	14%	1%
Public school	34%	39%	24%	4%
Private school	43%	30%	25%	1%
Two-year school	50%	41%	9%	0%
Four-year school	35%	33%	27%	5%
Graduate school	29%	41%	31%	0%
No credit cards	n/a	n/a	n/a	n/a
1-3 credit cards	37%	36%	24%	4%
4 or more credit cards	36%	39%	25%	0%
Average balance \$1000 or less	36%	37%	25%	3%
Average balance over \$1000	42%	37%	21%	0%
Pay off balance	39%	34%	24%	3%
Carry over balance	33%	40%	24%	2%
Used credit cards for tuition	41%	36%	23%	0%
Haven't used credit cards for tuition	38%	37%	23%	3%
No student loans	44%	35%	18%	3%
Received student loans	30%	38%	29%	3%
Loans less than \$7500	27%	39%	31%	3%
Loans \$7500 or more	34%	41%	23%	3%
Credit card and loans	30%	38%	29%	3%
Credit card no loans	44%	35%	18%	3%

Note: Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

Which Credit Card Type Do You Use Most?

Of survey respondents who have more than one type of credit card

	Charge Card	Gas Card	Department Store/ Retail Card
TOTAL	81%	8%	10%
Full-time	84%	7%	9%
Part-time	69%	17%	14%
Dependent	87%	4%	9%
Independent	73%	14%	12%
Traditional undergraduate	89%	4%	7%
Non-traditional undergraduate	71%	15%	15%
Public school	83%	8%	9%
Private school	77%	10%	13%
Two-year school	64%	16%	20%
Four-year school	88%	5%	7%
Graduate school	74%	13%	13%
No credit cards	n/a	n/a	n/a
1-3 credit cards	86%	7%	7%
4 or more credit cards	75%	11%	14%
Average balance \$1000 or less	83%	8%	9%
Average balance over \$1000	81%	8%	12%
Pay off balance	86%	7%	7%
Carry over balance	77%	10%	13%
Used credit cards for tuition	83%	13%	3%
Haven't used credit cards for tuition	81%	9%	9%
No student loans	80%	11%	9%
Received student loans	82%	7%	11%
Loans less than \$7500	90%	4%	6%
Loans \$7500 or more	81%	5%	14%
Credit card and loans	82%	7%	11%
Credit card no loans	80%	11%	9%

Note: Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

BEST COPY AVAILABLE

Among Your Credit Cards That Have A Limit, What Is The Approximate Combined Total Limit?

Of survey respondents with credit cards

	\$1- \$1,000	\$1,001- \$2,000	\$2,001- \$3,000	\$3,001- \$4,000	\$4,001- \$5,000	\$5,001- \$6,000	\$6,001- \$7,000	> \$7,000	Don't Know	Refused
TOTAL	22%	16%	11%	6%	7%	6%	2%	19%	10%	1%
Full-time	23%	17%	12%	7%	8%	5%	1%	18%	9%	0%
Part-time	16%	11%	9%	6%	1%	10%	9%	26%	11%	1%
Dependent	29%	20%	13%	6%	7%	4%	2%	8%	11%	1%
Independent	10%	11%	9%	6%	6%	9%	4%	38%	8%	1%
Traditional undergraduate	29%	19%	13%	6%	7%	4%	1%	9%	10%	0%
Non-traditional undergraduate	16%	12%	10%	9%	6%	9%	3%	25%	9%	1%
Public school	22%	15%	12%	6%	8%	6%	3%	19%	8%	1%
Private school	23%	18%	10%	7%	3%	5%	1%	17%	15%	0%
Two-year school	36%	9%	9%	6%	6%	9%	3%	16%	4%	0%
Four-year school	22%	20%	13%	7%	7%	4%	2%	13%	12%	1%
Graduate school	5%	12%	7%	4%	4%	5%	5%	47%	8%	1%
No credit cards	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1-3 credit cards	28%	20%	11%	6%	6%	4%	2%	12%	11%	1%
4 or more credit cards	3%	6%	10%	7%	10%	11%	5%	41%	7%	1%
Average balance \$1000 or less	28%	18%	11%	7%	6%	4%	2%	14%	8%	0%
Average balance over \$1000	1%	8%	15%	4%	9%	10%	6%	44%	3%	0%
Pay off balance	27%	16%	8%	5%	8%	5%	2%	16%	12%	1%
Carry over balance	15%	18%	15%	9%	5%	7%	4%	23%	6%	0%
Used credit cards for tuition	15%	10%	8%	7%	6%	8%	7%	29%	10%	0%
Haven't used credit cards for tuition	27%	17%	11%	6%	5%	5%	2%	18%	9%	1%
No student loans	25%	14%	11%	5%	8%	4%	3%	17%	11%	1%
Received student loans	19%	19%	12%	8%	5%	7%	2%	20%	8%	0%
Loans less than \$7500	19%	21%	14%	9%	3%	8%	1%	20%	6%	0%
Loans \$7500 or more	18%	15%	12%	8%	7%	6%	3%	23%	8%	0%
Credit card and loans	19%	19%	12%	8%	5%	7%	2%	20%	8%	0%
Credit card no loans	25%	14%	11%	5%	8%	4%	3%	17%	11%	1%

Note: Percentages in this table include those who do not know their combined total limit, while the percentages cited in the text of the report do not include this group.

For further information, see Endnote 1. Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.



What Is The Average, Total Monthly Balance On All Of Your Credit Cards Combined?

Of survey respondents with credit cards

	\$1-\$1,000	\$1,001-\$2,000	\$2,001-\$3,000	\$3,001-\$4,000	\$4,001-\$5,000	\$5,001-\$6,000	\$6,001-\$7,000	\$7,001-\$9,000	\$9,001-\$11,000	\$11,001-\$13,000	\$13,001-\$15,000	> \$15,000	Don't Know	Refused
TOTAL	75%	8%	2%	1%	1%	0%	1%	1%	1%	0%	0%	0%	7%	1%
Full-time	77%	7%	2%	2%	1%	0%	0%	1%	1%	0%	0%	0%	7%	1%
Part-time	61%	14%	7%	0%	3%	1%	3%	1%	0%	0%	0%	0%	7%	1%
Dependent	81%	7%	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	8%	1%
Independent	64%	9%	4%	3%	2%	1%	2%	3%	2%	1%	1%	1%	8%	2%
Traditional undergraduate	81%	7%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	8%	1%
Non-traditional undergraduate	62%	12%	4%	3%	2%	0%	2%	3%	1%	1%	1%	1%	6%	2%
Public school	73%	9%	3%	1%	1%	1%	0%	1%	1%	0%	0%	0%	7%	2%
Private school	80%	4%	1%	1%	1%	0%	1%	1%	0%	1%	0%	0%	8%	0%
Two-year school	69%	9%	5%	2%	3%	0%	0%	3%	1%	0%	0%	1%	5%	1%
Four-year school	78%	8%	1%	1%	0%	0%	1%	0%	0%	0%	0%	0%	8%	1%
Graduate school	72%	7%	4%	1%	3%	1%	1%	1%	1%	0%	0%	0%	7%	1%
No credit cards	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1-3 credit cards	80%	7%	2%	1%	0%	0%	0%	0%	0%	0%	0%	0%	9%	1%
4 or more credit cards	58%	13%	9%	4%	4%	1%	3%	5%	3%	0%	0%	0%	3%	3%
Average balance \$1000 or less	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Average balance over \$1000	0%	49%	15%	9%	6%	3%	4%	6%	4%	1%	1%	1%	0%	0%
Pay off balance	85%	4%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	8%	2%
Carry over balance	60%	15%	6%	4%	2%	1%	2%	3%	1%	0%	1%	1%	6%	1%
Used credit cards for tuition	61%	11%	7%	1%	0%	3%	1%	1%	0%	0%	0%	1%	11%	1%
Haven't used credit cards for tuition	79%	7%	1%	1%	2%	0%	0%	1%	1%	0%	0%	0%	8%	1%
No student loans	76%	7%	3%	1%	1%	0%	0%	1%	0%	0%	0%	0%	7%	3%
Received student loans	73%	9%	2%	2%	1%	0%	1%	1%	1%	0%	0%	0%	7%	0%
Loans less than \$7500	78%	9%	1%	1%	1%	1%	0%	1%	1%	0%	0%	1%	6%	1%
Loans \$7500 or more	69%	11%	4%	3%	2%	0%	2%	2%	1%	1%	1%	0%	5%	0%
Credit card and loans	73%	9%	2%	2%	1%	0%	1%	1%	1%	0%	0%	0%	7%	0%
Credit card no loans	76%	7%	3%	1%	1%	0%	0%	1%	0%	0%	0%	0%	7%	3%

Note: Percentages in this table include those who do not know their average total monthly balance, while the percentages cited in the text of the report do not include this group.

For further information, see Endnote 1. Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.



Do You Typically Pay Your Credit Card Balance In Full Each Month, Or Carry Some Over?

Of survey respondents with credit cards

	Pay Balance In Full	Carry Some Over
TOTAL	59%	41%
Full-time	63%	37%
Part-time	36%	64%
Dependent	64%	36%
Independent	50%	50%
Traditional undergraduate	66%	34%
Non-traditional undergraduate	40%	60%
Public school	56%	44%
Private school	66%	34%
Two-year school	46%	54%
Four-year school	62%	38%
Graduate school	64%	36%
No credit cards	n/a	n/a
1-3 credit cards	64%	36%
4 or more credit cards	40%	60%
Average balance \$1000 or less	67%	33%
Average balance over \$1000	18%	82%
Pay off balance	100%	0%
Carry over balance	0%	100%
Used credit cards for tuition	54%	46%
Haven't used credit cards for tuition	59%	41%
No student loans	69%	31%
Received student loans	49%	51%
Loans less than \$7500	46%	54%
Loans \$7500 or more	45%	55%
Credit card and loans	49%	51%
Credit card no loans	69%	31%

Do You Typically Pay The Minimum Amount Due, Or More?

Of survey respondents who carry a balance

	Minimum Payment Due	More Than Minimum Payment Due
TOTAL	19%	81%
Full-time	18%	82%
Part-time	22%	78%
Dependent	25%	75%
Independent	12%	88%
Traditional undergraduate	24%	76%
Non-traditional undergraduate	20%	80%
Public school	20%	80%
Private school	17%	83%
Two-year school	33%	67%
Four-year school	18%	82%
Graduate school	4%	96%
No credit cards	n/a	n/a
1-3 credit cards	19%	81%
4 or more credit cards	20%	80%
Average balance \$1000 or less	16%	84%
Average balance over \$1000	22%	78%
Pay off balance	n/a	n/a
Carry over balance	19%	81%
Used credit cards for tuition	15%	85%
Haven't used credit cards for tuition	18%	82%
No student loans	18%	82%
Received student loans	20%	80%
Loans less than \$7500	25%	75%
Loans \$7500 or more	18%	82%
Credit card and loans	20%	80%
Credit card no loans	18%	82%

Note: Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

... Your Likelihood of Buying Now, And Paying Later? (Scale 0-10)

Of survey respondents with credit cards

	Low Importance					Medium Importance					High Importance				
	Zero	One	Two	Three	Four	Five	Six	Seven	Eight	Nine	Ten				
TOTAL	18%	6%	8%	8%	7%	23%	5%	6%	7%	5%	6%				
Full-time	18%	6%	9%	7%	7%	24%	5%	7%	7%	4%	5%				
Part-time	19%	9%	1%	11%	7%	19%	6%	3%	4%	11%	10%				
Dependent	19%	7%	9%	9%	8%	22%	4%	5%	7%	5%	5%				
Independent	18%	6%	7%	6%	5%	24%	7%	8%	6%	5%	7%				
Traditional undergraduate	18%	6%	9%	9%	8%	23%	4%	6%	8%	4%	5%				
Non-traditional undergraduate	18%	8%	4%	5%	6%	22%	6%	5%	6%	8%	11%				
Public school	19%	7%	7%	7%	6%	25%	4%	6%	6%	6%	6%				
Private school	17%	5%	11%	9%	9%	17%	7%	7%	8%	3%	5%				
Two-year school	19%	9%	5%	5%	4%	23%	4%	4%	7%	8%	10%				
Four-year school	18%	5%	9%	8%	9%	23%	5%	6%	7%	4%	6%				
Graduate school	19%	5%	9%	8%	5%	23%	7%	11%	5%	4%	3%				
No credit cards	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a				
1-3 credit cards	21%	6%	8%	8%	7%	22%	5%	6%	6%	5%	5%				
4 or more credit cards	9%	8%	7%	7%	6%	26%	5%	7%	9%	4%	11%				
Average balance \$1000 or less	20%	6%	7%	9%	8%	21%	5%	6%	6%	5%	6%				
Average balance over \$1000	18%	8%	10%	4%	3%	30%	6%	6%	9%	4%	10%				
Pay off balance	23%	7%	8%	8%	10%	22%	5%	5%	4%	4%	5%				
Carry over balance	12%	6%	8%	8%	4%	25%	5%	8%	11%	6%	8%				
Used credit cards for tuition	21%	4%	8%	7%	7%	21%	7%	6%	6%	11%	3%				
Haven't used credit cards for tuition	17%	7%	6%	8%	8%	24%	4%	7%	7%	4%	8%				
No student loans	19%	8%	8%	7%	5%	23%	5%	6%	5%	7%	7%				
Received student loans	17%	5%	9%	9%	9%	23%	6%	7%	8%	3%	5%				
Loans less than \$7500	16%	6%	9%	11%	10%	23%	3%	7%	9%	4%	4%				
Loans \$7500 or more	20%	5%	10%	5%	6%	23%	6%	7%	9%	2%	7%				
Credit card and loans	17%	5%	9%	9%	9%	23%	6%	7%	8%	3%	5%				
Credit card no loans	19%	8%	8%	7%	5%	23%	5%	6%	5%	7%	7%				

Note: Totals may not add to 100% due to rounding.
 Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

ase Rank The Importance Of The Following Specific Reasons To Use A Credit Card. How Important Is:

... Your Liking The Idea That Credit Cards Are For Use In An Emergency? (Scale 0-10)
Of survey respondents with credit cards

	Low Importance			Medium Importance			High Importance				
	Zero	One	Two	Three	Four	Five	Six	Seven	Eight	Nine	Ten
TOTAL	5%	3%	6%	5%	5%	19%	4%	9%	11%	5%	29%
Full-time	5%	3%	7%	5%	5%	19%	5%	9%	9%	6%	27%
Part-time	1%	4%	1%	6%	3%	14%	1%	6%	20%	3%	40%
Dependent	5%	3%	6%	5%	4%	17%	5%	11%	11%	5%	28%
Independent	4%	3%	5%	5%	6%	22%	4%	5%	11%	5%	30%
Traditional undergraduate	5%	3%	7%	5%	4%	16%	5%	12%	10%	6%	27%
Non-traditional undergraduate	3%	3%	4%	5%	4%	16%	2%	6%	12%	5%	40%
Public school	5%	3%	5%	5%	5%	19%	4%	8%	9%	5%	31%
Private school	4%	2%	8%	5%	5%	18%	5%	10%	14%	6%	22%
Two-year school	2%	5%	4%	5%	4%	15%	1%	6%	15%	2%	41%
Four-year school	5%	2%	7%	5%	4%	17%	5%	11%	10%	7%	27%
Graduate school	5%	5%	3%	7%	8%	28%	7%	3%	11%	5%	18%
No credit cards	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1-3 credit cards	5%	3%	5%	5%	4%	17%	4%	9%	11%	6%	31%
4 or more credit cards	5%	2%	9%	5%	8%	24%	6%	8%	8%	5%	20%
Average balance \$1000 or less	4%	3%	6%	6%	5%	18%	4%	10%	11%	6%	28%
Average balance over \$1000	5%	1%	5%	4%	5%	20%	6%	6%	13%	4%	30%
Pay off balance	5%	4%	5%	5%	5%	19%	6%	7%	10%	5%	28%
Carry over balance	4%	2%	7%	5%	4%	18%	3%	11%	12%	6%	29%
Used credit cards for tuition	6%	4%	4%	4%	1%	24%	7%	4%	11%	3%	32%
Haven't used credit cards for tuition	4%	2%	7%	4%	5%	20%	3%	11%	11%	6%	27%
No student loans	5%	4%	6%	4%	5%	18%	4%	8%	10%	5%	31%
Received student loans	4%	2%	6%	6%	5%	19%	5%	10%	11%	6%	26%
Loans less than \$7500	2%	3%	5%	7%	2%	15%	5%	14%	10%	6%	31%
Loans \$7500 or more	6%	1%	6%	6%	7%	20%	5%	7%	12%	6%	23%
Credit card and loans	4%	2%	6%	6%	5%	19%	5%	10%	11%	6%	26%
Credit card no loans	5%	4%	6%	4%	5%	18%	4%	8%	10%	5%	31%

Note: Totals may not add to 100% due to rounding.
Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

Please Rank The Importance Of The Following Specific Reasons To Use A Credit Card. How Important Is:

... Your Wanting To Build A Credit History? (Scale 0-10)
Of survey respondents with credit cards

	Low Importance			Medium Importance			High Importance				
	Zero	One	Two	Three	Four	Five	Six	Seven	Eight	Nine	Ten
TOTAL	6%	1%	2%	3%	2%	16%	6%	11%	16%	6%	29%
Full-time	6%	1%	2%	3%	2%	17%	6%	12%	17%	6%	28%
Part-time	7%	3%	3%	3%	4%	14%	7%	5%	11%	4%	37%
Dependent	6%	2%	1%	2%	1%	16%	7%	12%	18%	5%	30%
Independent	7%	1%	4%	5%	5%	16%	4%	9%	14%	7%	28%
Traditional undergraduate	6%	1%	1%	2%	1%	16%	6%	13%	19%	5%	28%
Non-traditional undergraduate	8%	0%	3%	3%	4%	12%	4%	6%	12%	7%	41%
Public school	7%	2%	2%	3%	3%	16%	5%	11%	15%	6%	30%
Private school	5%	1%	1%	2%	1%	17%	8%	12%	20%	5%	27%
Two-year school	8%	0%	2%	2%	4%	18%	5%	2%	13%	3%	43%
Four-year school	6%	1%	1%	2%	1%	14%	6%	14%	19%	7%	28%
Graduate school	5%	3%	5%	5%	4%	22%	8%	11%	14%	8%	15%
No credit cards	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1-3 credit cards	6%	2%	2%	2%	2%	17%	6%	10%	17%	6%	30%
4 or more credit cards	7%	1%	2%	4%	5%	14%	7%	13%	14%	6%	28%
Average balance \$1000 or less	6%	1%	1%	3%	2%	18%	6%	11%	16%	6%	31%
Average balance over \$1000	5%	3%	4%	4%	4%	13%	4%	10%	16%	5%	33%
Pay off balance	6%	1%	2%	3%	2%	17%	7%	10%	17%	6%	27%
Carry over balance	7%	2%	3%	2%	3%	15%	5%	12%	15%	6%	32%
Used credit cards for tuition	8%	3%	3%	4%	3%	10%	4%	11%	19%	6%	29%
Haven't used credit cards for tuition	5%	1%	3%	3%	2%	16%	6%	11%	15%	7%	31%
No student loans	7%	1%	2%	3%	4%	16%	6%	9%	16%	6%	30%
Received student loans	6%	2%	2%	2%	1%	16%	5%	13%	16%	6%	29%
Loans less than \$7500	2%	3%	3%	2%	1%	17%	4%	14%	13%	6%	35%
Loans \$7500 or more	9%	2%	2%	3%	2%	16%	6%	11%	17%	6%	26%
Credit card and loans	6%	2%	2%	2%	1%	16%	5%	13%	16%	6%	29%
Credit card no loans	7%	1%	2%	3%	4%	16%	6%	9%	16%	6%	30%

Note: Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

... Please Rank The Importance Of The Following Specific Reasons To Use A Credit Card. How Important Is:

... It's More Convenient To Pay By Credit Card Versus Cash Or Check? (Scale 0-10)
Of survey respondents with credit cards

	Low Importance			Medium Importance						High Importance			
	Zero	One	Two	Three	Four	Five	Six	Seven	Eight	Nine	Ten		
TOTAL	10%	6%	7%	5%	6%	19%	7%	9%	12%	5%	14%		
Full-time	9%	6%	7%	5%	6%	18%	7%	9%	13%	5%	14%		
Part-time	13%	7%	4%	3%	7%	26%	7%	4%	4%	7%	17%		
Dependent	10%	5%	8%	5%	7%	20%	7%	8%	10%	6%	14%		
Independent	8%	9%	4%	5%	5%	18%	7%	9%	16%	5%	15%		
Traditional undergraduate	9%	5%	8%	5%	7%	20%	7%	9%	10%	6%	13%		
Non-traditional undergraduate	10%	10%	5%	3%	5%	18%	8%	6%	9%	5%	20%		
Public school	10%	7%	6%	4%	6%	20%	6%	7%	13%	6%	15%		
Private school	9%	6%	8%	8%	5%	18%	9%	12%	10%	3%	12%		
Two-year school	15%	7%	9%	2%	3%	27%	9%	1%	8%	4%	14%		
Four-year school	8%	6%	7%	6%	7%	17%	6%	10%	10%	6%	16%		
Graduate school	7%	8%	3%	4%	5%	18%	5%	11%	24%	5%	9%		
No credit cards	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a		
1-3 credit cards	11%	6%	7%	5%	7%	20%	7%	7%	11%	5%	13%		
4 or more credit cards	3%	7%	4%	5%	4%	19%	7%	13%	14%	7%	18%		
Average balance \$1000 or less	9%	5%	7%	5%	6%	18%	8%	8%	13%	5%	16%		
Average balance over \$1000	6%	9%	5%	4%	6%	22%	5%	13%	11%	6%	13%		
Pay off balance	10%	4%	6%	5%	6%	19%	7%	10%	12%	5%	17%		
Carry over balance	10%	10%	8%	5%	6%	20%	6%	7%	12%	7%	11%		
Used credit cards for tuition	7%	4%	6%	0%	4%	22%	10%	8%	8%	7%	24%		
Haven't used credit cards for tuition	10%	6%	7%	6%	8%	19%	7%	9%	11%	5%	12%		
No student loans	10%	7%	6%	5%	5%	17%	8%	6%	11%	7%	18%		
Received student loans	9%	6%	7%	5%	7%	22%	6%	11%	12%	4%	11%		
Loans less than \$7500	8%	8%	6%	6%	8%	21%	6%	10%	10%	5%	13%		
Loans \$7500 or more	12%	5%	8%	6%	6%	22%	6%	8%	14%	4%	9%		
Credit card and loans	9%	6%	7%	5%	7%	22%	6%	11%	12%	4%	11%		
Credit card no loans	10%	7%	6%	5%	5%	17%	8%	6%	11%	7%	18%		

Note: Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

... ease Rank The Importance Of The Following Specific Reasons To Use A Credit Card. How Important Is:

When You Find Yourself Short on Cash, A Credit Card Stretches Your Buying Power? (Scale 0-10)
Of survey respondents with credit cards

	Low Importance				Medium Importance				High Importance			
	Zero	One	Two	Three	Four	Five	Six	Seven	Eight	Nine	Ten	
TOTAL	11%	7%	6%	6%	6%	18%	5%	10%	11%	5%	15%	
Full-time	11%	7%	6%	7%	6%	17%	5%	10%	11%	5%	14%	
Part-time	10%	7%	3%	6%	4%	27%	4%	7%	9%	7%	16%	
Dependent	11%	6%	5%	6%	8%	20%	6%	10%	9%	5%	14%	
Independent	12%	9%	7%	8%	2%	15%	4%	9%	14%	5%	15%	
Traditional undergraduate	11%	5%	5%	6%	8%	20%	6%	10%	10%	5%	14%	
Non-traditional undergraduate	12%	7%	7%	8%	3%	19%	4%	5%	10%	5%	19%	
Public school	11%	8%	6%	8%	4%	19%	6%	7%	11%	5%	15%	
Private school	11%	5%	6%	3%	9%	17%	4%	16%	10%	4%	14%	
Two-year school	11%	10%	3%	6%	5%	21%	3%	6%	9%	5%	19%	
Four-year school	11%	4%	6%	7%	7%	19%	6%	16%	10%	5%	15%	
Graduate school	11%	12%	5%	7%	3%	14%	4%	15%	15%	5%	9%	
No credit cards	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
1-3 credit cards	13%	7%	6%	7%	6%	18%	6%	11%	9%	5%	12%	
4 or more credit cards	4%	7%	6%	5%	4%	21%	4%	5%	18%	6%	22%	
Average balance \$1000 or less	10%	7%	6%	7%	7%	19%	5%	10%	12%	5%	13%	
Average balance over \$1000	11%	5%	5%	5%	3%	16%	6%	8%	11%	5%	24%	
Pay off balance	16%	7%	8%	6%	8%	18%	4%	8%	9%	4%	11%	
Carry over balance	5%	7%	3%	7%	3%	19%	7%	12%	14%	6%	20%	
Used credit cards for tuition	11%	6%	6%	6%	1%	22%	4%	10%	11%	8%	15%	
Haven't used credit cards for tuition	12%	7%	5%	6%	7%	19%	7%	8%	10%	6%	14%	
No student loans	13%	9%	7%	7%	6%	16%	4%	9%	11%	4%	15%	
Received student loans	9%	5%	5%	6%	6%	21%	6%	11%	11%	6%	14%	
Loans less than \$7500	9%	6%	6%	6%	8%	25%	7%	8%	10%	4%	14%	
Loans \$7500 or more	10%	5%	5%	7%	4%	15%	6%	14%	14%	9%	12%	
Credit card and loans	9%	5%	5%	6%	6%	21%	6%	11%	11%	6%	14%	
Credit card no loans	13%	9%	7%	7%	6%	16%	4%	9%	11%	4%	15%	

Note: Totals may not add to 100% due to rounding.
Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

Please Rank The Importance Of The Following Specific Reasons To Use A Credit Card. How Important Is:

... You Receive A Gift Or Some Kind Of Bonus Like Frequent Flyer Miles For Using A Credit Card? (Scale 0-10)

Of survey respondents with credit cards

	Low Importance			Medium Importance			High Importance				
	Zero	One	Two	Three	Four	Five	Six	Seven	Eight	Nine	Ten
TOTAL	30%	17%	10%	6%	4%	11%	5%	3%	5%	2%	6%
Full-time	30%	15%	11%	6%	5%	12%	5%	3%	5%	3%	5%
Part-time	33%	26%	6%	4%	0%	10%	4%	1%	4%	1%	10%
Dependent	30%	17%	10%	5%	5%	11%	5%	4%	5%	2%	5%
Independent	30%	16%	10%	7%	3%	13%	4%	1%	5%	4%	6%
Traditional undergraduate	30%	15%	10%	6%	6%	11%	5%	4%	5%	2%	5%
Non-traditional undergraduate	32%	19%	10%	3%	2%	13%	4%	1%	6%	3%	8%
Public school	31%	18%	11%	5%	3%	12%	4%	3%	5%	2%	6%
Private school	29%	14%	8%	9%	7%	9%	6%	4%	6%	4%	5%
Two-year school	32%	16%	9%	1%	2%	13%	2%	3%	10%	2%	9%
Four-year school	30%	16%	11%	6%	5%	11%	6%	3%	4%	2%	5%
Graduate school	28%	19%	8%	11%	4%	12%	3%	1%	4%	4%	5%
No credit cards	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1-3 credit cards	32%	17%	10%	6%	4%	12%	5%	3%	5%	2%	5%
4 or more credit cards	25%	15%	8%	7%	5%	10%	5%	3%	6%	6%	10%
Average balance \$1000 or less	31%	16%	10%	7%	5%	10%	6%	4%	5%	3%	4%
Average balance over \$1000	29%	15%	13%	4%	1%	14%	0%	0%	8%	4%	13%
Pay off balance	29%	14%	9%	6%	6%	12%	7%	4%	5%	2%	6%
Carry over balance	32%	20%	12%	6%	2%	11%	2%	2%	6%	3%	6%
Used credit cards for tuition	28%	17%	13%	4%	3%	15%	6%	0%	4%	1%	10%
Haven't used credit cards for tuition	33%	16%	7%	8%	5%	11%	4%	4%	6%	2%	4%
No student loans	29%	17%	10%	3%	5%	12%	4%	5%	5%	3%	6%
Received student loans	32%	16%	10%	9%	4%	11%	5%	1%	5%	2%	5%
Loans less than \$7500	28%	19%	13%	7%	4%	11%	5%	3%	6%	1%	4%
Loans \$7500 or more	35%	14%	7%	11%	3%	13%	4%	0%	5%	3%	6%
Credit card and loans	32%	16%	10%	9%	4%	11%	5%	1%	5%	2%	5%
Credit card no loans	29%	17%	10%	3%	5%	12%	4%	5%	5%	3%	6%

Note: Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

During The Current School Year, Have You Used A Credit Card For . . . ?
Of survey respondents with credit cards

	Tuition And Fees		Books And Supplies For Classes		Room And Board, Rent Or Mortgage		Routine Personal Expenses Such As Food, Clothes, Toiletries, Utility Bills Or Entertainment		Occasional Or Emergency Types Of Things Such As Travel, Car Repairs Or Health Care	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
TOTAL	12%	88%	57%	43%	7%	93%	77%	23%	67%	33%
Full-time	11%	89%	60%	40%	8%	92%	78%	22%	67%	33%
Part-time	17%	83%	40%	60%	4%	96%	70%	30%	67%	33%
Dependent	11%	89%	55%	45%	8%	92%	77%	23%	62%	38%
Independent	14%	86%	59%	41%	5%	95%	75%	25%	76%	24%
Traditional undergraduate	11%	89%	59%	41%	9%	91%	79%	21%	63%	37%
Non-traditional undergraduate	11%	89%	41%	59%	6%	94%	75%	25%	65%	31%
Public school	14%	86%	54%	46%	9%	91%	75%	25%	66%	34%
Private school	7%	93%	63%	37%	4%	96%	82%	18%	69%	31%
Two-year school	13%	88%	29%	71%	6%	94%	68%	32%	60%	40%
Four-year school	10%	90%	62%	38%	8%	92%	81%	19%	66%	34%
Graduate school	15%	85%	77%	23%	4%	96%	76%	24%	84%	16%
No credit cards	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1-3 credit cards	13%	87%	57%	43%	7%	93%	76%	24%	66%	34%
4 or more credit cards	10%	90%	66%	34%	7%	93%	79%	21%	73%	27%
Average balance \$1000 or less	10%	90%	59%	41%	7%	93%	77%	23%	65%	35%
Average balance over \$1000	19%	81%	61%	39%	8%	92%	84%	16%	77%	23%
Pay off balance	13%	87%	59%	41%	9%	91%	74%	26%	65%	35%
Carry over balance	10%	90%	54%	46%	5%	95%	81%	19%	70%	30%
Used credit cards for tuition	61%	39%	68%	32%	13%	88%	71%	29%	75%	25%
Haven't used credit cards for tuition	3%	97%	52%	48%	6%	94%	79%	21%	67%	33%
No student loans	16%	84%	55%	45%	9%	91%	75%	25%	65%	35%
Received student loans	8%	92%	58%	42%	6%	94%	78%	22%	69%	31%
Loans less than \$7500	10%	90%	57%	43%	3%	97%	78%	22%	65%	35%
Loans \$7500 or more	5%	95%	59%	41%	7%	93%	77%	23%	72%	28%
Credit card and loans	8%	92%	58%	42%	6%	94%	78%	22%	69%	31%
Credit card no loans	16%	84%	55%	45%	9%	91%	75%	25%	65%	35%

Note: Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.



**Have You Ever Charged Tuition Or Fees?
Of survey respondents with credit cards ***

	Yes	No
TOTAL	19%	81%
Full-time	15%	85%
Part-time	38%	63%
Dependent	15%	85%
Independent	27%	73%
Traditional undergraduate	14%	86%
Non-traditional undergraduate	25%	75%
Public school	21%	79%
Private school	13%	87%
Two-year school	21%	79%
Four-year school	15%	85%
Graduate school	27%	73%
No credit cards	n/a	n/a
1-3 credit cards	19%	81%
4 or more credit cards	20%	80%
Average balance \$1000 or less	15%	85%
Average balance over \$1000	31%	69%
Pay off balance	18%	82%
Carry over balance	21%	79%
Used credit cards for tuition	100%	0%
Haven't used credit cards for tuition	0%	100%
No student loans	24%	76%
Received student loans	14%	86%
Loans less than \$7500	17%	83%
Loans \$7500 or more	11%	89%
Credit card and loans	14%	86%
Credit card no loans	24%	76%

**Did You Pay The Charged Tuition Or Fees In Full Right Away,
Or Did You Carry A Balance?
Of survey respondents who charged tuition and fees**

	In Full Right Away	Carried A Balance
TOTAL	57%	43%
Full-time	60%	40%
Part-time	50%	50%
Dependent	63%	37%
Independent	50%	50%
Traditional undergraduate	60%	40%
Non-traditional undergraduate	48%	52%
Public school	51%	49%
Private school	79%	21%
Two-year school	50%	50%
Four-year school	57%	43%
Graduate school	57%	43%
No credit cards	n/a	n/a
1-3 credit cards	55%	45%
4 or more credit cards	65%	35%
Average balance \$1000 or less	66%	34%
Average balance over \$1000	26%	74%
Pay off balance	77%	23%
Carry over balance	33%	67%
Used credit cards for tuition	57%	43%
Haven't used credit cards for tuition	n/a	n/a
No student loans	67%	33%
Received student loans	41%	59%
Loans less than \$7500	29%	71%
Loans \$7500 or more	56%	44%
Credit card and loans	41%	59%
Credit card no loans	67%	33%

Note: Totals may not add to 100% due to rounding.

* Does not include students who said their institutions do not allow credit card payment of tuition.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

What Percentage Of Your Credit Card Use Is For ... ?

Of survey respondents with credit cards

	Education-Related Expenses Such As Tuition, Books, and Fees		Living Expenses		Large, Occasional Purchases Or Health Care	
	Mean	Median	Mean	Median	Mean	Median
TOTAL	22%	30%	44%	50%	24%	25%
Full-time	23%		45%		24%	
Part-time	19%		41%		22%	
Dependent	23%		45%		22%	
Independent	20%		43%		27%	
Traditional undergraduate	24%		45%		22%	
Non-traditional undergraduate	15%		44%		27%	
Public school	21%		44%		24%	
Private school	24%		45%		25%	
Two-year school	13%		45%		28%	
Four-year school	24%		45%		22%	
Graduate school	25%		42%		28%	
No credit cards	n/a		n/a		n/a	
1-3 credit cards	22%		44%		24%	
4 or more credit cards	22%		43%		25%	
Average balance \$1000 or less	23%		45%		23%	
Average balance over \$1000	19%		42%		28%	
Pay off balance	23%		45%		22%	
Carry over balance	21%		43%		27%	
Used credit cards for tuition	37%		34%		21%	
Haven't used credit cards for tuition	18%		47%		26%	
No student loans	22%		44%		23%	
Received student loans	22%		45%		25%	
Loans less than \$7500	24%		45%		23%	
Loans \$7500 or more	20%		44%		28%	
Credit card and loans	22%		45%		25%	
Credit card no loans	22%		44%		23%	

Note: Totals may not add to 100% due to rounding. Medians are without zero responses.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

BEST COPY AVAILABLE

Have You Ever Found Yourself Needing To Use Credit Cards To Buy Things While Waiting For Your Student Loans?

Of survey respondents with both credit cards and student loans

	Yes	No
TOTAL	37%	63%
Full-time	38%	62%
Part-time	30%	70%
Dependent	29%	71%
Independent	53%	47%
Traditional undergraduate	30%	70%
Non-traditional undergraduate	35%	65%
Public school	40%	60%
Private school	30%	70%
Two-year school	24%	76%
Four-year school	32%	68%
Graduate school	65%	35%
No credit cards	n/a	n/a
1-3 credit cards	32%	68%
4 or more credit cards	52%	48%
Average balance \$1000 or less	33%	67%
Average balance over \$1000	59%	41%
Pay off balance	32%	68%
Carry over balance	42%	58%
Used credit cards for tuition	41%	59%
Haven't used credit cards for tuition	34%	66%
No student loans	n/a	n/a
Received student loans	37%	63%
Loans less than \$7500	30%	70%
Loans \$7500 or more	49%	51%
Credit card and loans	37%	63%
Credit card no loans	n/a	n/a

Note: Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

What Will Happen To You If Your Student Loans Are Not Repaid?

Of survey respondents with student loans

	Credit Record Damaged	Be Fined	Be Arrested	Have To File Bankruptcy	Future Wages Garnished	I Won't Graduate	Other	Don't Know
TOTAL	28%	6%	6%	3%	3%	1%	9%	45%
Full-time	27%	6%	6%	3%	3%	1%	9%	45%
Part-time	35%	6%	3%	3%	6%	0%	6%	41%
Dependent	23%	7%	6%	2%	3%	0%	11%	48%
Independent	38%	4%	5%	4%	3%	2%	6%	38%
Traditional undergraduate	23%	6%	7%	2%	3%	0%	11%	49%
Non-traditional undergraduate	38%	6%	5%	3%	3%	0%	4%	42%
Public school	29%	7%	6%	2%	3%	1%	6%	45%
Private school	24%	4%	5%	4%	2%	0%	16%	46%
Two-year school	24%	6%	7%	4%	4%	0%	6%	48%
Four-year school	27%	6%	6%	2%	2%	0%	10%	47%
Graduate school	32%	2%	5%	5%	5%	5%	9%	39%
No credit cards	28%	5%	5%	1%	2%	1%	1%	48%
1-3 credit cards	28%	6%	7%	3%	2%	1%	8%	45%
4 or more credit cards	25%	9%	5%	5%	7%	0%	9%	39%
Average balance \$1000 or less	26%	7%	5%	3%	4%	0%	9%	45%
Average balance over \$1000	33%	7%	13%	7%	0%	0%	7%	35%
Pay off balance	24%	7%	5%	4%	4%	0%	9%	46%
Carry over balance	30%	7%	8%	3%	2%	1%	7%	41%
Used credit cards for tuition	22%	0%	7%	7%	4%	0%	7%	52%
Haven't used credit cards for tuition	29%	10%	5%	4%	4%	1%	7%	41%
No student loans	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Received student loans	28%	6%	6%	3%	3%	1%	9%	45%
Loans less than \$7500	29%	8%	5%	2%	3%	0%	6%	45%
Loans \$7500 or more	28%	5%	7%	4%	3%	1%	11%	39%
Credit card and loans	27%	7%	7%	4%	3%	0%	8%	43%
Credit card no loans	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Note: Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

BEST COPY AVAILABLE



What Will Happen To You If Your Credit Card Debts Are Not Repaid?
Of survey respondents with credit cards

	Credit Record Damaged	Be Fined	Be Arrested	Have To File Bankruptcy	Wages Garnished	Other	Don't Know
TOTAL	43%	8%	3%	1%	1%	12%	32%
Full-time	42%	8%	3%	1%	0%	13%	32%
Part-time	50%	7%	3%	1%	3%	6%	30%
Dependent	42%	7%	2%	2%	0%	12%	35%
Independent	45%	9%	4%	1%	2%	11%	27%
Traditional undergraduate	41%	8%	2%	2%	0%	13%	34%
Non-traditional undergraduate	48%	8%	3%	0%	3%	7%	31%
Public school	45%	9%	3%	1%	1%	10%	30%
Private school	38%	5%	2%	2%	0%	15%	37%
Two-year school	44%	9%	1%	0%	1%	6%	39%
Four-year school	43%	7%	3%	2%	1%	13%	32%
Graduate school	43%	8%	4%	3%	1%	14%	27%
No credit cards	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1-3 credit cards	45%	8%	2%	2%	1%	11%	31%
4 or more credit cards	37%	8%	4%	0%	1%	14%	36%
Average balance \$1000 or less	43%	8%	2%	1%	1%	12%	34%
Average balance over \$1000	51%	8%	8%	3%	1%	8%	23%
Pay off balance	42%	9%	1%	2%	0%	12%	33%
Carry over balance	45%	7%	5%	1%	2%	11%	30%
Used credit cards for tuition	36%	13%	4%	6%	0%	11%	31%
Haven't used credit cards for tuition	46%	8%	2%	1%	1%	10%	32%
No student loans	41%	11%	1%	1%	0%	12%	34%
Received student loans	45%	6%	4%	2%	2%	11%	30%
Loans less than \$7500	48%	9%	6%	0%	0%	9%	30%
Loans \$7500 or more	47%	4%	4%	3%	3%	13%	28%
Credit card and loans	45%	6%	4%	2%	2%	11%	30%
Credit card no loans	41%	11%	1%	1%	0%	12%	34%

Note: Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

For Tuition, Books and Fees, Do You Prefer To Use . . . ?

Of all survey respondents

	Cash From Savings	Student Loan	Job Income	Charge By Credit Card	Other
TOTAL	51%	18%	12%	15%	3%
Full-time	51%	19%	11%	16%	3%
Part-time	54%	13%	16%	12%	6%
Dependent	57%	14%	13%	14%	3%
Independent	40%	26%	10%	19%	5%
Traditional undergraduate	56%	14%	13%	14%	3%
Non-traditional undergraduate	48%	24%	11%	10%	6%
Public school	49%	21%	13%	14%	3%
Private school	58%	9%	10%	20%	3%
Two-year school	52%	19%	19%	5%	6%
Four-year school	55%	16%	9%	17%	3%
Graduate school	29%	26%	11%	33%	1%
No credit cards	65%	17%	12%	3%	3%
1-3 credit cards	44%	17%	12%	23%	3%
4 or more credit cards	42%	23%	11%	20%	4%
Average balance \$1000 or less	44%	16%	12%	24%	3%
Average balance over \$1000	41%	29%	15%	13%	3%
Pay off balance	46%	14%	10%	26%	4%
Carry over balance	40%	25%	15%	17%	3%
Used credit cards for tuition	38%	7%	18%	32%	6%
Haven't used credit cards for tuition	44%	21%	12%	20%	3%
No student loans	60%	2%	15%	18%	6%
Received student loans	43%	34%	9%	13%	1%
Loans less than \$7500	47%	29%	11%	12%	1%
Loans \$7500 or more	33%	47%	6%	14%	0%
Credit card and loans	37%	34%	9%	19%	0%
Credit card no loans	50%	3%	15%	25%	7%

Note: Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

Do You Have Any Of The Following Other Kinds Of Debt?

Of all survey respondents

	Car Loan	Mortgage	Home Equity Loan	Non-Educational Loan	None
TOTAL	17%	3%	1%	2%	80%
Full-time	12%	2%	0%	1%	86%
Part-time	45%	10%	4%	5%	48%
Dependent	10%	0%	0%	1%	89%
Independent	32%	9%	2%	3%	63%
Traditional undergraduate	9%	0%	0%	1%	90%
Non-traditional undergraduate	37%	9%	3%	2%	59%
Public school	20%	4%	1%	2%	76%
Private school	6%	2%	1%	1%	93%
Two-year school	33%	6%	2%	3%	63%
Four-year school	10%	1%	0%	0%	89%
Graduate school	14%	2%	0%	2%	81%
No credit cards	14%	4%	1%	2%	83%
1-3 credit cards	14%	2%	1%	2%	83%
4 or more credit cards	33%	8%	2%	1%	65%
Average balance \$1000 or less	14%	2%	1%	1%	84%
Average balance over \$1000	42%	8%	3%	3%	52%
Pay off balance	9%	2%	0%	1%	88%
Carry over balance	32%	5%	2%	3%	66%
Used credit cards for tuition	29%	3%	3%	3%	67%
Haven't used credit cards for tuition	18%	4%	1%	2%	79%
No student loans	19%	4%	2%	2%	78%
Received student loans	15%	3%	0%	2%	83%
Loans less than \$7500	16%	3%	0%	3%	82%
Loans \$7500 or more	18%	2%	0%	1%	81%
Credit card and loans	16%	3%	0%	1%	82%
Credit card no loans	21%	3%	2%	2%	76%

Note: Totals may not add to 100% due to rounding.

Source: The Institute for Higher Education Policy, Credit Card Survey, March/April 1998.

ENDNOTES

- 1 Reported average monthly balances do not include those students who indicated that they did not know their balances. This also occurs for figures on combined credit limits, and is true every time these statistics appear in the text.
- 2 This question was asked of those students who reported that their schools allowed credit card payment of tuition and fees or who did not know their school's policy. This is the case each time the issue of students having ever paid for tuition and fees by credit card is discussed.
- 3 These percentages do not add to 100 because respondents were asked about the percentage of their credit card use for each category separately. Thus, the percentages reflect averages for each individual question.
- 4 In the survey, non-traditional undergraduates were defined as students who are independent or who are enrolled on a part-time basis.
- 5 See, for example, Nellie Mae, 1998.
- 6 Other factors also may help explain the differences in average balances. For example, other surveys may draw samples from regions of the country with relatively high costs of living, or from a specific subset of the student population, such as loan applicants and recipients.

REFERENCES

- American Council on Education (ACE) and Sallie Mae Education Institute. 1998. *Students in Debt: Attitudes and Behavior of College Students Toward Borrowing Money*. Washington, DC, May 29.
- Bradshaw, Martha E. and Mary Jean Evers-Lush. 1993. *Awareness, Comprehension, and Use of Credit Cards by Southern Region College Students*. Paper presented at the Annual Meeting of the Mid-South Educational Research Association, New Orleans, November 10-12.
- CardTrak Online. 1997. "Students Get Top Card Use Grades." (Visa Scholars and Cents study.) September 4. CardTrak Online website (www.ramresearch.com/cardtrak).
- CardTrak Online. 1997. "New Generation of Convenience Users?" (Phoenix Student Fiscal Fitness Survey.) September 11. CardTrak Online website (www.ramresearch.com/cardtrak).
- Kennickell, Arthur B., Martha Starr-McCluer, and Annika E. Sunden. 1997. "Family Finances in the U.S.: Recent Evidence from the Survey of Consumer Finances." *Federal Reserve Bulletin*. Vol. 83 (January), pp. 1-24. Federal Reserve Board website (www.bog.frb.fed.us).
- National Association of College and University Business Officers (NACUBO). 1995. Payment and Pricing Survey Graphic Presentation. NACUBO website (www.nacubo.org).
- Nellie Mae. 1998. Summary data from Student Credit Card Debt study. Unpublished.
- _____. 1997. "Fact Sheet: National Student Loan Survey '97." October.
- Shenk, Joshua Wolf. 1997. "In Debt All the Way Up to Their Nose Rings." *U.S. News & World Report*. Vol. 122, No. 22 (June 9), pp. 38-39.
- Somers, Patricia and James Cofer. 1998. "Singing the Student Loan Blues: Multiple Voices, Multiple Approaches?" In The Institute for Higher Education Policy, ed. *Student Loan Debt: Problems and Prospects*. Proceedings from a National Symposium, December 10, 1997. Washington, DC: The Institute for Higher Education Policy, Sallie Mae Education Institute, and The Education Resources Institute, pp. 97-128.
- U.S. Department of Education, National Center for Education Statistics (NCES). National Postsecondary Student Aid Study, 1996 (NPSAS:96). Data Analysis System.



U.S. Department of Education
Office of Educational Research and Improvement (OERI)
National Library of Education (NLE)
Educational Resources Information Center (ERIC)



REPRODUCTION RELEASE

(Specific Document)

I. DOCUMENT IDENTIFICATION:

Title: CREDIT RISK OR CREDIT WORTHY? COLLEGE STUDENTS AND CREDIT CARDS. A NATIONAL SURVEY.	
Author(s):	
Corporate Source: The Institute for Higher Education Policy The Education Resources Institute	Publication Date: June 1998

II. REPRODUCTION RELEASE:

In order to disseminate as widely as possible timely and significant materials of interest to the educational community, documents announced in the monthly abstract journal of the ERIC system, *Resources in Education* (RIE), are usually made available to users in microfiche, reproduced paper copy, and electronic media, and sold through the ERIC Document Reproduction Service (EDRS). Credit is given to the source of each document, and, if reproduction release is granted, one of the following notices is affixed to the document.

If permission is granted to reproduce and disseminate the identified document, please CHECK ONE of the following three options and sign at the bottom of the page.

The sample sticker shown below will be affixed to all Level 1 documents

PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL HAS BEEN GRANTED BY

Sample _____

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

1

Level 1



Check here for Level 1 release, permitting reproduction and dissemination in microfiche or other ERIC archival media (e.g., electronic) and paper copy.

The sample sticker shown below will be affixed to all Level 2A documents

PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL IN MICROFICHE, AND IN ELECTRONIC MEDIA FOR ERIC COLLECTION SUBSCRIBERS ONLY, HAS BEEN GRANTED BY

Sample _____

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

2A

Level 2A



Check here for Level 2A release, permitting reproduction and dissemination in microfiche and in electronic media for ERIC archival collection subscribers only

The sample sticker shown below will be affixed to all Level 2B documents

PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL IN MICROFICHE ONLY HAS BEEN GRANTED BY

Sample _____

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

2B

Level 2B



Check here for Level 2B release, permitting reproduction and dissemination in microfiche only

Documents will be processed as indicated provided reproduction quality permits. If permission to reproduce is granted, but no box is checked, documents will be processed at Level 1.

I hereby grant to the Educational Resources Information Center (ERIC) nonexclusive permission to reproduce and disseminate this document as indicated above. Reproduction from the ERIC microfiche or electronic media by persons other than ERIC employees and its system contractors requires permission from the copyright holder. Exception is made for non-profit reproduction by libraries and other service agencies to satisfy information needs of educators in response to discrete inquiries.

Sign here, please →

Signature: <i>Colleen T. O'Brien</i>	Printed Name/Position/Title: <i>Colleen T. O'Brien / Managing Director</i>		
Organization/Address: <i>The Institute for Higher Education Policy 1320 19th Str. NW / Suite 400 / Washington DC 20036</i>	Telephone: <i>(702) 861-8223</i>	FAX: <i>(702) 861-9307</i>	Date: <i>8/2/98</i>
	E-Mail Address: <i>institut@ihep.com</i>		

(over)

III. DOCUMENT AVAILABILITY INFORMATION (FROM NON-ERIC SOURCE):

If permission to reproduce is not granted to ERIC, or, if you wish ERIC to cite the availability of the document from another source, please provide the following information regarding the availability of the document. (ERIC will not announce a document unless it is publicly available, and a dependable source can be specified. Contributors should also be aware that ERIC selection criteria are significantly more stringent for documents that cannot be made available through EDRS.)

Publisher/Distributor:	<i>The Institute for Higher Education Policy</i>
Address:	<i>1320 19th Str. NW Suite 400 Washington DC 20036</i>
Price:	<i>Single Copies Free</i>

IV. REFERRAL OF ERIC TO COPYRIGHT/REPRODUCTION RIGHTS HOLDER:

If the right to grant this reproduction release is held by someone other than the addressee, please provide the appropriate name and address:

Name:	
Address:	

V. WHERE TO SEND THIS FORM:

Send this form to the following ERIC Clearinghouse:

However, if solicited by the ERIC Facility, or if making an unsolicited contribution to ERIC, return this form (and the document being contributed) to:

ERIC Processing and Reference Facility
1100 West Street, 2nd Floor
Laurel, Maryland 20707-3598

Telephone: 301-497-4080

Toll Free: 800-799-3742

FAX: 301-953-0263

e-mail: ericfac@inet.ed.gov

WWW: <http://ericfac.piccard.csc.com>