



How America Saves for College 2016

Sallie Mae's national study of parents with children under age 18



Conducted by
Ipsos Public Affairs

About Sallie Mae®

Sallie Mae is the nation's saving, planning, and paying for college company. Over the course of our 43-year history, we have helped more than 34 million Americans make college happen. We provide products, services, and resources that promote responsible personal finance:

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- Private education loans, such as the Smart Option Student Loan® for undergraduate and graduate students, and the Sallie Mae Parent LoanSM
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When it comes to saving for college, we recommend following a 1-2-3 approach:

- 1. Open a savings account.** Designate a savings account as your college fund. Deposit gifts from friends and family, and sign up for free services that let you earn cash back for college.
- 2. Set a goal and make deposits regularly.** Make saving part of your routine. Using automatic deposit makes it easy. Even a little bit adds up over time.
- 3. Explore tax-advantaged options.** Put your money to work with programs designed especially for college funds, such as 529 college savings plans.**

For more information on how Sallie Mae helps make college happen, visit SallieMae.com. Join the conversation at Facebook.com/SallieMae or [#HowAmericaSaves](https://twitter.com/HowAmericaSaves).

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Access a related infographic and other information about this study at SallieMae.com/HowAmericaSavesforCollege.

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About this study

How America Saves for College, the national study from Sallie Mae—the nation's saving, planning, and paying for college company—aims to provide a clearer picture of how families are preparing for the investment in a college education.

How America Saves for College 2016, the sixth in the series, again looks at American parents with children under the age of 18 and captures data on how, and how many, parents are saving for college and other tactics they may be using to build a plan to pay for college. The survey also tracks the values parents associate with higher education, as well as their attitudes toward saving, planning, and paying for their children's college education.

Sallie Mae produced *How America Saves for College 2016* with Ipsos, the world's third-largest market research company. Ipsos conducted online interviews with 1,959 parents between May 26, 2016, and June 6, 2016. The survey sample reflected a cross-section of key demographic variables in the United States. Respondents were able to take the survey in English or Spanish.

Additional information about the survey sample, weighting, and margin of error appears in the Technical notes section of this report. The survey's questions and their responses appear in the Data tables section of this report. Please note that rounding may prevent some response percentages from summing to 100 percent.

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Overview

How America Saves for College 2016 shows a demonstrable improvement across a range of saving and planning habits when it comes to parents' financial preparations for college: more parents are saving for college, they're saving more money, and more have created a plan for how to pay for college. This year's report also finds that more parents express confidence in their ability to meet the future cost of their children's college education: 55 percent of parents say they are confident, compared to 42 percent in 2015.

The enhanced savings behavior reflected in this study corresponds with other economic trends in America. In the past year, unemployment rates have continued to decline (from 6.2% in 2014 to 5.3% in 2015¹) and the median weekly income of workers has increased (from \$791 in 2014 to \$809 in 2016²).

Saving on the rise

The ratio of parents saving for college has risen to 57 percent this year from 48 percent in 2015, approaching the pre-recession savings level of 60 percent reported in 2010.

The average amount parents have saved for their children's college education has increased to \$16,380 in 2016 from \$10,040 in 2015 and \$15,346 in 2014.

Frequently used savings accounts

While amounts saved for college have increased over the last four years, the types of funds parents use most frequently to save for college have not changed. General savings accounts and checking accounts are the leading types of accounts parents are using for college savings. These types of accounts typically yield less than other types of accounts and they don't offer tax benefits. Furthermore, funds in general savings or checking accounts are easy to access, which could tempt parents to use them for other types of household expenses.

This year, 37 percent of college-saving parents report using 529 college savings plans, the highest rate reported since the

study began in 2009. While still well below the 61 percent of savers using general savings accounts, it is a significant increase over last year when 27 percent of college savers reported using 529 plans.

An uptick in planning

This year marks the first time the ratio of parents creating a plan for how to pay for college has exceeded 50 percent. In 2016, more than half of parents (51%) report having a plan for how to pay for all years of college, up from 42 percent in 2015. Parents who plan are more likely to save for college, to agree having a plan will make college more affordable for their family, and to believe the presence of savings will have a positive influence on their child's enrollment and persistence in college.

Parents with a plan feel more motivated to save. Nearly one-third of all parents (32%) feel motivated when they think about saving for college but, among parents with a plan, 47 percent feel motivated. Moreover, college savers with plans have saved significantly more for college than those without plans (\$18,389, compared to \$10,468).

Non-savers' expectations

In contrast to motivated parents, close to one-third of parents (30%) feel overwhelmed when they think about saving for college. This feeling is more prevalent among those who aren't saving for college, 45 percent of whom feel overwhelmed.

Nearly three in five parents who are not saving for college cite lack of money as the main reason for not saving. Despite that, about half of all non-savers are planning to begin saving within the next five years. Parents of the youngest children, ages 0–6, are the most likely to say this, which aligns with current savers' reports that they began saving, on average, when their children were 7 years old.

¹ U.S. Department of Labor, "Labor Force Statistics from the Current Population Survey," <http://www.bls.gov/cps/cpsaat02.htm> (February 10, 2016)

² U.S. Department of Labor, "Labor Force Statistics from the Current Population Survey," <http://www.bls.gov/cps/cpsaat37.htm> (February 10, 2016)

Parent and child communication gap

Parents expect to pay more than two-fifths of their children’s college costs themselves, on average, and they expect the student to be responsible for more than one-fifth of college costs: 14 percent to be paid from student loans and 8 percent from the student’s income and savings. Some parents, however, have not shared paying-for-college expectations with their children.

More than half of parents believe paying for college is a shared responsibility between the parent and the student, with another 9 percent believing the student is solely responsible, but only half of parents who expect the student should bear some or all responsibility have discussed those expectations with their child, with 7 in 10 parents of teenagers having done so.

Three-quarters of parents agree that minimizing college costs is important to their family, yet 1 in 5 parents of teenagers who agree minimizing costs is important have not had any discussions with their child about how to cut down on college expenses, such as choosing a low-cost school or living at home.

Generational differences

Parents with at least one child under age 18 fall into one of three distinct generations: Baby Boomers, Gen Xers, and Millennials.³ There are some similarities in saving-for-college attitudes and behaviors among these generations, but there are also some noteworthy differences.

The attitudes and behaviors of Baby Boomers, traditionally labeled as hardworking and career-driven, have dominated American culture for a number of years. Gen Xers, who make up the majority of parents this year in *How America Saves for College*, have traditionally been considered savvy, skeptical, and self-reliant.⁴ Millennials, now starting to overtake Baby Boomers as the current influential generation, are viewed as rejecting their Baby Boomer parents’ emphasis on work, and seeking a better balance between personal and professional pursuits.

While Millennial parents’ attitudes on a number of measures are more optimistic than either of the older generations, in other measures—including saving for college and having a plan to pay for it—Millennials are similar to Baby Boomers. Gen Xers are truly in the middle: they share strategies and beliefs with Millennials at times, and with Baby Boomers at other times, but often they are between the two groups or different from both. In contrast to Millennials’ optimism, Gen Xers tend to be more cautious, feeling significantly less confident (17%), for example, than Millennials (32%) or Baby Boomers (26%) when they think about saving for their children’s future education.

Key differences among generations are reported throughout this study and summarized in the table below.

Differences persist among various segments of this study’s respondent population but, largely, *How America Saves for College 2016* demonstrates an increased level of optimism and increased ability to save among parents with at least one child under the age of 18.

Millennial parents	Gen X parents	Baby Boomer parents
Parent should be solely responsible for paying for their child’s education (38%)	Expect to share responsibility of paying for college with their child (57%)	Expect to share responsibility of paying for college with their child (59%)
Willing to ask people outside of their family to help pay for college (64%)	Feel angry or annoyed about the cost of college (31%)	Their children are contributing to the college savings fund (55%)
Expect to pay more out of parent’s pocket (39% of cost of college)	Fewer have a plan for how to pay for all years of college (47%)	Started saving later (35% started when their child was 11-15 years old)
Started saving early (56% started when their child was 0-5 years old)	Plan to use savings only for undergraduate education (39%)	More likely to be preparing for retirement (66% saving for retirement)

³ For the purposes of this study, the Millennial generation is defined as age 35 or younger; Gen X as ages 36-51; and Baby Boomer as ages 52-70.

⁴ Pew Center Research, "Generation X; America's Neglected 'Middle Child,'" <http://www.pewresearch.org/fact-tank/2014/06/05/generation-x-americas-neglected-middle-child/> (June 5, 2014)

3

Discussion of findings

College as an investment in the future

Parents naturally hope for the best future for their children. Starting the day their child is born, or even earlier, parents begin to think about what kind of life that child will lead. As part of their hopes for their children's future, a considerable majority of parents with at least one child under age 18 believes their children are likely to attend college (92%). This expectation varies little by generation: 93 percent of Millennials, 91 percent of Gen Xers, and 92 percent of Baby Boomers see college in their children's futures. Parents overwhelmingly agree that college is an investment in their children's future (90%).

Nine in ten parents (92%) with a child under age 18 believe their children are likely to attend college.

The majority of parents feel ready to meet the cost of college when the time comes for their child to attend. In 2016, more than half of parents (55%) feel confident they will be able to meet the cost of college, significantly more than parents in 2015 (42%) and 2014 (44%).

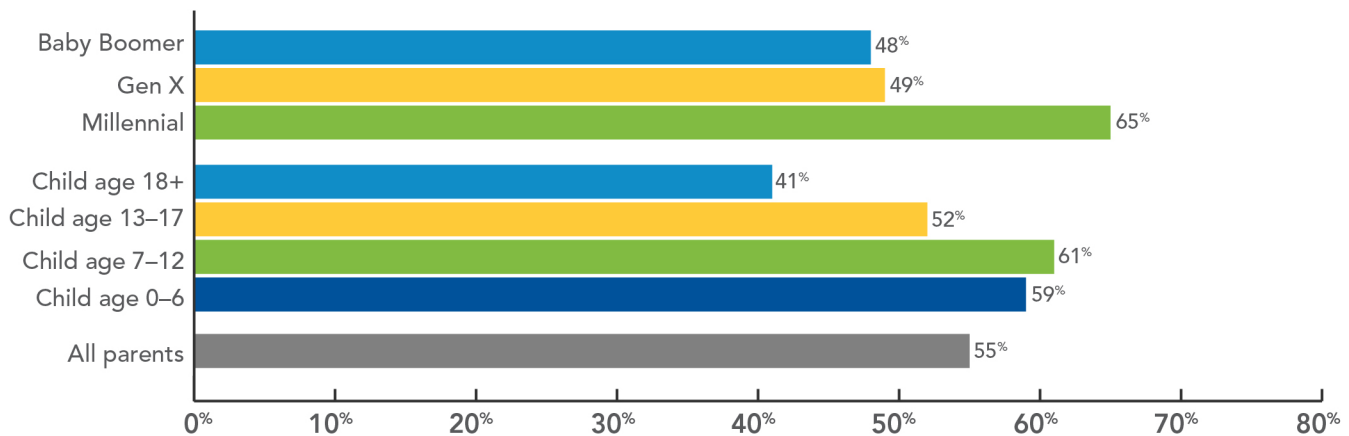


More than half of parents (55%) feel confident they will be able to meet the cost of their child's future college education.

Parents with younger children feel more confident in their ability to meet the cost of college than parents with older children, and Millennial parents have significantly more confidence than Gen Xers and Baby Boomers. Fifty-nine percent of parents whose oldest child is age 0–6 feel confident, as do 61 percent of parents whose oldest child is age 7–12. In comparison, among parents whose oldest child is age 13–17, 52 percent feel confident, and only 41 percent of

Figure 1

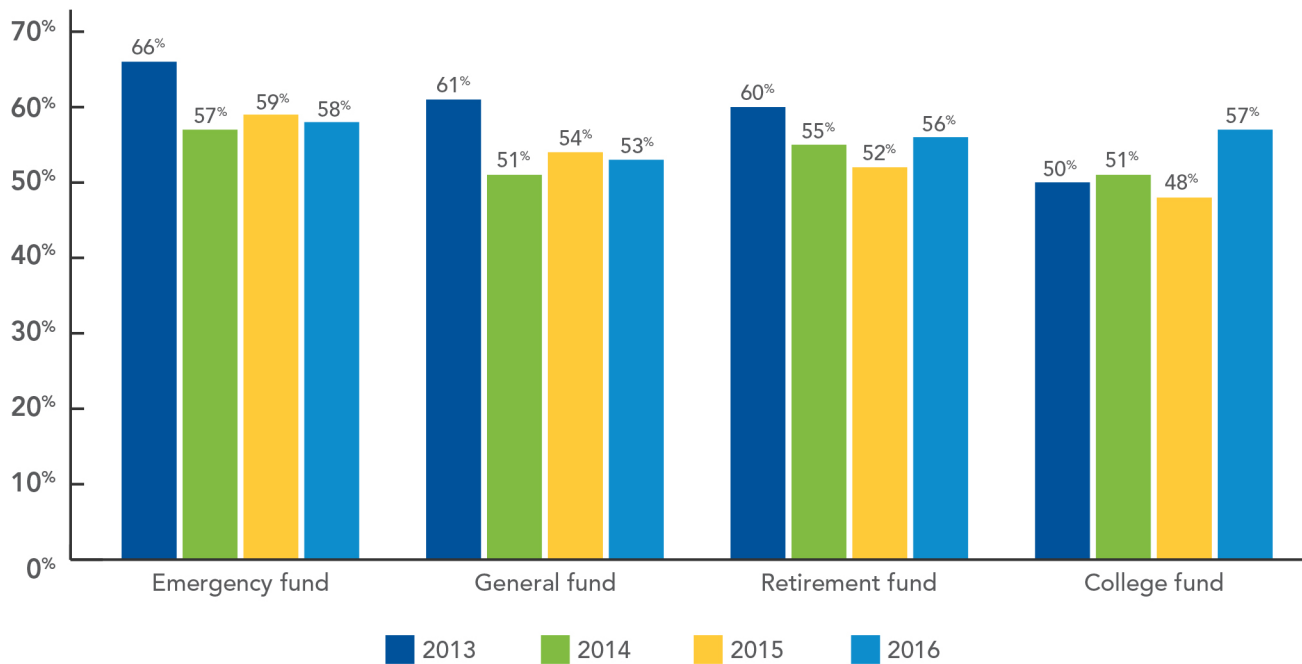
Percent of Parents Who Feel Confident in Ability to Meet the Future Cost of College



The majority of parents feel ready to meet the cost of college. Millennial parents and parents of younger children feel more confident than older parents and parents of children closest to college age.

Figure 2

Proportion of Families Saving in Each Fund Type, Year-over-Year



In 2016, saving for college ranks second (57%) in the hierarchy of savings goals, with the ratio of parents saving for college surpassing those saving for retirement (56%) and for a general, unspecified purpose (53%). A slightly higher rate of parents are saving for an emergency (58%). In the previous three years, saving for college was the fourth-ranked savings goal behind emergency fund, general fund, and retirement fund.

parents whose oldest child is 18 or older feel confident. Sixty-four percent of Millennial parents feel confident, compared with 49 percent of Gen Xers and 48 percent of Baby Boomers.

In tandem with the increased feelings of confidence, there is an increase in the proportion of parents saving for college and in those with a plan to pay for college.

The rise in saving for college

Significantly more parents are saving for college in 2016 than in the last three years of the *How America Saves for College* study, and they are saving more money. Fifty-seven percent of parents are saving for college, up from 48 percent in 2015, 51 percent in 2014, and 50 percent in 2013. Parents with a college fund have saved an average of \$16,380, more than the \$10,040 reported in 2015 and the \$15,346 reported in 2014.

Saving for college is a higher priority for parents this year than in previous years. In the most recent three prior years of this study⁵ (2013, 2014, and 2015), college savings ranked fourth in the hierarchy of savings goals, behind an emergency fund, retirement, and general savings. This year, saving for college ranks second (57%), surpassing the proportion of parents saving for retirement (56%) and for a general, unspecified purpose (53%). Only the proportion of parents saving for an emergency (58%) exceeds that of those saving for college.

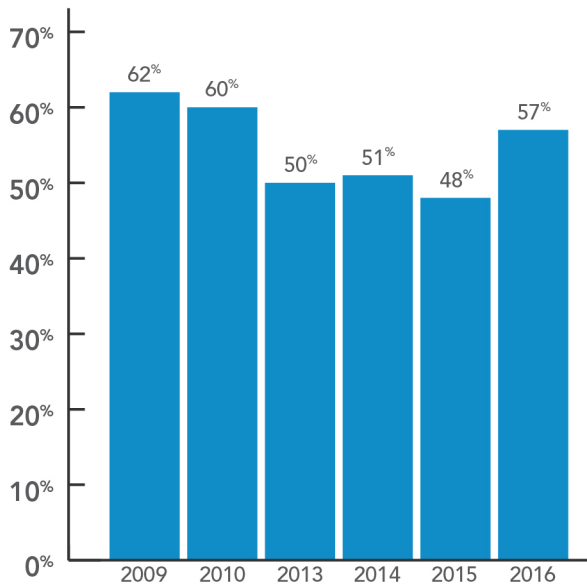
When it comes to dollar amount, however, the emergency fund holds far less than retirement, college, and general savings funds. The average emergency fund size is \$4,251, while retirement savings average more than 10 times that amount at \$50,130. College savings and general savings amounts average \$16,380 and \$16,726, respectively.

College savings rates differ by parent generation and ages of children in the family. Millennial and Baby Boomer parents

⁵ Data not available for 2009 and 2010 due to changes in the survey instrument.

Figure 3

Percent of Families Saving for College, Year-over-Year



While the proportion of families saving for college has not climbed to the three-in-five ratio reported in the first two years of this study, significantly more parents in 2016 than in the last three years report saving for their children’s future college education.

report saving for college at a higher rate than Gen X parents: 65 percent of Millennial parents, 50 percent of Gen Xers and 61 percent of Baby Boomers are saving for college. On the whole, more Millennial than Gen X and Baby Boomer parents report saving for every other fund type except retirement, which is dominated by Baby Boomers (see table 19e, p.44).

Parents with a college fund have saved an average of \$16,380.

Parents whose oldest child is age 7–12 are much more likely to be saving for college, compared to both the prior year and parents of children in other age groups. This year, 64 percent of parents with 7–12-year-olds say they are saving for college, a significant increase over 2015, when 46 percent reported saving for college.

Among parents whose oldest child is age 0–6, the increase in the proportion of college savers is smaller: 60 percent in 2016, compared with 55 percent in 2015. The increase among parents whose oldest child is age 13–17 also is smaller, rising to 55 percent in 2016 from 47 percent in 2015. Among

Parents with these attributes are more likely to be saving for college:

- Have created a plan to pay for college
- Have earned a bachelor’s degree
- Have annual household income greater than \$100,000
- Have a 7–12-year-old as their oldest child
- Be Hispanic
- Be a Millennial

parents whose oldest child is age 18 or older, the proportion of families saving for college is unchanged (43% in 2016 vs 44% in 2015).

Account types used to save for college

The types of accounts parents use most frequently to save for college are not designed specifically for college. Sixty-one percent of parents use general savings accounts and 38 percent use checking accounts, while 37 percent use 529 college savings plans. Nearly one-third of parents use either investment accounts⁶ (31%) or certificates of deposit (CDs) (30%). About one-quarter of parents use other savings vehicles, including Coverdell Education Savings Accounts (ESAs), US savings bonds, or juvenile life insurance. (Additional detail is available in tables 20 and 21, pp.45 – 50.)

Parents who use 529 plans or investment accounts to save for college have saved more money than parents who use other types of vehicles. The average amount saved in a 529 plan is \$7,534; in an investment account, it’s \$7,448; in a general savings account, it’s \$6,043; and CD users have saved \$5,004.

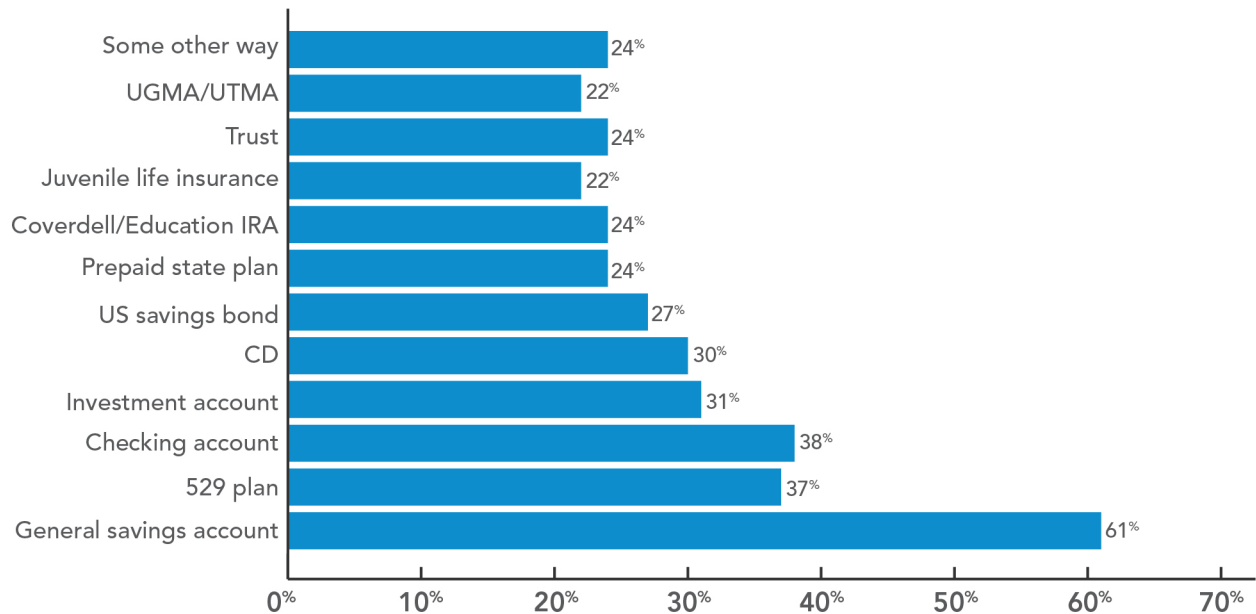


Thirty-seven percent of savers are using 529 plans, up from 27 percent in 2015, 29 percent in 2014, and 27 percent in 2013.

⁶ Investments may include stocks, mutual funds, money market accounts, or bonds that are not part of a 529 or 401(k) plan.

Figure 4

Proportion of College-saving Families Using Each Savings Account Type



Parents saving for college are significantly more likely to be putting those funds in a general savings account than any other type of account, including accounts designed for college savings: tax-advantaged 529 plans, prepaid state plans, and Coverdell accounts.

General savings accounts hold more of America’s college savings than any other single vehicle.

Considering the predominant usage rate of general savings accounts with the relatively high amounts saved there, it is not surprising that funds accumulated in general savings accounts surpass the portion in other account types, comprising more than one-fifth (22%) of all college savings. In comparison, less than one-fifth of college savings (17%) are held in 529 college savings plans. Nearly one-sixth (14%) of savings are held in investment accounts. All other vehicles each hold less than one-tenth of college savings.

When the portion of funds in all three dedicated college savings account types is combined, however, the share of college savings held in restricted college savings accounts is comparable to the share held in general savings accounts (23% vs 22%):

- 529 plans (17%)
- Coverdell ESAs (3%)
- State prepaid tuition plans (3%)

Using a dedicated college savings account indicates a firm commitment to using those funds for college. While parents who use general savings accounts or other non-dedicated

savings vehicles have more flexibility to spend their savings on some other expense should the need arise, more than half of parents (55%) say they intend to use those savings for college. Forty-five percent of savers using non-dedicated college savings accounts say they could use those funds for college if necessary, but they aren’t fully committed to using them for college.

Among parents who are saving for retirement, three-fifths (60%) say they will not use any retirement funds for college. One-fifth (20%), however, say they will use retirement savings for college and one-fifth (19%) say they could use retirement funds to pay for college if necessary.

Intended use of savings in non-dedicated accounts

	Intend to use for college	May use for college if needed/not sure
General savings account	57%	43%
Checking account	55%	45%
Investment account	56%	44%
CD	52%	48%
US savings bond	60%	40%
Trust	54%	46%
Average across account types	55%	45%

Use of 529 plans still low, but on the rise

Created in 1996, 529 college savings plans were designed with tax advantages and other incentives to encourage families to save for college, but most parents saving for college still aren't using them. Parents who use 529 plans save more than other college savers, on average.

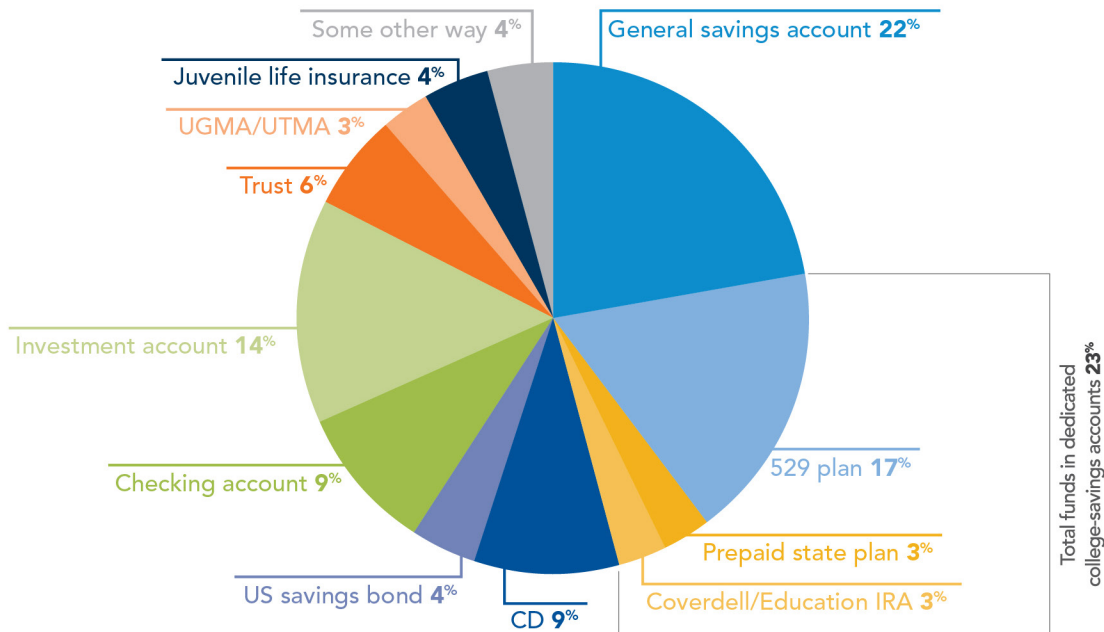
This year, 37 percent of parents report using a 529 plan, a significant increase from the prior three years of this study: 27 percent in 2015, 29 percent in 2014, and 27 percent in 2013.

Which families are more likely to use a 529 plan? Parents who have created a plan to pay for college are more likely to save in 529 plans (41%) than savers who don't have a plan (28%). Parents in high-income households⁷ are more likely to use 529 plans (55%) than those in middle- and low-income households (38% and 19%, respectively). Parents whose oldest child is a teen are more likely to use 529 plans (44%) than parents whose oldest child is age 7–12 (38%) or 0–6 (30%). Millennial parents are more likely to use 529 plans (44%) than Gen X or Baby Boomer parents (36% and 23%, respectively).

Why aren't parents using 529 plans? Among parents saving for college but not using a 529 plan, more than half are not aware of them (47% never heard of them and 7% aren't sure whether they have). Of those savers who are aware, one-fifth (21%) say they don't use them because they don't know enough about them, one-fifth (19%) prefer a different method, and another 14 percent aren't sure why they don't use one. Among parents not saving for college, two-thirds are not aware of 529 plans (58% never heard of them and 9% aren't sure). Two-fifths of aware non-savers (39%) say they aren't using 529 plans because they don't have enough money to save in that type of account.

Figure 5

Proportion of All College-savings Dollars Held in Each Account Type

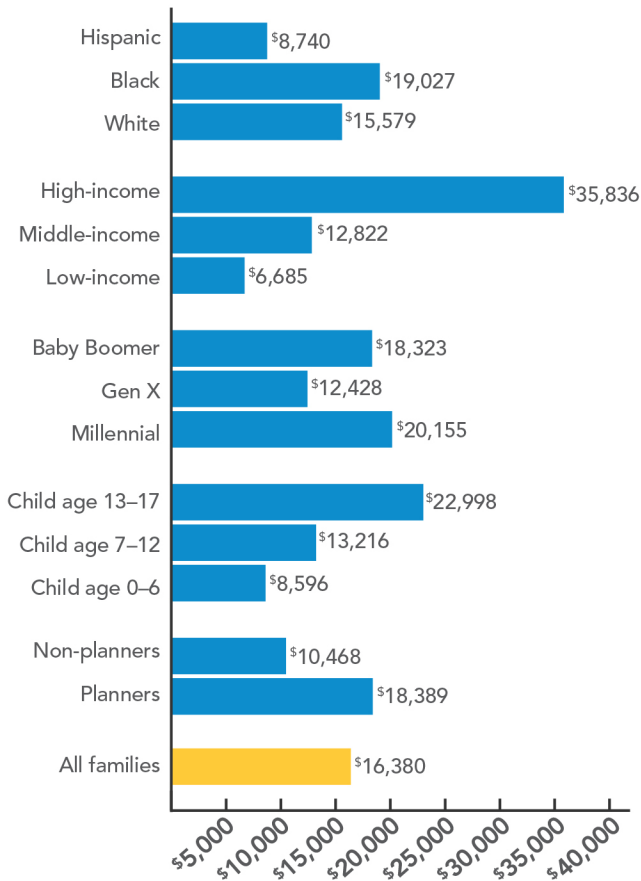


Funds accumulated in general savings accounts surpass the portion in other account types, comprising more than one-fifth (22%) of all college savings. When combining the portion of funds in three dedicated college savings account types, the total savings held in restricted college savings accounts (23%) is equal to the portion held in general savings accounts.

⁷ For the purposes of this study, low-income is defined as households with annual income of less than \$35,000, middle-income with annual income from \$35,000 to less than \$100,000, and high-income with annual income of \$100,000 or more.

Figure 6

Average Total Amount Saved for College, by Population Segment



Average college savings amount to \$16,380. Parents who have high household incomes, have children closer to college age, are black, have a plan to pay for college, and are either Millennials or Baby Boomers are more likely to be high-balance savers.

Parents with a plan to pay for college save significantly more. Overall, the average college savings balance is \$16,380, based on reported amounts saved in each itemized savings vehicle⁸ used. Parents who created a plan to pay for college report saving \$18,389, on average, 76 percent more than parents who are saving but don't have a plan (\$10,468).

Parents of teens have saved an average of \$22,998, nearly twice the amount saved by parents of 7-12 year-olds (\$13,216) and more than two and one-half times the amount saved by parents of 0-6 year-olds (\$8,596). Millennial parents report saving \$20,155, an amount similar to their Baby Boomer counterparts, who have saved an average of \$18,323. Gen X parents, however, have saved a much lower amount, \$12,428.



The average total college savings goal for families is \$61,902, about four times higher than the average amount already saved for college (\$16,380).

Saving-for-college goals

Approximately half (53%) of parents saving for college have set a goal. The average goal amount, \$61,902, is nearly four times higher than the average amount already saved for college. Sixty-six percent of Millennial parents have a college savings goal, compared to 47 percent of Gen X parents and 35 percent of Baby Boomer parents. Others more likely to set a college savings goal are

- High-income parents (59%)
- Parents with a plan to pay for college (58%)
- Parents of younger children, age 0-6 (59%) and 7-12 (58%)

Parents cite affordability as the top reason for choosing the goal they have set. One-fifth of parents (19%) set their goal based on how much they think they can afford to save. Others set their goals based on

- How much they think they will need after scholarships and other financial aid contributions (18%)
- How much they think they will need in total (17%)
- Advice from a financial advisor (9%)
- An amount they think is fair based on support to be given to all their children (8%)
- Advice from family and friends (7%)
- How much their parents gave them for college (7%)

Nearly half of college savers say their savings could be used for graduate school, while only one-third are focused exclusively on saving for their child's undergraduate education.

⁸ Estimates of the amounts saved in each itemized college savings vehicle, when summed, exceed the initial total savings estimate respondents gave. The initial total estimate is \$10,588 (see Tables 19a-19e, pp. 42 - 44); itemized savings sum to \$16,380 (see Tables 20a-e, pp. 45 - 47).

Millennials are more likely than their older counterparts to set their goals based on advice from family and friends (12%) or on how much their parents contributed to their college expenses (10%). Baby Boomers are more likely to base their goals on how much they can afford (27%) or how much their child will need after receiving financial aid (25%).

Interestingly, nearly half of college savers (48%) say their savings could be used for graduate school, while only one-third (33%) are focused exclusively on saving for their child’s undergraduate education. Those most likely to agree funds could be used for graduate school are parents of children age 0–6 (61%), Millennials (58%), high-income parents (58%), and black parents (53%).

Eighty-eight percent of parents who have set a savings goal are confident they will achieve their goal amount, up from 82 percent in 2015.

88% of parents with a college-savings goal are confident they will reach it.

Steady pace of saving

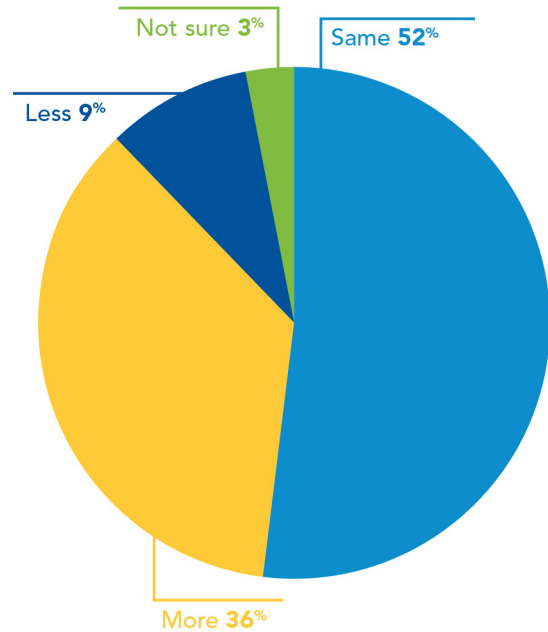
Half of parents who are saving (52%) say they are putting aside about the same amount for college this year as they did last year. More than one-third (36%), however, say they are saving more. Those most likely to say they are saving more are parents of children age 0–6 (39%), parents from high-income households (41%), and Millennials (46%). Among those who are saving more, the primary reasons for doing so are realizing the need to save more after reviewing current goals (40%) and having more money to save, due to either increased earnings (33%) or reduced expenses (32%).

Only one in 10 parents (9%) is saving less than they were the prior year. Those most likely to be saving less are parents without a plan to pay for college (18%), parents from low-income households (17%), parents of teenagers (11%), and Baby Boomers (17%). Of those who are saving less, only one-tenth (11%) say it is because they have already saved enough. Most of the other parents are doing so because of circumstances that led to less available funds for saving, such as unexpected expenses (48%), increased cost of living (45%), or reduced earnings (30%).

About two-thirds of savers plan to increase their college savings within the next five years. Those more likely to be planning to increase college savings include parents of children ages 0–6 (74%) and 7–12 (70%), Millennial parents (70%), black parents (70%), and Hispanic parents (69%).

Figure 7

Amount Parents Say They Are Saving Compared to One Year Ago



Half of respondents who are saving (52%) say they are saving about the same amount for college this year as they did last year. More than one-third are saving more and fewer than one-tenth are saving less.

Measuring saving success

Parents set goals differently, apply saving strategies differently, and measure success differently. Saving success among parents is measured in one of two ways: those who set quantifiable goals and those who focus on the action or process of saving without having any definite amount in mind. About three-fifths of parents saving for college use quantitative goals to measure success, while two-fifths utilize a process-based approach.

Not surprisingly, goal-based savers are more likely than process-based savers to have set an end goal amount. Seventy-one percent of those who measure success by achieving their planned savings goal on an annual basis have set an end goal amount. Parents from high-income households (66%) are most likely to be goal-based savers.

Process-based savers who are focused on not withdrawing college funds for other household expenses are the least likely to have set an end goal (36%). Baby Boomers (46%) are more likely than their younger counterparts to be process-based savers.

The top strategy savers use to keep their college savings on track is automatic deposit. Nearly half of college savers (46%) deposit funds automatically into college savings accounts on a regular schedule. Among those who have saved the largest amount—at least \$3,000 per year—55 percent use auto-deposit. Parents more likely to use auto-deposit are high-income (62%), black (52%), or Millennial (55%).



Nearly half of college savers (46%) deposit funds automatically into college savings accounts on a regular schedule.

Other savings tactics include setting aside a specific amount each pay period (34%), committing a portion of bonus money to the college fund (20%), and asking friends and family to contribute to the college fund in lieu of giving other gifts (6%).

To increase the availability of funds they can earmark for college, parents reduce personal or discretionary spending (35%), reduce household expenses (29%), or work more (23%). About one-sixth (17%) contribute to the college fund by earning and transferring rewards from a shopping rewards program.

Saving-for-college information sources

Savers cite friends and family as an information source more frequently than any other resource. While a small portion of parents directly ask friends and family to contribute to the college fund in lieu of giving gifts, a much larger portion—37 percent—turn to friends and family for advice and information on how to save for college.

About one-quarter of savers say they obtain information on saving for college from online searches (27%), banks (27%), a financial advisor (26%), or their child's school (26%). About one-fifth of savers have turned to public education programs (20%), read content written by financial experts (19%), or reviewed federal government guidelines (18%).

One-sixth have used a mobile app (15%) and one-sixth say they haven't used any information sources (15%). Parents who have saved the most for college—at least \$3,000 per year—are more likely to obtain information from banks (35%), financial advisors (35%), and community or state education programs (29%).

Savers turn to friends and family for advice and information on how to save for college at a much higher rate (37%) than they turn to a financial advisor (26%).

When parents begin saving for college

Parents who are saving for college began saving, on average, when their oldest child was seven years old.

Parents with a plan to pay for college are more likely than those without a plan to have started saving when their oldest child was age 0–5 (55% compared to 43% of non-planners).

Millennial parents are more likely to have started saving earlier than older-generation parents. Fifty-six percent of Millennials began saving when their child was age 0–5, compared with 53 percent of Gen Xers and 33 percent of Baby Boomers. Seven percent of Millennial savers began saving before they started a family, compared with 3 percent of Gen Xers and 1 percent of Baby Boomers.

Baby Boomers are more likely to have started saving when their child was older, with 35 percent starting when their child was age 11–15, compared with 12 percent of Millennials and 15 percent of Gen Xers.

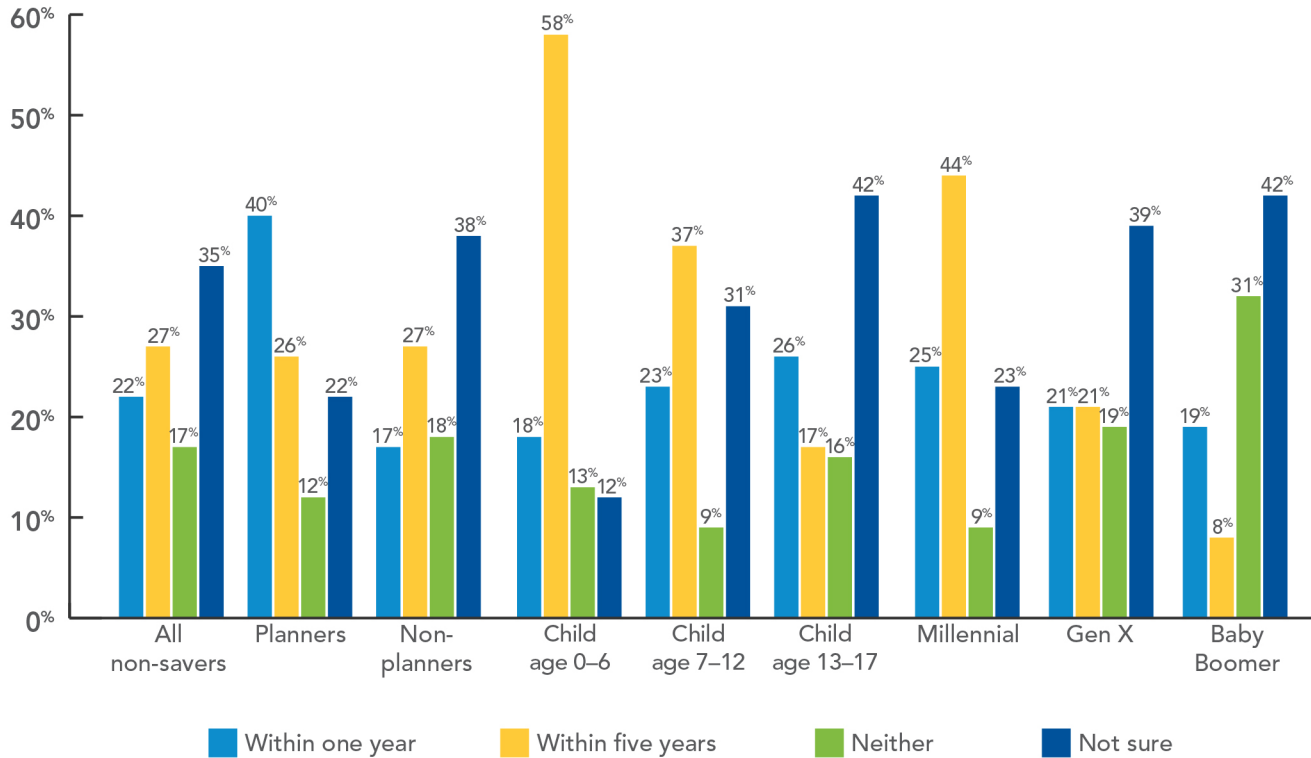
Expectations of non-savers

Forty-three percent of parents with a child under age 18 are not saving for college. About half of those parents (49%), however, intend to begin saving within the next five years, with nearly one-quarter (22%) planning to start within the next year. Parents of the youngest children are the most likely to say they will begin saving for college within five years: 76 percent of those with children ages 0–6 and 60 percent of those with children ages 7–12. Sixty-nine percent of Millennial parents say they will begin saving within the next five years. Parents who have a plan to pay for college but have not yet begun saving are the most likely to say they will begin saving within a year (40%).

Parents not saving for college are less likely than college savers to save for any goal, such as retirement, an emergency fund, a home, or a car. The majority of parents

Figure 8

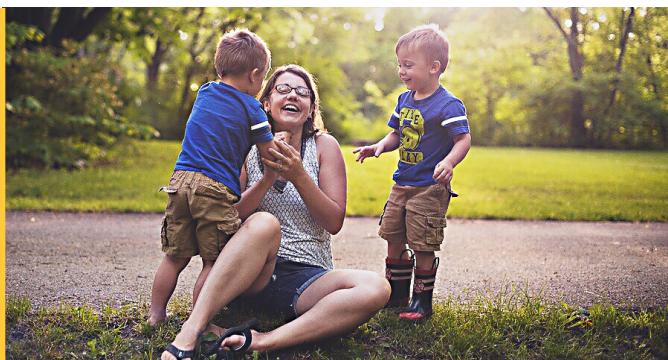
Non-savers' Plans to Begin Saving for College



About half of parents who are not saving for college plan to begin saving within the next five years, with nearly one-quarter planning to begin within the next year. Those most likely to say they intend to begin saving are those who have started a plan to pay for college, parents with the youngest children, and Millennials.

not saving for college cite lack of money as the reason for not saving (59%). Low-income parents (68%), those without a plan to pay for college (65%), and Gen X parents (62%) are more likely to cite lack of money as their reason. Eighteen percent of non-college savers say they have other savings priorities.

Beyond a lack of finances, there are several reasons parents have for not saving: 20 percent say they haven't gotten around to it, 18 percent say their child is too young, and 16 percent say they aren't sure of the best options for saving.



About half of parents who aren't currently saving for college (49%) intend to begin within the next five years.

Some parents who aren't saving for college are optimistic about the availability of financial aid and the cost of college. One-third of those not saving (32%) say they haven't started saving because they expect their child to qualify for enough scholarships or financial aid to cover the costs, and 10 percent believe they don't need to save because college won't be that expensive. Some parents aren't saving because they don't agree that paying for college is their responsibility: 13 percent believe their child should be responsible.

Most prevalent planning-to-pay-for-college actions

- Save money (55%)
- Invest in child's talent to increase scholarship opportunities (33%)
- Research financial aid guidelines (33%)
- Research college costs (31%)
- Create a pay-for-college budget that identifies share of funding by resource (30%)

Planning for the future

Most parents agree that creating a plan to pay for college is challenging (84%) and most believe it is more difficult to save than it was for their parents (77%). Despite the challenges, the ratio of parents with a plan to pay for all years of their children's college education is the highest it's been since the start of this study, 51 percent, a significant increase from the last three years: 42 percent in 2015, 41 percent in 2014, and 38 percent in 2013.

More than half of parents (51%) report having a plan to pay for all years of their children's college education.

Millennial and Baby Boomer parents are more likely to have a plan to pay for college (56% and 54%, respectively) than Gen X parents (47%). Parents with younger children are more likely than parents with older children to have a plan (54% of parents whose oldest child is age 0–13, vs 49% whose oldest child is age 13 or older).

Eighty-five percent of parents agree having a plan to pay for college is important to ensuring college is affordable for their family. Those who already created a plan (95%) are the most likely to agree with this strategy, followed by those who are saving for college (92%) and those with a child age 0–6 (91%).

While planning helps make college affordable, parents also want to ensure their child attends. Other research shows that when a portion of savings is designated for college, students are more likely to be on track to attend and complete college.⁹ Nearly three-quarters of parents surveyed for *How America Saves for College 2016* (71%) agree students are more likely to attend college when they know some college savings have been set aside for them. Millennial



Nearly three-quarters of parents (71%) agree students are more likely to attend college when they know some college savings have been set aside for them.

parents are notably more inclined to believe this than older generations: 82 percent, compared to 65 percent of Gen Xers and 66 percent of Baby Boomers.

Attitudes about saving for college

Most parents have positive feelings when thinking about saving for their children's college education. One-third of parents feel motivated (32%) and one-quarter feel satisfied (26%), confident (24%), or they are doing the right thing (26%). About one-fifth (22%) feel proud. The proportion of parents who feel confident is up from 18 percent in 2015.

On the other hand, one-third of parents feel overwhelmed when thinking about saving for college (30%) and one-quarter feel annoyed or angry that college is too expensive (24%).

Parents who are already saving for their children's college education are considerably more likely to express positive feelings about saving for college, while non-saving parents express more negative feelings. Saving parents are more likely to feel motivated (47%), satisfied (38%), they are doing the right thing (36%), confident (33%), and proud (29%), while non-saving parents are more likely to feel overwhelmed (45%), annoyed or angry about the cost (36%), anxious (25%), or they don't want to think about it (24%).

Similarly, parents who have a plan for how to pay for college express more positive feelings versus non-planners, who express more negative feelings.

Parents who are already saving for their children's future college education are significantly more likely to express positive feelings about saving for college, while non-saving parents express more negative feelings.

⁹ William Elliott III, *We Save, We Go to College (Creating a Financial Stake in College: Report III of IV)* (New America Foundation and Washington University Center for Social Development, January 2012)

Millennial (32%) and Baby Boomer parents (26%) feel significantly more confident than Gen X parents (17%) about saving for their children’s college education. Millennials are the most optimistic of the generational groups: they feel more motivated (41%) than Gen Xers (26%) and Baby Boomers (28%) about saving for college; and they feel significantly less annoyed or angry about the cost of college (18%) than Gen Xers (26%) and Baby Boomers (31%).

Attitudes toward the value of college and the reasons for attending have not changed much year-over-year: the majority believe their child will earn more money with a college degree (83%), a degree is more important than it used to be (78%), and college is part of the American Dream (82%).

While the majority are willing to stretch financially so their child can obtain a college education, parents whose child is closest to college age—those whose oldest child is 18 or older—are less willing to stretch themselves (75%) than

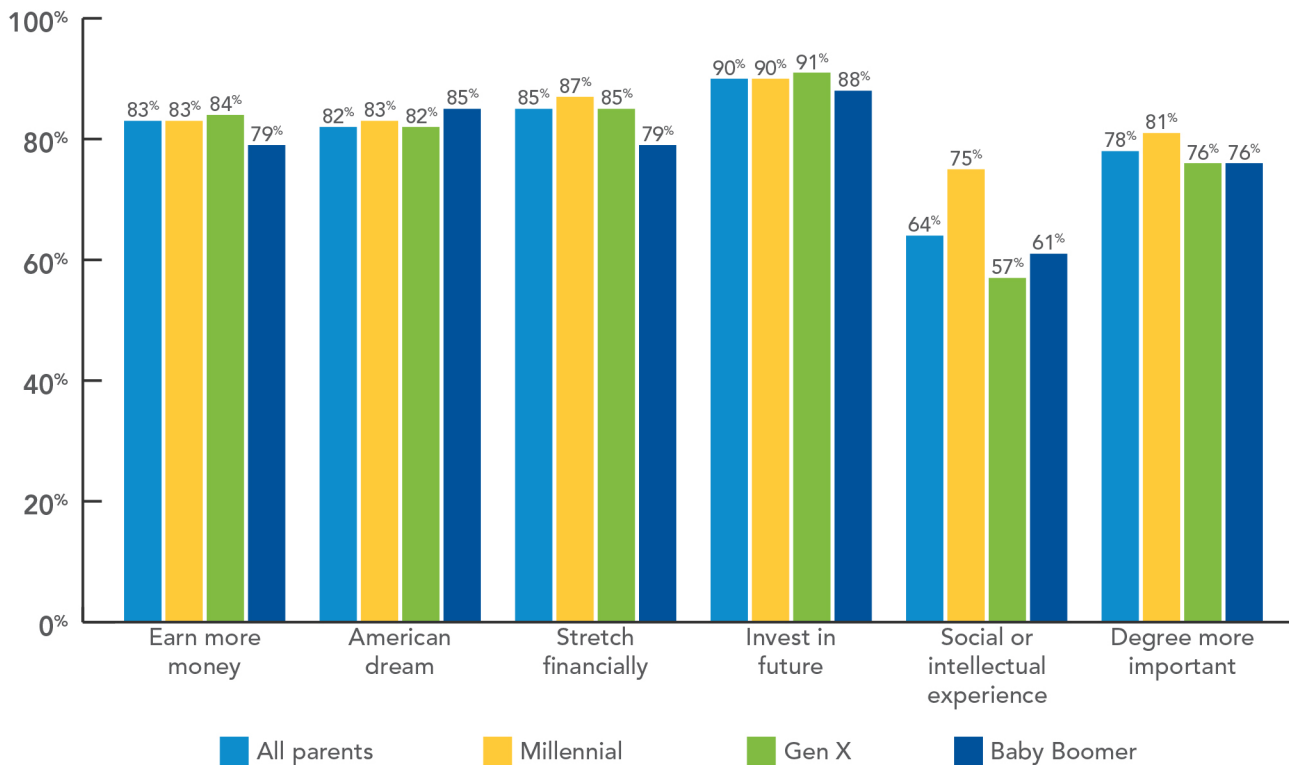
parents of younger children (86% of parents of teens, 85% of parents of pre-teens, and 89% of parents of children age 6 and younger).

Millennials (32%) and Baby Boomers (26%) feel significantly more confident than Gen X parents (17%) about saving for college.

A majority of parents (64%) agree they would send their child to college for the intellectual and social experience regardless of whether their earnings potential increased with a college degree, but the level of agreement is lower than with other value statements depicted in Figure 9. (For full statements, see Table 1, p.25.) Notably, Millennial parents are significantly more likely (75%) than Gen Xers (57%) and Baby Boomers (61%) to say they would send their children to college for the social or intellectual experience.

Figure 9

Agreement with Values Statements, by Generation



Millennials’ distinct difference from their older generation counterparts is the value they place on the experience of college. They agree at a much higher rate they would send their child to college for the intellectual and social experience regardless of future earnings.

Paying-for-college resources

When it comes to planning how their children’s future college expenses will be covered, parents expect to pay the largest share themselves, about one-third of the costs (23% from savings and 11% from parent income). Their assumption about the portion to be paid from parent savings, however, is not in line with the share of resources actually used by families who paid for college in academic year 2015-16.¹⁰ Parents of children not yet enrolled in college estimate they will use more funding from their income and savings—and less funding from scholarships—than families with children currently enrolled report using. On average, parents estimate 23 percent of future college expenses will be paid from their savings, twice the portion covered by today’s paying parents’ savings (11%). Combining savings with expected income contributions,¹¹ they anticipate covering 34 percent of costs out-of-pocket, higher than the 29 percent paid out-of-pocket by parents who paid for college this year.

On average, parents estimate their savings will cover 23 percent of future college expenses.

On the other hand, assumptions about the share of most other resources parents expect to use to pay for college are quite similar to how families are currently paying for college. The expected use of grants, student loans, parent loans, and contributions from friends and extended family are completely in line with the share currently paid from those sources.

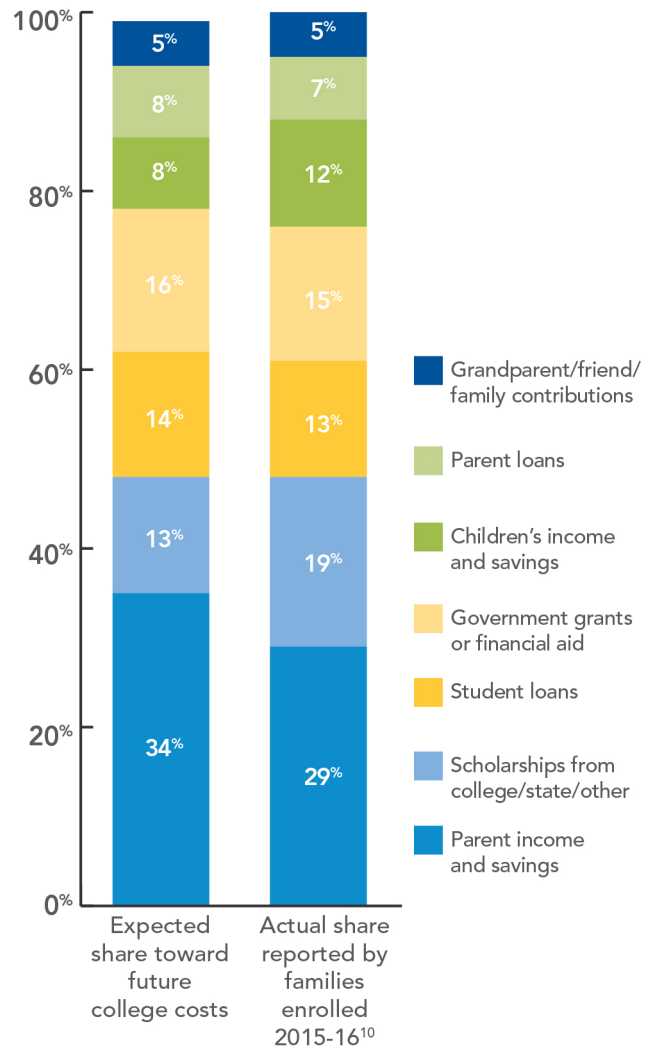
Parents saving for college and those who have a plan to pay for college each expect to cover 30 percent of their children’s college expenses from their savings, which is about twice the amount non-savers and non-planners expect to contribute (14% and 17%, respectively).

Millennial parents expect to pay a higher share out-of-pocket (39% from parent income and savings) than older generations (33% for Gen Xers and 31% for Baby Boomers), and Millennials expect less will be covered by scholarships and grants (24%), compared with Gen Xers (32%) and Baby Boomers (33%).

Millennial parents are significantly more willing to engage people outside of their immediate family to help contribute to their children’s college fund (63%, compared to 41% of

Figure 10

Share of Each Resource to Pay for College, Expected vs Actual



Assumptions about the proportion of many of the resources parents expect to use to pay for college are quite similar to the proportion reported being used by families with a child enrolled in college in 2015-16. Differences between the two are centered on parent savings. Parents of children not yet enrolled in college estimate they will use more funding from their income and savings, and less funding from scholarships, than currently enrolled families report using.

Gen Xers and 33% of Baby Boomers), although they don’t expect contributions from friends and extended family to cover a higher portion of college costs: 6 percent of costs, compared with 5 percent each among Gen Xers and Baby Boomers.

¹⁰ Sallie Mae and Ipsos, *How America Pays for College 2016*, http://news.salliemae.com/files/doc_library/file/HowAmericaPaysforCollege2016FNL.pdf (June 2016)

¹¹ Parents expect to pay 11 percent of costs from their income, on average, compared with 18 percent of costs paid from income among parents who paid for college in 2015-16.

Paying-for-college responsibility

While the majority of parents feel some responsibility to help pay for their child's college education, not all of them do. Half of parents (51%) say paying for college is the responsibility of both parents and students, while nearly one-third of parents (30%) believe it is solely the parent's responsibility. Nearly one-fifth, however, don't believe the parent has any role in paying for college: 9 percent say it is the student's responsibility, another 7 percent say it is the government's responsibility, and 3 percent say it is the responsibility of some other entity.

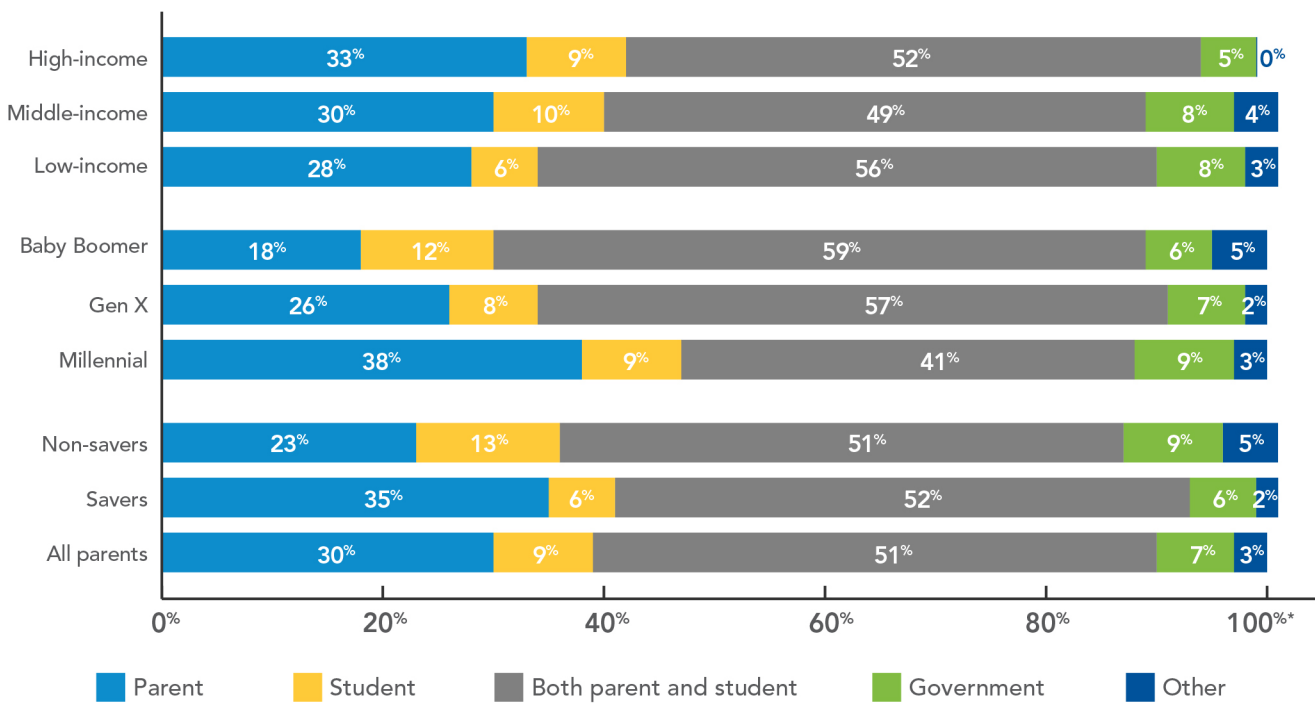
Parents who are not saving for college are more likely than savers to say someone other than the parent is responsible for paying for college (27% vs 14%, respectively).



Half of parents (51%) say paying for college is a responsibility that should be shared by parents and students.

Figure 11

Responsibility for Paying for College



*Some bars do not total to 100% due to rounding

Most parents who assume their child will attend college believe the parent has a role in helping to pay for college: 81% believe parents have either sole responsibility or shared responsibility with their child. Those who have not started saving for college are less likely to say the parent has any responsibility. Millennials are more likely to say the parent has sole responsibility, while Baby Boomers are more likely to say the parent and student share responsibility.

Millennials are significantly more likely than Gen Xers and Baby Boomers to say the parent should have sole responsibility (38%, compared to 26% and 18%, respectively); Baby Boomers (59%) and Gen Xers (57%) focus more than Millennials (41%) on sharing responsibility with the student. Gen Xers are slightly less likely (17%) than Baby Boomers (23%) and Millennials (21%) to say someone other than a parent should be responsible.

Among parents who say the student should bear some or all responsibility for paying for college, only about half (54%) have discussed that expectation with their children.

Parents who are saving and parents with a plan to pay for college are more likely to share their plans and expectations with their children by discussing the children's role in paying for college (61% and 63%, respectively). Parents with older children are more likely to have had these discussions (71% of those whose oldest child is 13 or older, vs 32% of those whose oldest child is age 12 or younger). Seventy-one percent of Baby Boomer parents have discussed paying-for-college topics with their children, a much higher rate than either Gen X (56%) or Millennial parents (43%).

In families with parents who say their child is partially or solely responsible for paying for college, fewer than half of the children are actively contributing to their own college savings (46%); these contributions mainly come from gift money or current income. Children of Millennials (55%) and Baby Boomers (50%) are more likely to contribute actively to their college savings than children of Gen Xers (40%).

Paying-for-college topics discussed by families

- The importance of scholarships (63%)
- Working while attending college (54%)
- Student borrowing (48%)
- Sharing costs between parents and students (45%)
- Child's savings (34%)
- Additional costs, such as study abroad (28%)
- Parent role on student loans (24%)

More than three-quarters (78%) of parents say minimizing college costs is important to their family. Parents who have a plan (82%) are more likely to say this, and parents of children age 0–6 are less likely to agree (71%).

More than two-thirds (69%) of parents who say minimizing costs are important have discussed cost-saving measures with their children. Planners—who are more focused on minimizing costs—are more likely to have had these discussions (79%).

Minimizing-college-costs topics discussed by families

- Choice of school type (39%)
- Living at home while enrolled (30%)
- Major based on earnings potential (28%)
- The importance of graduating on time (27%)
- Sacrificing extras (21%)

Millennials: idealistic and pragmatic

When the time comes for their children to enroll in college, Millennial parents may be more prepared financially than their older counterparts. As a result of their parents' attitudes and behaviors, children of Millennials may have more choices when pursuing their dreams of college.

Millennial parents exude an attitude of idealism while, at the same time, their behavior indicates follow-through on a strong sense of responsibility.

All three generations of parents included in this report—Millennials, Gen Xers, and Baby Boomers—have strikingly similar levels of agreement about the value of college: it's an investment in the future, it's needed to earn more money, and it's more important today than it used to be. All three generations similarly agree college is part of the American Dream, and they are willing to stretch financially to obtain college for their children's future.

Millennial parents, though, seem to put more weight on the experience of college than either Gen X or Baby Boomer parents. Millennials are significantly more likely to agree (75%) they would send their child to college for the intellectual and social experience regardless of whether their child earned more (compared with 57% of Gen Xers and 61% of Baby Boomers). They are also more likely to agree it is important to give their child the ideal college experience, regardless of cost (80%, vs 63% of Gen Xers and 60% of Baby Boomers). When projecting what type of school their child might attend, Millennials are more likely (21%) than Gen X (12%) or Baby Boomer parents (4%) to cite four-year private colleges. Among parents who say minimizing costs is important to them, similar proportions from each generation have discussed a number of ways to reduce college expenses with their child, except on the topic of limiting school choice: Millennial parents are less likely to have voiced that to their child (32%) than Gen X (41%) or Baby Boomer parents (50%).

When it comes to paying for college, Millennial parents express a greater degree of responsibility than the older generations. Thirty-eight percent think the parent should be solely responsible for paying for college, compared with 26 percent of Gen Xers and 18 percent of Baby Boomers, with the latter two groups more strongly agreeing the child should share the responsibility.

Coupled with this sense of responsibility is an optimistic outlook on their ability to pay for college. Millennials feel significantly more confident (65%) than Gen Xers (49%) and Baby Boomers (48%) that they can meet the cost of college, and they believe they will pay a higher share of costs out-of-pocket (39%) than Gen Xers (33%) or Baby Boomers (31%). Furthermore, when they think about saving for college, Millennials feel significantly more motivated (41%) than Gen Xers (26%) and Baby Boomers (28%), and less annoyed or angry about the cost of college (18%) than Gen Xers (26%) and Baby Boomers (31%).

Millennial parents have more in common with Baby Boomer parents than they do with Gen X parents. These commonalities are related to the practical behaviors associated with preparing to pay for college. Millennials and Baby Boomers are similarly likely to be saving for college (65% and 61%, respectively) and to have created plans to pay for college (56% and 54%, respectively); both do so at a greater rate than Gen Xers, of whom 50 percent are saving and 47 percent have a plan. The children of Millennials and Baby Boomers are similarly likely to be contributing to their own college fund (55% and 50%, respectively), also at a greater rate than Gen Xers (40%). And both groups have similar amounts saved in their college funds (\$20,155 for Millennials and \$18,323 for Baby Boomers), higher sums than that saved by Gen Xers (\$12,428).

Millennial parents' saving behavior differs from Baby Boomers and Gen Xers in that Millennials are much more likely to set a savings goal (66%, compared to 35% of Baby Boomers and 47% of Gen Xers), and to save habitually through the use of automatic deposit (55%, compared to 47% of Baby Boomers and 38% of Gen Xers).

Although the amounts saved now are similar, Millennial parents will have saved more by the time their children enroll in college as they have more years to save,¹² while Baby Boomers' children are much closer to college age. On the other hand, Millennial parents are more likely to expect that part of their college savings will be used for graduate school, therefore exchanging the gain from any additional years of saving for additional years of college costs.

¹² Distribution of children by age range in each parent generation – children of Millennials: ages 0-7, 47%, ages 8-12, 33%, ages 13-18, 20%; children of Gen Xers: ages 0-7, 22%, ages 8-12, 32%, ages 13-18, 46%; children of Baby Boomers: ages 0-7, 12%, ages 8-12, 19%, ages 13-18, 69%.

Conclusion

American parents associate college with the American Dream and they value higher education for the practical benefits it can bring. Nine in 10 parents believe their children will attend college, and nine in 10 believe college is an investment in their child's future. For more than half of those saving for college, that investment extends to graduate school.

Along with placing a premium on college, *How America Saves for College 2016* finds parents are more motivated and confident about saving for college, and their actions reflect those attitudes. More parents are putting saving for college ahead of other savings goals, more of them are saving, and they are saving more money.

Strategies that contribute to saving success include depositing funds habitually and creating a plan to pay for college. Savers with a plan have saved 76 percent more for college than savers who don't have a plan. Fortunately, more parents are planning, too. For the first time since this study began, the ratio of parents who say they have created a plan to pay for college exceeds half—51 percent.

Millennial parents emerge as being distinctly optimistic about what they can do to support their child in attaining the dream of college. More Millennials than Gen Xers or Baby Boomers believe parents should take sole responsibility for paying for college and, on average, they anticipate paying a greater share of college costs out of their income and savings. More Millennials focus on the importance of giving their child the ideal college experience regardless of cost, preferring not to restrict their child's options. Notwithstanding these potentially greater financial burdens, Millennials are more confident than their older counterparts that they will be able to meet the future costs of college, and more of them feel motivated when they think about saving for college.

Amid this positive savings environment, elements of concern materialize. While parents are saving more for college than they have in the past few years, most are not using accounts specifically designed for college savings. In fact, parents save most frequently in general savings accounts as opposed to tax-advantaged funds, such as 529 college savings plans. Further, a portion of parents acknowledge that funds saved in accounts not dedicated solely to college could be used for other household expenses. Optimism about the share of college costs financial aid will cover could result in last-minute scrambling to find money for college. The absence of candid conversations between parents and children about the child's role in paying for college, and about cost-cutting measures

that might be necessary to make college more affordable, could lead to tension or disappointment when it comes time to choose a school. Finally, the generation of parents with the most pre-college children—Gen X—are the parents least likely to be saving or planning, and those who are saving are saving much less than their Baby Boomer and Millennial counterparts.

While acknowledging that there is room for greater awareness around college costs, funding sources, and the benefits of long-term planning and saving, on the whole, *How America Saves for College 2016* demonstrates a sense of renewed optimism among American parents that is fueling a surge in saving for college.

4

Data tables

Q. To what extent do you agree or disagree with the following statements.

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

- a. I want my child(ren) to attend college because they will earn more money with a college degree.
- b. A college education is part of the American Dream.
- c. I am willing to stretch myself financially to obtain the best opportunity for my child/children's future.
- d. College is an investment in my child/children's future.
- e. I would send my child/children to college for the intellectual and social experience regardless of whether they earned more money with a college degree.
- f. Having a college degree is more important now than it used to be.

Table 1: Reasons for Continuing Education, Rated "Agree"*

	N	Earn more money	American dream	Stretch financially	Invest in future	Social or intellectual experience	Degree more important
Total	1974	83%	82%	85%	90%	64%	78%
Saving status							
College saver	1124	88%	89%	91%	96%	74%	85%
Non-college saver	849	75%	73%	77%	83%	52%	68%
Planning status							
Pay-for-college planner	1011	89%	89%	92%	96%	77%	85%
Non-planner	963	76%	76%	78%	84%	51%	70%
Income							
<\$35K	527	81%	78%	82%	89%	62%	76%
\$35-\$100K	1136	83%	84%	85%	90%	63%	77%
\$100K+	311	85%	86%	88%	93%	73%	82%
Race/Ethnicity							
White	1483	82%	82%	83%	89%	62%	77%
Black	240	84%	88%	81%	94%	69%	78%
Hispanic	394	85%	83%	83%	89%	69%	77%
Age of oldest child							
Age 0-6	312	84%	84%	89%	95%	74%	83%
Age 7-12	602	84%	83%	85%	91%	68%	78%
Age 13-17	815	81%	83%	86%	88%	61%	75%
Age 18+	244	87%	80%	75%	87%	53%	78%
Generation							
Millennial	724	83%	83%	87%	90%	75%	81%
Gen X	1025	84%	82%	85%	91%	57%	76%
Baby Boomer	224	79%	85%	79%	88%	61%	76%

*1 or 2 on a five-point scale
Base: All parents

Q. See question with Table 1.

Table 2: Reasons for Continuing Education, Scale 1 – 5

	N	Strongly agree	Somewhat agree	Neither	Somewhat disagree	Strongly disagree
Earn more money	1974	48%	35%	13%	3%	2%
American dream	1974	49%	34%	12%	4%	1%
Stretch financially	1974	53%	32%	10%	3%	2%
Investment in future	1974	63%	27%	6%	2%	1%
Experience regardless of earnings	1974	34%	30%	21%	9%	6%
Degree more important now	1974	50%	28%	15%	5%	2%

Base: All parents

Q. How confident do you feel about being able to meet the costs of your child/children’s college education?

Table 3: Confidence in Ability to Meet Future College Costs

	N	Extremely confident	Somewhat confident	Marginally confident	Somewhat unconfident	Extremely unconfident
Total	1974	21%	34%	18%	14%	13%
Saving status						
College saver	1124	30%	45%	12%	10%	3%
Non-college saver	849	9%	19%	26%	19%	26%
Planning status						
Pay-for-college planner	1011	34%	46%	10%	7%	3%
Non-planner	963	7%	21%	26%	21%	25%
Income						
<\$35K	527	13%	28%	19%	21%	19%
\$35-\$100K	1136	21%	35%	19%	13%	13%
\$100K+	311	33%	39%	14%	8%	7%
Race/Ethnicity						
White	1483	20%	32%	17%	15%	15%
Black	240	21%	35%	18%	18%	9%
Hispanic	394	19%	36%	19%	17%	9%
Age of oldest child						
Age 0–6	312	21%	38%	21%	14%	5%
Age 7–12	602	25%	36%	16%	13%	10%
Age 13–17	815	21%	31%	17%	15%	16%
Age 18+	244	10%	31%	20%	15%	24%
Generation						
Millennial	724	30%	35%	16%	12%	9%
Gen X	1025	16%	33%	20%	15%	16%
Baby Boomer	224	15%	33%	17%	20%	16%

Base: All parents

Q. What percentage of the total education costs for your child/children will come from, or do you expect to come from, the following sources?

- a. Parent savings
- b. Parent loans
- c. Parent income (or current earnings) at the time child is enrolled in college
- d. Children’s savings or income
- e. Children’s (student) loans
- f. Grandparent or other friends or family members’ savings, loans, or contributions
- g. Federal or state government grants or financial aid programs (not including government loans)
- h. Scholarships from the college, your employer, non-profit group, or from other organizations

Table 4: Sources Parents Expect to Use to Pay for Child's Future College Education

Average share each source will contribute									
	N	Parents savings	Parent loans	Parent income	Child savings or income	Student loans	Family	Grants, aid	Scholarships
Total	1974	23%	8%	11%	8%	14%	5%	16%	13%
Saving status									
College savers	1124	30%	9%	13%	9%	11%	6%	10%	11%
Non-college savers	849	14%	8%	9%	7%	18%	4%	24%	16%
Planning status									
Pay-for-college planners	1011	30%	9%	13%	10%	11%	6%	11%	11%
Non-planners	963	17%	8%	10%	7%	17%	4%	21%	16%
Income									
<\$35K	527	20%	9%	8%	9%	13%	5%	23%	14%
\$35-\$100K	1136	23%	8%	13%	8%	14%	5%	15%	13%
\$100K+	311	28%	9%	13%	9%	15%	7%	8%	12%
Race/Ethnicity									
White	1483	22%	8%	11%	9%	14%	6%	16%	13%
Black	240	23%	8%	10%	7%	12%	3%	19%	17%
Hispanic	394	26%	10%	11%	8%	11%	5%	17%	13%
Age of oldest child									
Age 0-6	312	31%	8%	12%	9%	10%	6%	11%	14%
Age 7-12	602	27%	9%	13%	9%	10%	6%	14%	13%
Age 13-17	815	20%	8%	10%	8%	17%	5%	18%	13%
Age 18+	244	16%	8%	11%	7%	18%	3%	22%	14%
Generation									
Millennial	724	26%	10%	12%	10%	11%	6%	13%	11%
Gen X	1025	22%	7%	11%	8%	15%	5%	18%	14%
Baby Boomer	224	22%	8%	9%	5%	18%	5%	19%	14%

Base: All parents

Q. How willing are you to engage other people—outside your immediate family—in contributing to your effort to save for your child’s/children’s college education?

Table 5: Willingness to Engage Others in Contributing to College Savings Fund

	N	Very willing	Somewhat willing	Neither	Somewhat unwilling	Very unwilling
Total	1974	22%	27%	22%	13%	18%
Saving status						
College saver	1124	28%	28%	20%	13%	10%
Non-college saver	849	12%	25%	23%	12%	27%
Planning status						
Pay-for-college planner	1011	31%	28%	17%	13%	12%
Non-planner	963	12%	26%	26%	13%	24%
Income						
<\$35K	527	19%	27%	23%	10%	21%
\$35-\$100K	1136	20%	28%	23%	14%	15%
\$100K+	311	32%	24%	14%	10%	20%
Race/Ethnicity						
White	1483	22%	25%	20%	15%	18%
Black	240	24%	32%	24%	7%	15%
Hispanic	394	24%	31%	18%	11%	15%
Age of oldest child						
Age 0–6	312	28%	29%	23%	8%	13%
Age 7–12	602	24%	30%	17%	13%	15%
Age 13–17	815	21%	25%	25%	13%	16%
Age 18+	244	10%	20%	19%	17%	34%
Generation						
Millennial	724	35%	28%	19%	9%	9%
Gen X	1025	14%	27%	23%	13%	23%
Baby Boomer	224	11%	22%	27%	21%	20%

Base: All parents

Q. To what extent, if at all, do you agree or disagree that your family has created a plan to pay for the costs of the undergraduate college education of your child/all your children who are planning to attend?

Table 6: Created a Plan to Pay for College

	N	Strongly agree	Somewhat agree	Neither	Somewhat disagree	Strongly disagree
Total	1974	20%	32%	19%	15%	14%
Saving status						
College saver	1124	29%	46%	14%	7%	5%
Non-college saver	849	7%	13%	27%	26%	27%
Income						
<\$35K	527	13%	27%	23%	19%	18%
\$35-\$100K	1136	20%	32%	20%	14%	14%
\$100K+	311	29%	38%	12%	13%	8%
Race/Ethnicity						
White	1483	20%	30%	18%	16%	16%
Black	240	17%	29%	18%	20%	16%
Hispanic	394	20%	32%	21%	15%	11%
Age of oldest child						
Age 0-6	312	24%	29%	26%	14%	7%
Age 7-12	602	22%	33%	17%	13%	15%
Age 13-17	815	19%	30%	20%	16%	16%
Age 18+	244	10%	38%	16%	21%	16%
Generation						
Millennial	724	27%	30%	19%	14%	11%
Gen X	1025	16%	31%	20%	17%	16%
Baby Boomer	224	14%	40%	17%	13%	16%

Base: All parents

Q. To what extent do you agree or disagree with the following statements?

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

- a. Having a plan, or roadmap, for how to pay for college is important to ensuring college is affordable for our family.
- b. Creating a plan for how to pay for college is challenging.
- c. It is more difficult for today’s parents to save and pay for their children’s college on their own than it was for our parents’ generation.
- d. Students are more likely to attend college when they know some college savings have been set aside for them.
- e. Minimizing college costs is important to our family.
- f. Giving my child the ideal college experience, regardless of cost, is important to me.

Table 7: Attitudes Toward Planning to Pay for College, Rated "Agree"*

	N	Roadmap ensures affordability	Challenging	More difficult today	Savings influence attendance	Minimizing costs is important	Ideal experience
Total	1974	85%	84%	77%	71%	78%	69%
Saving status							
College saver	1124	92%	84%	78%	80%	79%	81%
Non-college saver	849	75%	83%	74%	59%	77%	53%
Planning status							
Pay-for-college planner	1011	95%	85%	79%	82%	82%	81%
Non-planner	963	75%	82%	74%	60%	75%	56%
Income							
<\$35K	527	82%	87%	79%	71%	79%	68%
\$35-\$100K	1136	85%	82%	75%	70%	78%	68%
\$100K+	311	88%	83%	78%	77%	80%	73%
Race/Ethnicity							
White	1483	84%	84%	77%	71%	79%	66%
Black	240	88%	81%	76%	74%	80%	75%
Hispanic	394	86%	85%	74%	74%	75%	74%
Age of oldest child							
Age 0–6	312	91%	77%	73%	77%	71%	76%
Age 7–12	602	86%	84%	77%	75%	82%	73%
Age 13–17	815	84%	85%	78%	70%	78%	68%
Age 18+	244	77%	86%	73%	57%	82%	53%
Generation							
Millennial	724	86%	82%	77%	82%	76%	80%
Gen X	1025	84%	84%	77%	65%	80%	63%
Baby Boomer	224	83%	89%	74%	66%	78%	60%

*1 or 2 on five point scale
Base: All parents

Table 8: Attitudes Toward Planning to Pay for College, Scale 1 – 5

	N	Strongly agree	Somewhat agree	Neither	Somewhat disagree	Strongly disagree
A roadmap ensures affordability	1974	48%	37%	11%	2%	2%
Creating a plan is challenging	1974	50%	34%	12%	4%	1%
More difficult for today's parents to save and plan	1974	48%	29%	16%	5%	3%
Savings awareness influences college attendance	1974	37%	35%	22%	6%	2%
Minimizing costs is important	1974	47%	32%	16%	4%	2%
Give ideal experience, regardless of cost	1974	37%	31%	19%	9%	4%

Base: All parents

- Q. Which of the following have you done to help you plan to pay the costs of college?
- a. Consulted a financial planner about establishing a college fund.
 - b. Used an online calculator or mobile app to help our family create college-savings guidelines.
 - c. Researched college costs and the estimated rate of increase in costs over time.
 - d. Invested in my child’s skills/talents to increase likelihood of his/her earning scholarships.
 - e. Purchased life insurance on myself/spouse to cover college as well as other expenses.
 - f. Paid down/off my mortgage so home equity funds will be available for college in the future.
 - g. Researched current financial aid eligibility guidelines.
 - h. Took employment at a college so child can attend tuition-free.
 - i. Set limits on colleges child may choose to attend based on cost.
 - j. Researched colleges that have excellent employment rates for graduates so my child can afford to take student loans.
 - k. Child is enrolled in Advanced Placement courses in high school to earn college credits at no cost (only if child enrolled in high school).
 - l. Saved money in a savings account or through financial investments.
 - m. Created a budget with target costs and estimated amounts from savings, loans, and financial aid to be used to cover those costs.
 - n. Other

Table 9: Planning to Pay for College Actions

	N	Financial planner	Online tools	Research costs	Invest in talent	Life insurance	Pay off mortgage	Research aid guidelines	Employed at college	Limit college choice	Research grads' employment rate	AP courses	Saved money	Budget
Total	1011	26%	20%	31%	33%	20%	18%	33%	12%	20%	24%	3%	55%	30%
Saving status														
College saver	839	28%	20%	34%	35%	22%	20%	34%	12%	20%	26%	2%	62%	31%
Non-college saver	172	15%	21%	16%	24%	10%	9%	28%	13%	17%	15%	8%	25%	22%
Income														
<\$35K	209	23%	19%	30%	25%	13%	12%	37%	8%	17%	25%	0%	49%	26%
\$35-\$100K	592	23%	19%	29%	36%	19%	20%	34%	12%	20%	24%	4%	56%	32%
\$100K+	209	38%	25%	36%	34%	29%	18%	25%	15%	21%	23%	5%	59%	28%
Race/Ethnicity														
White	737	28%	21%	30%	34%	21%	21%	32%	14%	21%	24%	3%	53%	28%
Black	111	27%	25%	33%	33%	21%	7%	41%	9%	17%	26%	2%	55%	40%
Hispanic	206	24%	23%	30%	30%	16%	17%	40%	15%	26%	29%	1%	52%	30%
Age of oldest child														
Age 0–6	163	29%	18%	23%	30%	24%	15%	24%	14%	17%	18%	0%	57%	36%
Age 7–12	329	24%	19%	27%	39%	20%	23%	33%	13%	21%	28%	0%	56%	29%
Age 13–17	402	28%	24%	39%	30%	21%	18%	36%	13%	20%	23%	1%	55%	29%
Age 18+	117	21%	13%	25%	32%	9%	7%	31%	4%	16%	22%	24%	53%	23%
Generation														
Millennial	407	31%	26%	28%	33%	23%	19%	30%	16%	22%	23%	0%	51%	33%
Gen X	482	23%	18%	31%	32%	20%	18%	36%	11%	19%	24%	4%	58%	30%
Baby Boomer	121	22%	10%	37%	39%	10%	13%	30%	3%	16%	25%	10%	61%	18%

Base: Parents who agree (1 or 2 on five-point scale) that family has a plan to pay for college

Q. Why haven't you begun to plan to pay the costs of college? (Check all that apply.)

- a. I haven't thought about it.
- b. Child is too young.
- c. I don't have time.
- d. I don't know how to do this or what to consider.
- e. I don't know where I can get free assistance with this.
- f. I don't think it's important.
- g. I can't afford to save money so there is no point in planning.

Table 10: Reasons for Not Creating a Plan to Pay for College

	N	Haven't thought about it	Child too young	No time	Don't know how	Need help	Not important	Can't afford to save
Total	963	13%	26%	5%	20%	22%	3%	50%
Saving status								
College saver	286	17%	37%	4%	22%	25%	7%	23%
Non-college saver	677	11%	22%	5%	20%	20%	2%	61%
Income								
<\$35K	317	9%	26%	2%	18%	19%	3%	56%
\$35-\$100K	544	15%	27%	6%	22%	23%	3%	49%
\$100K+	102	13%	26%	9%	21%	22%	8%	35%
Race/Ethnicity								
White	746	11%	24%	5%	21%	22%	4%	55%
Black	129	14%	25%	4%	19%	25%	3%	41%
Hispanic	188	16%	27%	6%	24%	22%	5%	46%
Age of oldest child								
Age 0-6	150	12%	55%	2%	18%	11%	4%	31%
Age 7-12	272	19%	39%	8%	20%	17%	4%	48%
Age 13-17	414	10%	14%	5%	24%	29%	3%	53%
Age 18+	127	9%	6%	0%	13%	21%	0%	65%
Generation								
Millennial	317	18%	43%	6%	20%	19%	7%	39%
Gen X	543	11%	20%	5%	21%	21%	2%	56%
Baby Boomer	103	8%	12%	0%	19%	33%	0%	53%

Base: Parents who do not agree that family has a plan to pay for college (3, 4, 5 on five-point scale)

Q. Paying for college is the responsibility of the ...

Table 11: Responsibility for Paying for College

	N	Parent	Student	Both parent and student	Government	Other
Total	1974	30%	9%	51%	7%	3%
Saving status						
College saver	1124	35%	6%	52%	6%	2%
Non-college saver	849	23%	13%	51%	10%	5%
Planning status						
Pay-for-college planner	1011	33%	7%	52%	7%	1%
Non-planner	963	26%	10%	51%	7%	5%
Income						
<\$35K	527	28%	6%	56%	8%	3%
\$35-\$100K	1136	30%	10%	49%	8%	4%
\$100K+	311	33%	9%	52%	5%	0%
Race/Ethnicity						
White	1483	28%	10%	52%	6%	4%
Black	240	32%	6%	50%	11%	2%
Hispanic	394	30%	5%	51%	11%	3%
Age of oldest child						
Age 0-6	312	27%	9%	52%	10%	3%
Age 7-12	602	34%	7%	48%	6%	4%
Age 13-17	815	30%	11%	50%	7%	2%
Age 18+	244	19%	6%	63%	9%	4%
Generation						
Millennial	724	38%	9%	41%	9%	3%
Gen X	1025	26%	8%	57%	7%	2%
Baby Boomer	224	18%	12%	59%	6%	5%

Base: All parents

Q. Does your child/children actively contribute to his/her/their own college savings fund by giving a portion of any ...

Table 12: College Savings Contributions from Child

	N	Gift money received	Allowance	Earnings	Other source of funds	Nothing
Total	1186	24%	17%	21%	7%	54%
Saving status						
College saver	651	33%	23%	24%	8%	41%
Non-college saver	536	13%	9%	17%	6%	70%
Planning status						
Pay-for-college planner	593	37%	23%	25%	7%	39%
Non-planner	594	12%	10%	16%	7%	70%
Income						
<\$35K	325	17%	13%	19%	7%	62%
\$35-\$100K	669	25%	18%	24%	7%	51%
\$100K+	192	32%	20%	15%	6%	51%
Race/Ethnicity						
White	919	24%	17%	21%	5%	54%
Black	133	15%	12%	17%	7%	67%
Hispanic	219	17%	18%	25%	7%	53%
Age of oldest child						
Age 0-6	188	26%	13%	22%	12%	56%
Age 7-12	335	23%	20%	22%	4%	55%
Age 13-17	496	27%	19%	19%	7%	51%
Age 18+	168	18%	7%	23%	6%	58%
Generation						
Millennial	365	34%	22%	25%	7%	45%
Gen X	663	19%	13%	19%	8%	60%
Baby Boomer	159	25%	16%	20%	4%	50%

Base: Parents who said the student has some or all responsibility for paying for college

Q. Does your child/children have his/her/their own college savings account?

Table 13: Presence of Child's College Savings Account

	N	Yes, all* children do	Yes, some children do	No
Total	1186	34%	6%	60%
Saving status				
College saver	651	49%	6%	45%
Non-college saver	536	17%	5%	78%
Planning status				
Pay-for-college planner	593	49%	6%	45%
Non-planner	594	20%	5%	75%
Income				
<\$35K	325	23%	8%	69%
\$35-\$100K	669	36%	5%	60%
\$100K+	192	51%	4%	45%
Race/Ethnicity				
White	919	36%	6%	58%
Black	133	25%	2%	73%
Hispanic	219	35%	7%	58%
Age of oldest child				
Age 0–6	188	31%	1%	69%
Age 7–12	335	40%	7%	53%
Age 13–17	496	37%	6%	58%
Age 18+	168	22%	7%	71%
Generation				
Millennial	365	46%	7%	47%
Gen X	663	28%	5%	67%
Baby Boomer	159	37%	3%	59%

*includes single child

Base: Parents who said the student has some or all responsibility for paying for college

Q. Have you discussed with your child/children his/her/their role in paying for college?

Table 14: Paying-for-College Discussion with Child

	N	Yes	No
Total	1186	54%	46%
Saving status			
College saver	651	61%	39%
Non-college saver	536	45%	56%
Planning status			
Pay-for-college planner	593	63%	37%
Non-planner	594	45%	55%
Income			
<\$35K	325	45%	55%
\$35-\$100K	669	54%	46%
\$100K+	192	68%	32%
Race/Ethnicity			
White	919	55%	45%
Black	133	44%	56%
Hispanic	219	49%	51%
Age of oldest child			
Age 0–6	188	27%	73%
Age 7–12	335	37%	63%
Age 13–17	496	69%	31%
Age 18+	168	72%	28%
Generation			
Millennial	365	43%	57%
Gen X	663	56%	44%
Baby Boomer	159	71%	29%

Base: Parents who said the student has some or all responsibility for paying for college

Q. Which of the following topics have you discussed?
(Check all that apply.)

- a. The use of child/children’s savings
- b. The importance of earning scholarships
- c. The shared responsibility between students and parents for paying for college
- d. The use of student loans
- e. Whether parents would cosign a student loan and/or make any payments on the student’s loan
- f. Use of work-study or other employment while in college
- g. Additional savings or loans that might be needed for study abroad options
- h. Other

Table 15: Role of Child, Current Discussion Topics

	N	Child's savings	Scholarships	Shared responsibility	Student loans	Parent payment on student loans	Work-study	Funding for add-ons	Other
Total	638	34%	63%	45%	48%	24%	54%	28%	2%
Saving status									
College saver	399	39%	62%	50%	46%	25%	55%	30%	1%
Non-college saver	239	26%	65%	36%	52%	24%	52%	25%	3%
Planning status									
Pay-for-college planner	372	40%	59%	47%	45%	27%	55%	28%	1%
Non-planner	265	25%	69%	42%	53%	21%	53%	28%	3%
Income									
<\$35K	147	36%	69%	51%	43%	20%	48%	19%	1%
\$35-\$100K	361	32%	64%	43%	51%	25%	55%	32%	2%
\$100K+	130	36%	54%	42%	45%	26%	59%	29%	2%
Race/Ethnicity									
White	505	34%	64%	42%	47%	22%	51%	27%	2%
Black	59	23%	63%	45%	50%	13%	67%	21%	0%
Hispanic	108	41%	53%	57%	35%	16%	41%	23%	0%
Age of oldest child									
Age 0–6	50	39%	23%	41%	31%	47%	46%	40%	0%
Age 7–12	124	38%	65%	36%	30%	28%	58%	33%	0%
Age 13–17	344	33%	66%	45%	57%	19%	55%	31%	3%
Age 18+	120	30%	68%	54%	51%	27%	51%	12%	1%
Generation									
Millennial	156	37%	43%	28%	43%	28%	44%	35%	5%
Gen X	369	34%	70%	53%	49%	24%	58%	28%	0%
Baby Boomer	113	31%	67%	42%	52%	21%	55%	21%	2%

Base: Parents who said “yes” they had discussed with child his/her role in paying for college

Q. Which of the following topics, if any, do you plan to discuss with your child/children about child/children’s role in paying for college in the future?
(Check all that apply.)

- a. The use of child/children’s savings
- b. The importance of earning scholarships
- c. The shared responsibility between students and parents for paying for college
- d. The use of student loans
- e. Whether parents would cosign a student loan and/or make any payments on the student’s loan
- f. Use of work-study or other employment while in college
- g. Additional savings or loans that might be needed for study abroad options
- h. Other

Table 16: Role of Child, Future Discussion Topics

	N	Child's savings	Scholarships	Shared responsibility	Student loans	Parent payment on student loans	Work-study	Funding for add-ons	Other
Total	549	30%	60%	50%	48%	22%	50%	19%	0%
Saving status									
College saver	251	38%	58%	60%	44%	25%	44%	25%	0%
Non-college saver	297	23%	62%	41%	50%	20%	54%	14%	0%
Planning status									
Pay-for-college planner	220	40%	54%	58%	40%	22%	43%	22%	0%
Non-planner	328	23%	65%	45%	53%	22%	54%	17%	0%
Income									
<\$35K	178	26%	56%	49%	49%	25%	42%	17%	1%
\$35-\$100K	308	31%	61%	47%	46%	20%	52%	20%	0%
\$100K+	62	33%	69%	67%	50%	20%	61%	21%	0%
Race/Ethnicity									
White	414	31%	61%	50%	49%	20%	53%	20%	0%
Black	74	25%	60%	48%	49%	28%	45%	16%	2%
Hispanic	112	24%	58%	49%	46%	29%	42%	22%	0%
Age of oldest child									
Age 0–6	137	41%	60%	61%	46%	28%	57%	34%	0%
Age 7–12	211	33%	71%	60%	50%	20%	48%	18%	1%
Age 13–17	152	17%	49%	33%	45%	19%	47%	11%	0%
Age 18+	47	25%	51%	29%	48%	24%	45%	8%	0%
Generation									
Millennial	209	35%	61%	57%	51%	27%	49%	26%	0%
Gen X	294	28%	61%	46%	46%	19%	49%	16%	0%
Baby Boomer	46	16%	56%	55%	45%	14%	56%	3%	1%

Base: Parents who said “no” they had not discussed with child his/her role in paying for college

Q. What best describes how you feel about saving for your children’s college education?
(Check all that apply.)

- a. Confident
- b. Motivated
- c. Doing the right thing
- d. Proud
- e. Satisfied
- f. Overwhelmed
- g. Annoyed/angry
- h. Anxious
- i. Too much sacrifice
- j. Don’t like to think about it
- k. Other/not sure

Table 17: Feelings about Saving for College

	N	Confident	Motivated	Doing the right thing	Proud	Satisfied	Overwhelmed	Annoyed/angry	Anxious	Too much sacrifice	Don't like to think about it	Other/not sure
Total	1974	24%	32%	26%	22%	26%	30%	24%	21%	9%	15%	7%
Saving status												
College saver	1124	33%	47%	36%	29%	38%	19%	14%	19%	8%	7%	2%
Non-college saver	849	12%	11%	13%	11%	11%	45%	36%	25%	9%	24%	13%
Planning status												
Pay-for-college planner	1011	36%	47%	36%	30%	41%	16%	15%	15%	10%	6%	3%
Non-planner	963	11%	15%	15%	13%	10%	44%	33%	28%	8%	23%	10%
Income												
<\$35K	527	17%	26%	27%	22%	19%	38%	24%	23%	6%	16%	8%
\$35-\$100K	1136	25%	33%	26%	22%	26%	28%	25%	21%	9%	14%	7%
\$100K+	311	32%	36%	24%	19%	40%	22%	20%	20%	12%	14%	4%
Race/Ethnicity												
White	1483	22%	29%	25%	21%	26%	33%	25%	22%	9%	16%	6%
Black	240	27%	39%	33%	28%	24%	30%	23%	17%	3%	15%	5%
Hispanic	394	21%	32%	29%	26%	27%	31%	20%	22%	10%	11%	6%
Age of oldest child												
Age 0–6	312	26%	39%	37%	27%	28%	25%	16%	20%	6%	9%	10%
Age 7–12	602	27%	36%	27%	21%	30%	28%	23%	19%	13%	13%	5%
Age 13–17	815	21%	29%	23%	20%	22%	31%	26%	23%	8%	18%	6%
Age 18+	244	19%	21%	20%	20%	25%	40%	27%	20%	5%	14%	10%
Generation												
Millennial	724	32%	41%	28%	25%	32%	26%	18%	24%	11%	12%	5%
Gen X	1025	17%	26%	23%	18%	22%	32%	26%	20%	8%	16%	8%
Baby Boomer	224	26%	28%	33%	25%	25%	33%	31%	19%	5%	15%	8%

Base: All parents

Q. Some families have considered how to cut down on the cost of a college education. Have you discussed any of the following with your child/children?

- a. The type of college (i.e., public vs. private, 2-year vs. 4-year) the student would be able to choose based on savings amount or cost
- b. Whether student will sacrifice 'extras' to pay for college
- c. Whether student will live at home based on cost
- d. Choice of major/career based on future earnings/employment potential
- e. The importance of graduating on time
- f. Other

Table 18: Minimizing College Costs Discussion Topics

	N	College choice	Sacrifice extras	Live at home	Choice of major	Graduate on time	Other	None
Total	1546	39%	21%	30%	28%	27%	1%	31%
Saving status								
College saver	890	43%	24%	31%	32%	32%	1%	22%
Non-college saver	656	33%	18%	29%	22%	20%	2%	44%
Planning status								
Pay-for-college planner	825	42%	23%	32%	34%	35%	1%	21%
Non-planner	721	35%	19%	28%	21%	18%	1%	43%
Income								
<\$35K	414	31%	20%	29%	21%	24%	1%	39%
\$35-\$100K	883	41%	21%	30%	31%	28%	2%	30%
\$100K+	249	44%	24%	32%	32%	31%	0%	22%
Race/Ethnicity								
White	1174	39%	23%	31%	29%	28%	2%	30%
Black	192	37%	12%	29%	24%	29%	1%	33%
Hispanic	294	39%	23%	29%	26%	30%	1%	25%
Age of oldest child								
Age 0-6	222	23%	16%	23%	18%	27%	1%	46%
Age 7-12	490	31%	16%	24%	24%	22%	1%	39%
Age 13-17	632	46%	27%	36%	34%	31%	1%	21%
Age 18+	201	54%	23%	37%	30%	28%	3%	26%
Generation								
Millennial	551	32%	23%	29%	29%	27%	1%	28%
Gen X	821	41%	20%	30%	27%	26%	1%	34%
Baby Boomer	174	50%	20%	36%	32%	33%	1%	27%

Base: Parents who agreed (1 or 2 on a five-point scale) that minimizing college costs was important to their family

Q. How much did you save in total ... for each of the following?

Table 19a: Proportion of Families Saving for Each Goal and Average Amounts Saved,* by College Saving Status

	Total		College saver		Non-college saver	
N	1974		1124		849	
	% Saving	Avg amount saved total	% Saving	Avg amount saved total	% Saving	Avg amount saved total
Emergencies/Rainy day	58%	\$4,251	74%	\$5,095	37%	\$1,963
Retirement	56%	\$50,130	72%	\$57,679	35%	\$28,840
General savings fund (not specified)	53%	\$16,726	67%	\$15,954	36%	\$18,624
College for my child/children	57%	\$10,588	100%	\$10,588	0%	\$-
Holidays/Gifts	33%	\$2,757	43%	\$3,463	20%	\$793
Vacation	42%	\$4,203	55%	\$5,043	26%	\$1,798
Healthcare	35%	\$4,403	49%	\$5,242	17%	\$1,096
House/Home	37%	\$14,847	49%	\$14,965	20%	\$14,439
Car	35%	\$8,527	46%	\$10,290	20%	\$2,926
Furniture/Appliance/Electronics	22%	\$2,950	31%	\$3,413	9%	\$865
Home remodeling/Landscaping	25%	\$5,079	35%	\$5,867	11%	\$1,690
Average total savings		\$124,461		\$137,599		\$73,034

*Average amounts saved among savers in each goal category
Base: All parents

Table 19b: Proportion of Families Saving for Each Goal and Average Amounts Saved,* by Race/Ethnicity

	White		Black		Hispanic	
N	1483		240		394	
	% Saving	Avg amount saved total	% Saving	Avg amount saved total	% Saving	Avg amount saved total
Emergencies/Rainy day	57%	\$1,345	65%	\$3,561	60%	\$9,771
Retirement	55%	\$49,571	54%	\$29,966	53%	\$22,431
General savings fund (not specified)	54%	\$15,488	53%	\$3,426	54%	\$3,599
College for my child/children	56%	\$10,421	53%	\$11,425	64%	\$5,958
Holidays/Gifts	34%	\$3,021	28%	\$1,240	37%	\$1,384
Vacation	43%	\$4,784	36%	\$2,147	41%	\$1,997
Healthcare	36%	\$4,597	33%	\$2,478	44%	\$2,419
House/Home	36%	\$13,542	31%	\$6,739	39%	\$5,491
Car	35%	\$7,954	30%	\$19,327	40%	\$9,239
Furniture/Appliance/Electronics	22%	\$3,447	18%	\$912	24%	\$1,261
Home remodeling/Landscaping	27%	\$5,249	18%	\$2,706	26%	\$1,571
Average total savings		\$119,419		\$83,927		\$65,121

*Average amounts saved among savers in each goal category
Base: All parents

Table 19c: Proportion of Families Saving for Each Goal and Average Amounts Saved,* by Income

	<\$35K		\$35-<\$100K		\$100K+	
N	527		1136		311	
	% Saving	Avg amount saved total	% Saving	Avg amount saved total	% Saving	Avg amount saved total
Emergencies/Rainy day	51%	\$4,301	58%	\$3,369	70%	\$2,524
Retirement	34%	\$7,503	60%	\$38,121	78%	\$112,160
General savings fund (not specified)	42%	\$1,345	54%	\$3,561	69%	\$9,771
College for my child/children	45%	\$5,372	58%	\$9,302	76%	\$19,152
Holidays/Gifts	28%	\$605	34%	\$1,343	39%	\$9,778
Vacation	29%	\$1,679	43%	\$2,534	61%	\$10,270
Healthcare	25%	\$1,131	37%	\$4,185	46%	\$7,842
House/Home	27%	\$4,892	37%	\$12,690	51%	\$28,867
Car	26%	\$2,645	34%	\$7,826	50%	\$14,765
Furniture/Appliance/Electronics	17%	\$938	20%	\$2,065	36%	\$6,202
Home remodeling/Landscaping	12%	\$1,609	26%	\$3,199	41%	\$10,574
Average total savings		\$32,020		\$88,195		\$231,905

*Average amounts saved among savers in each goal category
 Base: All parents

Table 19d: Proportion of Families Saving for Each Goal and Average Amounts Saved,* by Age of Oldest Child

	Age 0-6		Age 7-12		Age 13-17		Age 18+	
N	312		602		815		244	
	% Saving	Avg amount saved total	% Saving	Avg amount saved total	% Saving	Avg amount saved total	% Saving	Avg amount saved total
Emergencies/Rainy day	62%	\$3,683	61%	\$3,010	58%	\$5,268	45%	\$5,046
Retirement	55%	\$27,979	56%	\$41,174	56%	\$62,328	55%	\$59,381
General savings fund (not specified)	53%	\$3,699	57%	\$20,135	52%	\$13,897	51%	\$34,037
College for my child/children	60%	\$4,738	64%	\$8,636	55%	\$14,864	43%	\$10,008
Holidays/Gifts	31%	\$716	38%	\$1,554	33%	\$4,840	23%	\$784
Vacation	44%	\$2,700	48%	\$3,032	41%	\$6,319	30%	\$1,740
Healthcare	37%	\$3,259	42%	\$4,022	34%	\$5,525	23%	\$2,868
House/Home	49%	\$25,558	44%	\$14,635	30%	\$9,775	26%	\$7,379
Car	38%	\$6,304	38%	\$9,018	35%	\$9,949	24%	\$3,601
Furniture/Appliance/Electronics	21%	\$1,459	23%	\$2,628	23%	\$4,083	15%	\$970
Home remodeling/Landscaping	23%	\$3,143	32%	\$5,809	22%	\$5,869	19%	\$2,052
Average total savings		\$83,238		\$113,653		\$142,717		\$127,866

*Average amounts saved among savers in each goal category
 Base: All parents

Table 19e: Proportion of Families Saving for Each Goal and Average Amounts Saved,* by Generation

	Millennial		Gen X		Baby Boomer	
N	724		1025		224	
	% Saving	Avg amount saved total	% Saving	Avg amount saved total	% Saving	Avg amount saved total
Emergencies/Rainy day	60%	\$5,400	57%	\$3,099	60%	\$5,505
Retirement	53%	\$13,562	56%	\$57,216	66%	\$115,121
General savings fund (not specified)	59%	\$15,629	50%	\$18,939	54%	\$11,482
College for my child/children	65%	\$9,529	50%	\$9,653	61%	\$17,699
Holidays/Gifts	41%	\$4,358	28%	\$1,349	27%	\$1,597
Vacation	55%	\$5,873	35%	\$2,458	32%	\$3,167
Healthcare	47%	\$4,827	27%	\$3,170	38%	\$6,516
House/Home	50%	\$11,593	30%	\$19,608	24%	\$11,059
Car	45%	\$12,444	29%	\$4,795	29%	\$3,365
Furniture/Appliance/Electronics	32%	\$4,032	16%	\$1,758	16%	\$1,114
Home remodeling/Landscaping	31%	\$7,023	20%	\$2,894	25%	\$5,076
Average total savings		\$94,270		\$124,939		\$181,701

*Average amounts saved among savers in each goal category
 Base: All parents

- Q.** How much money have you saved in total and in the last year for the education of your child/children in each of the following types of savings or investment accounts?
- a. A 529 college savings plan
 - b. A pre-paid or guaranteed state college savings plan (a guaranteed plan that allows you to lock in today's tuition price)
 - c. Coverdell Education Savings Account, formerly known as an Education IRA
 - d. Investments such as stocks, mutual funds, money market accounts, or bonds that are not part of your 529 or 401(k) plan
 - e. A juvenile life insurance policy (one that acts as a college savings plan as well)
 - f. UGMA/UTMA account (Uniform Gift to Minors Act/ Uniform Transfers to Minors Act)
 - g. A trust (funds managed by one person for a specific beneficiary)
 - h. US savings bond
 - i. General savings account at your local bank (one with a physical branch building) or at an online bank
 - j. CD (Certificate of Deposit) through your local bank (one with a physical branch building) or through an online bank
 - k. A checking account
 - l. Some other way

Table 20a: Composite of College Savings Vehicles: Proportion of Total College Savings Stored in Each Vehicle,* by Planning Status

	College saver			Pay-for-college planner			Non-planner		
N	1124			839			286		
	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings
General savings account	\$1,058	\$3,663	22%	\$1,047	\$3,993	22%	\$1,090	\$2,692	26%
529 plan	\$644	\$2,820	17%	\$751	\$3,248	18%	\$330	\$1,562	15%
Checking account	\$425	\$1,534	9%	\$431	\$1,680	9%	\$406	\$1,104	11%
Investment account	\$548	\$2,302	14%	\$649	\$2,684	15%	\$251	\$1,180	11%
CD	\$468	\$1,513	9%	\$492	\$1,707	9%	\$398	\$945	9%
US savings bond	\$167	\$709	4%	\$195	\$891	5%	\$85	\$174	2%
Prepaid state plan	\$157	\$452	3%	\$179	\$523	3%	\$92	\$227	2%
Coverdell/ Education IRA	\$181	\$509	3%	\$149	\$522	3%	\$275	\$473	5%
Juvenile life insurance	\$181	\$715	4%	\$143	\$802	4%	\$292	\$463	4%
Trust	\$294	\$1,060	6%	\$324	\$1,231	7%	\$205	\$559	5%
UGMA/UTMA	\$123	\$433	3%	\$153	\$559	3%	\$33	\$63	1%
Some other way	\$153	\$670	4%	\$147	\$549	3%	\$170	\$1,026	10%
Total average savings	\$4,399	\$16,380		\$4,660	\$18,389		\$3,627	\$10,468	

*Average amounts saved per vehicle across all college savers
 Base: Parents who are saving for college

Table 20b: Composite of College Savings Vehicles: Proportion of Total College Savings Stored in Each Vehicle,* by Race/Ethnicity

	White			Black			Hispanic		
N	829			128			252		
	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings
General savings account	\$1,195	\$3,569	23%	\$693	\$3,841	20%	\$544	\$2,586	30%
529 plan	\$645	\$2,540	16%	\$581	\$3,050	16%	\$191	\$559	6%
Checking account	\$414	\$1,205	8%	\$445	\$2,059	11%	\$301	\$903	10%
Investment account	\$603	\$2,014	13%	\$171	\$2,778	15%	\$313	\$1,147	13%
CD	\$547	\$1,460	9%	\$163	\$1,449	8%	\$187	\$1,017	12%
US savings bond	\$195	\$727	5%	\$106	\$1,025	5%	\$57	\$304	3%
Prepaid state plan	\$190	\$428	3%	\$81	\$913	5%	\$49	\$243	3%
Coverdell/ Education IRA	\$227	\$599	4%	\$51	\$478	3%	\$32	\$160	2%
Juvenile life insurance	\$216	\$707	5%	\$71	\$1,103	6%	\$34	\$188	2%
Trust	\$366	\$1,256	8%	\$47	\$495	3%	\$47	\$273	3%
UGMA/UTMA	\$152	\$521	3%	\$45	\$356	2%	\$21	\$119	1%
Some other way	\$186	\$553	4%	\$80	\$1,480	8%	\$139	\$1,241	14%
Total average savings	\$4,936	\$15,579		\$2,534	\$19,027		\$1,915	\$8,740	

*Average amounts saved per vehicle across all college savers
 Base: Parents who are saving for college

Table 20c: Composite of College Savings Vehicles: Proportion of Total College Savings Stored in Each Vehicle,* by Income

	<\$35K			\$35-<\$100K			\$100K+		
N	235			653			236		
	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings
General savings account	\$408	\$1,461	22%	\$1,049	\$3,461	27%	\$1,730	\$6,406	18%
529 plan	\$118	\$1,177	18%	\$545	\$1,731	14%	\$1,439	\$7,459	21%
Checking account	\$217	\$634	9%	\$426	\$1,112	9%	\$627	\$3,593	10%
Investments	\$322	\$928	14%	\$400	\$1,973	15%	\$1,180	\$4,574	13%
CDs	\$154	\$898	13%	\$472	\$1,441	11%	\$771	\$2,325	6%
US savings bond	\$46	\$128	2%	\$114	\$460	4%	\$431	\$1,972	6%
Prepaid state plan	\$28	\$125	2%	\$181	\$415	3%	\$220	\$880	2%
Coverdell/ Education IRA	\$30	\$72	1%	\$114	\$275	2%	\$518	\$1,591	4%
Juvenile life insurance	\$35	\$269	4%	\$181	\$570	4%	\$326	\$1,560	4%
Trust	\$52	\$133	2%	\$225	\$593	5%	\$722	\$3,271	9%
UGMA/UTMA	\$19	\$102	2%	\$75	\$166	1%	\$357	\$1,498	4%
Some other way	\$161	\$758	11%	\$129	\$625	5%	\$213	\$707	2%
Total average savings	\$1,590	\$6,685		\$3,911	\$12,822		\$8,534	\$35,836	

*Average amounts saved per vehicle across all college savers
 Base: Parents who are saving for college

Table 20d: Composite of College Savings Vehicles: Proportion of Total College Savings Stored in Each Vehicle,* by Age of Oldest Child

	Age 0-6			Age 7-12			Age 13-17			Age 18+		
N	188			382			448			106		
	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings
General savings account	\$674	\$2,329	27%	\$1,210	\$3,362	25%	\$1,118	\$4,627	20%	\$941	\$3,035	22%
529 plan	\$254	\$1,201	14%	\$480	\$1,853	14%	\$948	\$4,095	18%	\$639	\$3,791	28%
Checking account	\$282	\$968	11%	\$354	\$1,318	10%	\$596	\$2,217	10%	\$194	\$422	3%
Investments	\$217	\$920	11%	\$378	\$2,010	15%	\$889	\$3,009	13%	\$304	\$2,816	21%
CDs	\$154	\$926	11%	\$288	\$931	7%	\$823	\$2,474	11%	\$178	\$590	4%
US savings bond	\$79	\$278	3%	\$171	\$443	3%	\$225	\$1,177	5%	\$65	\$450	3%
Prepaid state plan	\$127	\$502	6%	\$186	\$384	3%	\$169	\$583	3%	\$55	\$55	0%
Coverdell/ Education IRA	\$108	\$216	3%	\$238	\$519	4%	\$166	\$568	2%	\$169	\$750	6%
Juvenile life insurance	\$82	\$471	5%	\$302	\$975	7%	\$157	\$730	3%	\$23	\$151	1%
Trust	\$105	\$264	3%	\$189	\$616	5%	\$508	\$1,955	9%	\$103	\$288	2%
UGMA/UTMA	\$65	\$125	1%	\$109	\$226	2%	\$163	\$703	3%	\$108	\$581	4%
Some other way	\$103	\$396	5%	\$187	\$579	4%	\$154	\$860	4%	\$116	\$682	5%
Total average savings	\$2,250	\$8,596		\$4,092	\$13,216		\$5,916	\$22,998		\$2,895	\$13,611	

*Average amounts saved per vehicle across all college savers
Base: Parents who are saving for college

Table 20e: Composite of College Savings Vehicles: Proportion of Total College Savings Stored in Each Vehicle,* by Generation

	Millennial			Gen X			Baby Boomer		
N	470			517			137		
	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings	Avg amount saved last year, all savers	Avg amount saved total, all savers	Portion of total college savings
General savings account	\$1,588	\$5,285	26%	\$657	\$2,451	20%	\$752	\$2,665	15%
529 plan	\$481	\$2,291	11%	\$721	\$3,079	25%	\$910	\$3,656	20%
Checking account	\$679	\$2,467	12%	\$237	\$656	5%	\$257	\$1,642	9%
Investments	\$338	\$1,474	7%	\$572	\$2,319	19%	\$1,177	\$5,071	28%
CDs	\$466	\$1,765	9%	\$353	\$1,310	11%	\$914	\$1,419	8%
US savings bond	\$300	\$1,355	7%	\$61	\$225	2%	\$110	\$315	2%
Prepaid state plan	\$236	\$737	4%	\$113	\$294	2%	\$55	\$71	0%
Coverdell/ Education IRA	\$219	\$666	3%	\$188	\$453	4%	\$27	\$185	1%
Juvenile life insurance	\$239	\$1,036	5%	\$50	\$439	4%	\$473	\$658	4%
Trust	\$369	\$1,613	8%	\$125	\$546	4%	\$673	\$1,104	6%
UGMA/UTMA	\$195	\$759	4%	\$73	\$232	2%	\$62	\$69	0%
Some other way	\$227	\$707	4%	\$110	\$424	3%	\$63	\$1,468	8%
Total average savings	\$5,337	\$20,155		\$3,260	\$12,428		\$5,473	\$18,323	

*Average amounts saved per vehicle across all college savers
Base: Parents who are saving for college

Q. How much money have you saved in total for the education of your child/children in each of the following types of savings or investments?

- a. A 529 college savings plan
- b. A pre-paid or guaranteed state college savings plan (a guaranteed plan that allows you to lock in today's tuition price)
- c. Coverdell Education Savings Account, formerly known as an Education IRA
- d. Investments such as stocks, mutual funds, money market accounts, or bonds that are not part of your 529 or 401(k) plan

- e. A juvenile life insurance policy (one that acts as a college savings plan as well)
- f. UGMA/UTMA account (Uniform Gift to Minors Act/ Uniform Transfers to Minors Act)
- g. A trust (funds managed by one person for a specific beneficiary)
- h. US savings bond
- i. General savings account at your local bank (one with a physical branch building) or at an online bank
- j. CD (Certificate of Deposit) through your local bank (one with a physical branch building) or through an online bank
- k. A checking account
- l. Some other way

Table 21a: Frequency of College Savers Using Each Vehicle and Average Amounts Saved,* Year-over-Year, by Planning Status

	College Saver				Pay-for-college planner				Non-planner			
	2015		2016		2015		2016		2015		2016	
N	948		1124		659		839		289		286	
	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users
General savings account	48%	\$3,419	61%	\$6,043	45%	\$4,122	61%	\$6,585	55%	\$2,108	61%	\$4,447
529 plan	27%	\$11,590	37%	\$7,534	30%	\$13,234	41%	\$8,021	20%	\$6,023	28%	\$5,499
Checking account	23%	\$2,320	38%	\$4,019	24%	\$2,592	39%	\$4,276	22%	\$1,645	35%	\$3,170
Investment account	17%	\$9,270	31%	\$7,448	18%	\$9,058	34%	\$7,971	16%	\$9,796	23%	\$5,181
CD	15%	\$6,819	30%	\$5,004	15%	\$4,620	33%	\$5,199	16%	\$11,539	23%	\$4,171
US savings bond	14%	\$1,309	27%	\$2,587	14%	\$1,607	30%	\$2,990	14%	\$631	20%	\$856
Prepaid state plan	12%	\$3,458	24%	\$1,883	12%	\$3,140	26%	\$2,011	11%	\$4,273	17%	\$1,312
Coverdell/Education IRA	11%	\$2,617	24%	\$2,085	12%	\$2,727	27%	\$1,941	10%	\$2,318	17%	\$2,746
Juvenile life insurance	11%	\$2,298	22%	\$3,190	10%	\$2,979	24%	\$3,367	13%	\$1,155	18%	\$2,516
Trust	11%	\$1,982	24%	\$4,353	11%	\$2,471	26%	\$4,703	11%	\$870	19%	\$2,939
UGMA/UTMA	9%	\$2,044	22%	\$1,940	9%	2,804	25%	\$2,248	9%	\$294	15%	\$424
Some other way	16%	\$2,508	24%	\$2,784	15%	\$3,070	24%	\$2,277	18%	\$1,447	24%	\$4,282

*Average amounts saved among savers using the specific college savings vehicle
 Base: Parents who are saving for college

Table 21b: Frequency of College Savers Using Each Vehicle and Average Amounts Saved,* Year-over-Year, by Race/Ethnicity

	White				Black				Hispanic			
	2015		2016		2015		2016		2015		2016	
N	684		829		151		128		217		252	
	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users
General savings account	48%	\$4,038	62%	\$5,770	54%	\$1,853	59%	\$6,516	54%	\$2,099	65%	\$4,001
529 plan	27%	\$12,053	38%	\$6,609	23%	\$3,379	31%	\$9,861	22%	\$1,355	27%	\$2,100
Checking account	21%	\$2,114	38%	\$3,153	38%	\$3,167	36%	\$5,772	31%	\$1,333	39%	\$2,289
Investment account	17%	\$10,980	33%	\$6,055	22%	\$3,559	21%	\$13,463	19%	\$3,394	30%	\$3,802
CD	14%	\$4,211	33%	\$4,482	18%	\$2,729	17%	\$8,344	22%	\$1,127	36%	\$3,910
US savings bond	13%	\$1,449	30%	\$2,458	20%	\$1,119	20%	\$5,215	18%	\$760	21%	\$1,434
Prepaid state plan	12%	\$4,685	26%	\$1,626	16%	\$443	14%	\$6,404	20%	\$2,465	20%	\$1,247
Coverdell/Education IRA	10%	\$1,835	27%	\$2,227	15%	\$3,851	14%	\$3,535	17%	\$1,301	22%	\$726
Juvenile life insurance	10%	\$2,827	24%	\$2,936	18%	\$1,246	15%	\$7,424	16%	\$439	18%	\$1,074
Trust	9%	\$2,603	27%	\$4,736	15%	\$1,236	14%	\$3,550	16%	\$628	22%	\$1,223
UGMA/UTMA	8%	\$2,876	25%	\$2,127	12%	\$423	13%	\$2,731	14%	\$360	18%	\$656
Some other way	16%	\$2,752	25%	\$2,199	13%	\$2,340	20%	\$7,416	21%	\$1,257	24%	\$5,088

*Average amounts saved among savers using the specific college savings vehicle
 Base: Parents who are saving for college

Table 21c: Frequency of College Savers Using Each Vehicle and Average Amounts Saved,* Year-over-Year, by Income

	<\$35K				\$35-<\$100K				\$100K+			
	2015		2016		2015		2016		2015		2016	
N	189		235		519		653		240		236	
	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users
General savings account	50%	\$1,505	57%	\$2,585	50%	\$2,831	65%	\$5,294	43%	\$6,600	52%	\$12,425
529 plan	17%	\$1,300	19%	\$6,340	20%	\$6,561	38%	\$4,550	49%	\$18,768	55%	\$13,698
Checking account	32%	\$1,206	34%	\$1,872	22%	\$1,555	40%	\$2,815	18%	\$6,003	39%	\$9,278
Investment account	15%	\$1,274	17%	\$5,454	14%	\$6,286	33%	\$6,049	25%	\$16,796	40%	\$11,446
CD	14%	\$904	16%	\$5,553	15%	\$9,513	34%	\$4,305	18%	\$5,769	35%	\$6,585
US savings bond	17%	\$629	14%	\$884	12%	\$1,428	29%	\$1,566	16%	\$1,700	35%	\$5,683
Prepaid state plan	15%	\$513	9%	\$1,457	9%	\$2,405	27%	\$1,551	16%	\$6,983	32%	\$2,768
Coverdell/Education IRA	13%	\$701	10%	\$713	9%	\$2,735	27%	\$1,013	16%	\$3,742	31%	\$5,109
Juvenile life insurance	14%	\$936	10%	\$2,742	8%	\$1,014	23%	\$2,432	13%	\$5,337	32%	\$4,850
Trust	13%	\$534	12%	\$1,138	8%	\$1,654	26%	\$2,275	13%	\$3,594	32%	\$10,160
UGMA/UTMA	11%	\$141	8%	\$1,348	6%	\$3,229	25%	\$673	13%	\$2,114	31%	\$4,916
Some other way	17%	\$4,190	20%	\$3,559	15%	\$2,199	24%	\$2,593	16%	\$4,021	28%	\$2,492

*Average amounts saved among savers using the specific college savings vehicle
 Base: Parents who are saving for college

Table 21d: Frequency of College Savers Using Each Vehicle and Average Amounts Saved,* Year-over-Year, by Age of Oldest Child

	Age 0-6				Age 7-12				Age 13-17				Age 18+			
	2015		2016		2015		2016		2015		2016		2015		2016	
N	191		188		222		382		340		448		120		106	
	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users
General savings account	55%	\$2,839	63%	\$3,701	45%	\$2,126	61%	\$5,542	46%	\$5,030	58%	\$7,917	47%	\$3,221	66%	\$4,635
529 plan	29%	\$7,804	30%	\$3,945	35%	\$8,291	38%	\$4,865	24%	\$17,135	44%	\$9,325	21%	\$10,599	20%	\$18,964
Checking account	22%	\$990	39%	\$2,501	25%	\$1,649	39%	\$3,373	20%	\$2,630	39%	\$5,714	26%	\$2,957	31%	\$1,357
Investment account	16%	\$4,719	25%	\$3,721	13%	\$8,647	31%	\$6,449	19%	\$15,283	34%	\$8,767	22%	\$4,315	26%	\$10,653
CD	16%	\$1,521	27%	\$3,443	14%	\$3,444	32%	\$2,909	16%	\$13,622	34%	\$7,298	12%	\$1,858	14%	\$4,126
US savings bond	13%	\$774	22%	\$1,293	15%	\$834	32%	\$1,405	12%	\$2,516	30%	\$3,992	13%	\$558	14%	\$3,223
Prepaid state plan	12%	\$1,775	25%	\$2,006	13%	\$5,067	27%	\$1,424	10%	\$4,348	25%	\$2,380	11%	\$1,885	10%	\$579
Coverdell/ Education IRA	14%	\$1,144	25%	\$884	12%	\$1,077	26%	\$1,997	9%	\$4,820	25%	\$2,263	15%	\$4,130	16%	\$4,682
Juvenile life insurance	12%	\$373	19%	\$2,427	14%	\$462	28%	\$3,507	7%	\$5,138	23%	\$3,170	12%	\$5,512	6%	\$2,578
Trust	11%	\$502	24%	\$1,116	12%	\$1,839	27%	\$2,301	8%	\$2,171	26%	\$7,568	12%	\$4,835	11%	\$2,729
UGMA/UTMA	10%	\$485	20%	\$643	12%	\$541	24%	\$947	6%	\$4,353	23%	\$3,010	9%	\$5,909	17%	\$3,350
Some other way	19%	\$1,346	20%	\$2,028	18%	\$1,477	29%	\$2,024	12%	\$4,030	25%	\$3,427	15%	\$2,884	11%	\$5,973

*Average amounts saved among savers using the specific college savings vehicle
 Base: Parents who are saving for college

Table 21e: Frequency of College Savers Using Each Vehicle and Average Amounts Saved,* by Generation

	Millennial		Gen X		Baby Boomer	
	2016		2016		2016	
N	470		517		137	
	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users	% Using	Avg amount saved total, vehicle users
General savings account	70%	\$7,551	54%	\$4,521	53%	\$5,069
529 plan	44%	\$5,239	36%	\$8,650	23%	\$16,090
Checking account	55%	\$4,480	29%	\$2,285	16%	\$10,344
Investment account	38%	\$3,857	27%	\$8,683	22%	\$23,489
CD	42%	\$4,233	24%	\$5,395	14%	\$10,507
US savings bond	42%	\$3,251	19%	\$1,214	12%	\$2,689
Prepaid state plan	39%	\$1,914	16%	\$1,838	5%	\$1,581
Coverdell/ Education IRA	39%	\$1,700	17%	\$2,705	3%	\$6,335
Juvenile life insurance	37%	\$2,810	14%	\$3,137	5%	\$14,032
Trust	37%	\$4,378	17%	\$3,148	8%	\$13,765
UGMA/UTMA	33%	\$2,280	15%	\$1,514	11%	\$633
Some other way	35%	\$2,003	18%	\$2,365	9%	\$17,054

*Average amounts saved among savers using the specific college savings vehicle
 Base: Parents who are saving for college

Q. Was this account created with the intention of being used to pay for your child’s college education, or are you expecting that these funds could be used to pay for college if necessary?

Table 22: Intended Use of Savings in Non-college-specific Savings Vehicles

	N	Intended for College	Could Use if Needed/Not Sure
General savings account	686	57%	43%
Checking account	463	55%	45%
Investment account	389	56%	44%
CD	337	52%	48%
US savings bond	342	60%	40%
Trust	313	54%	46%

Base: Parents who are saving for college and using vehicles not designed specifically for college savings

Q. Some parents deliberately contribute extra money to their retirement fund because they plan to use a portion of it to pay for their child/children’s college education. What portion of your current retirement savings will you use for college?

Table 23: Use of Retirement Savings to Pay for College

	N	Will not use	Plan to use a portion	Could use a portion if needed
Total	1057	60%	20%	19%
Saving status				
College saver	780	52%	26%	22%
Non-college saver	277	83%	5%	11%
Income				
<\$35K	165	55%	25%	21%
\$35-\$100K	652	60%	19%	21%
\$100K+	240	65%	22%	13%
Race/Ethnicity				
White	794	61%	20%	19%
Black	122	64%	18%	18%
Hispanic	195	53%	24%	24%
Age of oldest child				
Age 0–6	164	54%	24%	22%
Age 7–12	325	53%	23%	24%
Age 13–17	439	63%	21%	16%
Age 18+	128	77%	7%	17%
Generation				
Millennial	360	49%	34%	18%
Gen X	555	66%	14%	21%
Baby Boomer	142	68%	12%	20%

Base: Parents who are saving for retirement

Q. Is your family’s college savings fund intended to be used only for an undergraduate education, or can it be used for graduate/post-undergraduate education as well?

Table 24: Intended Use of Savings for Post-graduate Study

	N	Undergrad only	Graduate as well as undergrad	Not sure
Total	1124	33%	48%	19%
Planning status				
Pay-for-college planner	839	32%	52%	16%
Non-planner	236	35%	37%	28%
Income				
<\$35K	235	27%	46%	27%
\$35-\$100K	653	34%	45%	21%
\$100K+	236	35%	58%	8%
Race/Ethnicity				
White	829	33%	47%	20%
Black	128	30%	53%	18%
Hispanic	252	33%	39%	29%
Age of oldest child				
Age 0–6	188	24%	61%	15%
Age 7–12	382	36%	45%	20%
Age 13–17	448	31%	47%	21%
Age 18+	106	46%	39%	16%
Generation				
Millennial	470	27%	58%	16%
Gen X	517	39%	42%	20%
Baby Boomer	137	33%	38%	30%

Base: Parents who are saving for college

Q. What is the total amount you plan to have saved for college for your child/all of your children by the time the last one goes to college?

Table 25: College Savers with a Savings Goal and the Average Amount They Plan to Save

	N	No set goal /not sure	Have a goal	Avg goal amount among goal setters
Total	1124	47%	53%	\$61,902
Planning status				
Pay-for-college planner	839	42%	58%	\$62,992
Non-planner	286	60%	40%	\$57,336
Income				
<\$35K	235	56%	44%	\$117,053
\$35-\$100K	653	46%	54%	\$40,129
\$100K+	236	41%	59%	\$76,380
Race/Ethnicity				
White	829	45%	55%	\$46,057
Black	128	54%	46%	\$64,558
Hispanic	252	52%	48%	\$38,636
Age of oldest child				
Age 0–6	188	41%	59%	\$36,158
Age 7–12	382	42%	58%	\$53,837
Age 13–17	448	50%	50%	\$85,429
Age 18+	106	61%	39%	\$45,868
Generation				
Millennial	470	34%	66%	\$41,195
Gen X	517	53%	47%	\$55,131
Baby Boomer	137	65%	35%	\$231,112

Base: Parents who are saving for college

Q. On what did you base this goal?

Table 26: Basis for Setting Savings Goal Amount

N	599
How much my household can afford	19%
How much I think will be needed in total	17%
An amount I think is fair based on other support I have given my child/all of my children	8%
How much I expect to earn on my savings or investments	12%
How much (each) child will need after receiving a combination of scholarships, loans, and contributions from other sources	18%
This is based on advice I received from a financial advisor	9%
An amount similar to the portion that was paid for my college education	7%
This is based on advice I received from friends and family	7%
Other	1%
Not sure	1%

Base: Parents who are saving for college and have set a goal amount

Q. How confident do you feel about your ability to save your goal amount... for your child/children’s education by the time they go to college?

Table 27: Confidence in Ability to Save Goal Amount

N	599
Extremely confident	44%
Somewhat confident	44%
Marginally confident	8%
Somewhat unconfident	3%
Extremely unconfident	1%

Base: Parents who are saving for college and have set a goal amount

Q. Typically, parents today pay for approximately 10 percent of total college costs from their college savings funds. How confident do you feel about your ability to save 10 percent of the future total cost for your child/children’s education by the time they go to college?

Table 28: Confidence in Ability to Save 10% of Future College Costs

N	526
Extremely confident	29%
Somewhat confident	45%
Marginally confident	19%
Somewhat unconfident	5%
Extremely unconfident	2%

Base: Parents who are saving for college but have not set a goal amount

Q. With regards to the amount you are saving for the college education for your child/children, are you saving more, less, or the same amount of money compared to this time last year?

Table 29: Savings Rate Compared to a Year Ago

	N	More	Less	Same	Not sure
Total	1124	36%	9%	52%	3%
Planning status					
Pay-for-college planner	839	38%	6%	53%	3%
Non-planner	286	29%	18%	49%	3%
Income					
<\$35K	235	27%	17%	50%	6%
\$35-\$100K	653	37%	8%	53%	3%
\$100K+	236	41%	5%	54%	1%
Race/Ethnicity					
White	829	38%	9%	51%	3%
Black	128	34%	8%	53%	6%
Hispanic	252	36%	8%	52%	4%
Age of oldest child					
Age 0-6	188	39%	9%	46%	6%
Age 7-12	382	34%	7%	57%	2%
Age 13-17	448	36%	11%	51%	2%
Age 18+	106	36%	6%	52%	7%
Generation					
Millennial	470	46%	7%	44%	3%
Gen X	517	29%	9%	59%	3%
Baby Boomer	137	25%	17%	56%	2%

Base: Parents who are saving for college

Q. What prompted you to save more?
(Check all that apply.)

Table 30: Reasons for Saving More

N	401
My family has increased its earnings in the last year	33%
Reduced expenses/debt, have more to save	32%
My child is closer to college age	30%
Evaluated savings against goals and realized needed to save more	40%
Recently learned about how much college will cost	19%
My family had additional child	19%
Other	1%
Not sure	2%

Base: Parents who are saving for college and saving more than the prior year

Q. Why are you saving less?
(Check all that apply.)

Table 31: Reasons for Saving Less

N	102
Cost of living is higher this year	45%
There have been unexpected expenses this year	48%
Earnings are less this year	30%
Child will get a large scholarship or grant	5%
Have saved enough	11%
No longer expect one or more of my children to attend college	1%
Other	2%
Not sure	6%

Base: Parents who are saving for college and saving less than the prior year

Q. Do you plan to do any of the following within the next year or within the next five years?

- Increase your annual savings for college
- Decrease your annual savings for college
- Keep your annual savings for college the same

Table 32: College Savers' Plans for Future College Saving

	N	Increase annual savings		Decrease annual savings		Keep annual savings the same	
		Within one year	Within five years	Within one year	Within five years	Within one year	Within five years
Total	1124	61%	65%	9%	12%	47%	36%
Planning status							
Pay-for-college planner	839	62%	64%	9%	13%	52%	39%
Non-planner	286	55%	65%	9%	11%	31%	26%
Income							
<\$35K	235	52%	66%	10%	10%	47%	36%
\$35-\$100K	653	62%	65%	8%	12%	46%	34%
\$100K+	236	63%	61%	8%	15%	50%	41%
Race/Ethnicity							
White	829	60%	64%	10%	14%	47%	33%
Black	128	65%	70%	1%	8%	44%	36%
Hispanic	252	68%	69%	10%	10%	46%	34%
Age of oldest child							
Age 0–6	188	64%	74%	10%	11%	42%	33%
Age 7–12	382	65%	70%	9%	13%	48%	33%
Age 13–17	448	56%	59%	8%	12%	50%	42%
Age 18+	106	56%	49%	8%	12%	37%	27%
Generation							
Millennial	470	70%	70%	13%	15%	45%	40%
Gen X	517	56%	64%	7%	10%	48%	35%
Baby Boomer	137	45%	49%	2%	11%	48%	27%

Base: Parents who are saving for college
 Responses may not total to 100%; respondents may have selected 'yes' to more than one option

Q. Which of the following best describes how you think about being a successful college-fund saver?

- a. Contributing the amount you planned to save on a weekly or monthly or per paycheck basis
- b. Achieving the amount you planned to have in the college savings fund at the end of each year
- c. Achieving the amount you planned to have in the college savings fund by the time your child/children starts college
- d. Just seeing the college fund grow, regardless of the particular amount
- e. Not withdrawing money from the college savings fund to spend on other family expenses

Table 33: Successful Saving Perspective

		Achieving planned contributions	Achieving planned annual savings	Achieving planned amount at college start	College fund growth	Not spending on other expenses
Total	1124	22%	17%	22%	22%	18%
Planning status						
Pay-for-college planner	839	21%	19%	23%	21%	17%
Non-planner	286	23%	11%	20%	26%	19%
Income						
<\$35K	235	15%	21%	20%	21%	23%
\$35-\$100K	653	24%	14%	22%	23%	18%
\$100K+	236	22%	19%	25%	22%	12%
Race/Ethnicity						
White	829	20%	16%	23%	24%	18%
Black	128	25%	18%	18%	19%	21%
Hispanic	252	23%	20%	20%	20%	16%
Age of oldest child						
Age 0-6	188	22%	20%	16%	22%	21%
Age 7-12	382	23%	17%	25%	21%	15%
Age 13-17	448	20%	16%	21%	24%	19%
Age 18+	106	19%	14%	28%	22%	17%
Generation						
Millennial	470	19%	21%	20%	23%	17%
Gen X	517	25%	14%	24%	23%	16%
Baby Boomer	137	16%	14%	24%	20%	26%

Base: Parents who are saving for college

- Q.** What are some of the things you do to keep college savings on track? *(Check all that apply.)*
- a. Funds are automatically deposited on a regular set schedule
 - b. Set aside a goal amount every pay period for college savings
 - c. Reduce personal or discretionary spending to add to savings
 - d. Work additional hours/second job to set aside savings
 - e. Cut back on household expenses to add to savings
 - f. Commit a certain percentage of any ‘bonus’ money or tax refund to college savings
 - g. Participate in a shopping rewards program and sweep all of the earnings into college savings
 - h. Revisit college savings amount and college savings goal at least annually and make adjustments as needed
 - i. After paying off my own student loans, I started putting some or all of that monthly payment amount into my child’s college savings
 - j. Request family and friends contribute to the college savings fund in lieu of gifts

Table 34: How Parents Keep College Savings on Track

		Auto-deposit	Save each pay period	Reduce spending	Work more	Reduce household expenses	Commit bonus money	Shopping rewards program	Adjust goals regularly	Save paid student loan amount	Family and friends request	None/ Not sure
Total	1124	46%	34%	35%	23%	29%	20%	17%	15%	6%	6%	10%
Planning status												
Pay-for-college planner	839	50%	36%	35%	24%	30%	21%	17%	17%	7%	7%	9%
Non-planner	286	35%	29%	35%	20%	26%	16%	16%	8%	5%	5%	15%
Income												
<\$35K	235	38%	37%	31%	22%	33%	15%	14%	9%	6%	7%	14%
\$35-\$100K	653	44%	34%	37%	23%	29%	22%	17%	17%	6%	7%	10%
\$100K+	236	62%	30%	33%	27%	25%	20%	19%	14%	7%	4%	8%
Race/Ethnicity												
White	829	47%	34%	34%	25%	30%	18%	16%	15%	7%	6%	12%
Black	128	52%	34%	30%	20%	29%	23%	15%	14%	7%	11%	10%
Hispanic	252	35%	36%	31%	24%	31%	22%	18%	13%	5%	5%	12%
Age of oldest child												
Age 0–6	188	49%	36%	31%	26%	31%	14%	16%	15%	5%	7%	8%
Age 7–12	382	46%	34%	35%	22%	25%	27%	14%	15%	6%	6%	12%
Age 13–17	448	44%	37%	34%	25%	28%	16%	20%	15%	7%	6%	10%
Age 18+	106	54%	19%	44%	16%	47%	19%	15%	12%	5%	9%	11%
Generation												
Millennial	470	55%	39%	35%	30%	27%	22%	22%	16%	8%	5%	5%
Gen X	517	38%	32%	34%	18%	29%	19%	15%	14%	5%	7%	16%
Baby Boomer	137	47%	25%	41%	21%	40%	15%	9%	14%	4%	6%	10%

Base: Parents who are saving for college

Q. Which college savings reward program do you use?

Table 35: College Savings Reward Program Used

N	
	190
Upromise	12%
529s/Savings accounts promotions	14%
Banks/Foundations	5%
Schools	5%
American Express	2%
Tuition Rewards	2%
ScholarShare	2%
Other rewards credit cards	4%
Other	13%
None/Not sure	41%

Base: Parents who are saving for college and use a shopping rewards program

Q. How old was your oldest child when you started saving for his/her college fund?

Table 36: Age of Child at Onset of Saving for College

	N	Prior to starting family	Age 0-5	Age 6-10	Age 11-15	Age 16-18	Not sure	Average age
Total	1124	5%	52%	22%	16%	3%	2%	7 years
Planning status								
Pay-for-college planner	839	4%	55%	21%	15%	2%	2%	7 years
Non-planner	286	6%	43%	24%	20%	4%	4%	8 years
Income								
<\$35K	235	4%	46%	23%	19%	4%	4%	7 years
\$35-\$100K	653	5%	53%	23%	16%	2%	2%	7 years
\$100K+	236	6%	53%	20%	15%	3%	3%	7 years
Race/Ethnicity								
White	829	6%	53%	20%	16%	3%	3%	7 years
Black	128	4%	47%	25%	19%	2%	3%	7 years
Hispanic	252	5%	44%	27%	18%	4%	2%	8 years
Age of oldest child								
Age 0-6	188	9%	83%	4%	3%	0%	1%	4 years
Age 7-12	382	5%	59%	26%	7%	1%	3%	6 years
Age 13-17	448	4%	36%	27%	27%	4%	3%	9 years
Age 18+	106	2%	38%	18%	31%	9%	2%	9 years
Generation								
Millennial	470	7%	56%	21%	12%	3%	1%	6 years
Gen X	517	3%	53%	24%	15%	2%	2%	7 years
Baby Boomer	137	1%	33%	19%	35%	5%	6%	10 years

Base: Parents who are saving for college

Q. Where have you gone for information on how to save for college?

Table 37: Sources of Information on Saving for College

		Friends and family	Financial advisor	Online tools	Mobile apps	Content by financial experts	Federal gov't guidelines	Bank or financial partner	Public education programs	Child's school	None
Total	1124	37%	26%	27%	15%	19%	18%	27%	20%	26%	15%
Planning status											
Pay-for-college planner	839	40%	26%	31%	17%	19%	20%	29%	23%	27%	10%
Non-planner	286	28%	23%	17%	10%	20%	12%	21%	13%	23%	27%
Income											
<\$35K	235	35%	20%	28%	11%	17%	18%	24%	17%	18%	20%
\$35-\$100K	653	39%	24%	28%	16%	20%	18%	27%	19%	29%	13%
\$100K+	236	34%	37%	26%	15%	22%	17%	30%	26%	25%	12%
Race/Ethnicity											
White	829	38%	26%	24%	14%	18%	15%	25%	21%	26%	16%
Black	128	28%	30%	32%	14%	18%	27%	25%	20%	17%	16%
Hispanic	252	30%	25%	29%	19%	14%	19%	31%	16%	28%	19%
Age of oldest child											
Age 0-6	188	37%	26%	26%	8%	19%	14%	27%	16%	20%	11%
Age 7-12	382	38%	22%	28%	20%	18%	20%	28%	21%	27%	14%
Age 13-17	448	37%	29%	27%	16%	19%	17%	28%	19%	29%	17%
Age 18+	106	31%	24%	26%	5%	27%	16%	19%	27%	23%	12%
Generation											
Millennial	470	39%	24%	27%	20%	19%	16%	31%	21%	33%	12%
Gen X	517	36%	26%	29%	13%	19%	19%	23%	20%	23%	16%
Baby Boomer	137	31%	28%	22%	3%	23%	14%	27%	18%	12%	20%

Base: Parents who are saving for college

Table 38: Number of Vehicles Used to Save for College

	N	One	Two	Three	More than three
Total	1124	52%	12%	7%	29%
Planning status					
Pay-for-college planner	839	49%	12%	7%	32%
Non-planner	286	59%	12%	7%	22%
Income					
<\$35K	235	66%	13%	7%	14%
\$35-\$100K	653	47%	13%	8%	32%
\$100K+	236	51%	9%	5%	35%
Race/Ethnicity					
White	829	49%	13%	8%	30%
Black	128	60%	11%	7%	22%
Hispanic	252	54%	14%	9%	23%
Age of oldest child					
Age 0–6	188	58%	9%	7%	26%
Age 7–12	382	53%	9%	5%	33%
Age 13–17	448	49%	12%	8%	31%
Age 18+	106	50%	25%	7%	18%
Generation					
Millennial	470	42%	9%	5%	44%
Gen X	517	58%	12%	10%	20%
Baby Boomer	137	62%	22%	4%	12%

Base: Parents who are saving for college

Q. [Parents with multiple savings vehicles] In which order did you open each account that you established for saving for your child/children’s education?

Table 39: First College Savings Vehicle Used Among Those with Multiple Vehicles

N	542	
	First vehicle	First or second vehicle
General savings account	19%	32%
Checking account	17%	27%
529 plan	12%	21%
Piggy bank/loose change jar	10%	19%
US savings bond	10%	17%
Prepaid state plan	7%	12%
Investment fund	5%	12%
Juvenile life insurance	5%	9%
CD	5%	11%
Trust	4%	11%
Coverdell/Education IRA	4%	7%
UGMA/UTMA	2%	6%

Base: Parents who are saving for college and using multiple savings vehicles

Q. Have you heard of 529 college savings plans?

Table 40: Awareness of 529 Plans

	N	Yes	No	Not sure
Total	1553	39%	53%	8%
Saving status				
College savers	704	46%	47%	7%
Non-college savers	849	33%	58%	9%
Planning status				
Pay-for-college planners	671	48%	45%	7%
Non-planners	882	32%	59%	9%
Income				
<\$35K	483	22%	70%	8%
\$35-\$100K	888	43%	49%	9%
\$100K+	182	65%	28%	7%
Race/Ethnicity				
White	1164	40%	52%	8%
Black	200	41%	51%	8%
Hispanic	327	28%	66%	6%
Age of oldest child				
Age 0-6	255	28%	61%	11%
Age 7-12	456	37%	55%	8%
Age 13-17	618	42%	51%	7%
Age 18+	223	46%	47%	7%
Generation				
Millennial	519	36%	58%	6%
Gen X	841	40%	51%	9%
Baby Boomer	193	43%	48%	9%

Base: Parents without 529 plans

- Q.** What is the main reason why you are not using a 529 college savings plan?
- a. I am not comfortable investing in a state-government program.
 - b. I don't know enough about them.
 - c. I would rather save for college a different way.
 - d. I fear I will lose my money if my child doesn't go to college.

- e. I'm afraid child won't be eligible for financial aid if we have a college savings account.
- f. They are too complicated.
- g. I don't have enough money to save in that type of account.
- h. They are intimidating for people who don't know a lot about investments.

Table 41: Reasons for Not Using 529 Plans

	N	Not comfortable with gov't program	I don't know enough about them	Prefer different method	Lose money if no college	Lose financial aid	Too complicated	Not enough money	Intimidating	Other	Not sure
Total	602	7%	16%	16%	8%	5%	5%	22%	6%	5%	10%
Saving status											
College saver	323	8%	21%	19%	10%	5%	6%	8%	4%	5%	14%
Non-college saver	279	4%	9%	12%	6%	6%	4%	39%	9%	5%	6%
Planning status											
Pay-for-college planner	324	8%	16%	17%	10%	5%	8%	11%	10%	5%	11%
Non-planner	278	5%	15%	14%	7%	6%	2%	35%	2%	5%	10%
Income											
<\$35K	106	3%	22%	7%	12%	5%	6%	21%	8%	7%	10%
\$35-\$100K	378	7%	14%	17%	7%	5%	5%	25%	5%	4%	11%
\$100K+	118	10%	13%	18%	9%	6%	6%	17%	8%	5%	8%
Race/Ethnicity											
White	463	7%	15%	16%	9%	6%	5%	23%	6%	4%	10%
Black	82	2%	19%	17%	5%	4%	2%	27%	4%	5%	15%
Hispanic	93	6%	24%	16%	12%	3%	9%	10%	5%	5%	10%
Age of oldest child											
Age 0-6	71	6%	15%	16%	12%	8%	10%	18%	8%	6%	2%
Age 7-12	170	8%	17%	15%	8%	9%	5%	18%	7%	1%	13%
Age 13-17	258	5%	16%	17%	9%	3%	5%	23%	5%	6%	10%
Age 18+	103	8%	14%	13%	3%	3%	4%	31%	5%	7%	13%
Generation											
Millennial	185	5%	17%	16%	9%	9%	10%	21%	8%	2%	4%
Gen X	334	6%	13%	17%	8%	4%	4%	23%	4%	6%	14%
Baby Boomer	83	11%	21%	10%	9%	3%	1%	22%	10%	5%	8%

Base: Parents without 529 plans

Q. Do you plan to begin saving for college in the next year or within five years?

Table 42: Non-saving Parents' Plans to Begin Saving for College

	N	Within one year	Within five years	Neither	Not sure
Total	849	22%	27%	17%	35%
Planning status					
Pay-for-college planner	172	40%	26%	12%	22%
Non-planner	677	17%	27%	18%	38%
Income					
<\$35K	292	18%	27%	16%	39%
\$35-\$100K	483	21%	28%	16%	34%
\$100K+	75	42%	15%	25%	18%
Race/Ethnicity					
White	654	22%	25%	19%	34%
Black	112	28%	30%	10%	32%
Hispanic	141	25%	27%	14%	34%
Age of oldest child					
Age 0–6	124	18%	58%	13%	12%
Age 7–12	220	23%	37%	9%	31%
Age 13–17	367	26%	17%	16%	42%
Age 18+	139	14%	7%	37%	42%
Generation					
Millennial	254	25%	44%	9%	23%
Gen X	508	21%	21%	19%	39%
Baby Boomer	87	19%	8%	31%	42%

Base: Parents who are not saving for college

Q. The following are reasons some people use to explain why they have not started saving for their child's college education. Which of the following are reasons you have not started saving for your child's college education?

- a. My children are too young to start thinking about it.
- b. I don't have enough money to save for my children's college education.
- c. I'm focusing on saving for retirement first.
- d. I'm focusing on other saving priorities.
- e. My financial planner told me not to save for college.

- f. I'm concerned that having savings might prevent my child from getting financial aid.
- g. I'm not sure which are the best options for college saving.
- h. I haven't gotten around to starting a savings plan yet.
- i. It is my child's responsibility to pay for college.
- j. I don't expect my child to go to college.
- k. I expect my child to qualify for enough scholarship or financial aid to cover the costs.
- l. My child will attend a school that is not very expensive.
- m. My child is too old/it is too late to start saving.

Table 43: Reasons Non-saving Parents Aren't Saving for College

	N	Child too young	Not enough money	Priority retirement	Priority other savings	Advised not to save	Fear loss of financial aid	Not sure of best options	Haven't gotten to it	Child is responsible	Child won't go to college	Financial aid will cover costs	School won't be expensive	Too late
Total	849	18%	59%	10%	18%	3%	9%	16%	20%	13%	4%	32%	10%	5%
Planning status														
Pay-for-college planner	172	17%	34%	11%	15%	9%	10%	11%	19%	15%	3%	25%	11%	12%
Non-planner	677	18%	65%	10%	19%	1%	9%	18%	20%	13%	5%	34%	9%	3%
Income														
<\$35K	292	14%	68%	3%	11%	1%	7%	14%	20%	7%	3%	26%	8%	3%
\$35-\$100K	483	20%	56%	13%	21%	2%	8%	18%	20%	14%	4%	34%	11%	4%
\$100K+	75	17%	38%	21%	27%	12%	20%	19%	17%	35%	8%	39%	11%	14%
Race/Ethnicity														
White	654	17%	63%	10%	20%	3%	9%	16%	20%	16%	5%	31%	10%	5%
Black	112	14%	48%	7%	19%	0%	5%	21%	27%	7%	3%	35%	14%	3%
Hispanic	141	24%	63%	2%	24%	3%	6%	18%	26%	8%	0%	36%	7%	4%
Age of oldest child														
Age 0-6	124	44%	42%	17%	25%	4%	21%	16%	22%	14%	3%	26%	6%	1%
Age 7-12	220	29%	60%	6%	19%	3%	7%	21%	29%	9%	6%	26%	10%	5%
Age 13-17	367	8%	58%	10%	19%	3%	7%	16%	18%	16%	4%	37%	11%	5%
Age 18+	139	3%	71%	10%	10%	0%	7%	10%	9%	12%	5%	32%	10%	7%
Generation														
Millennial	254	31%	52%	9%	25%	5%	10%	17%	29%	19%	5%	26%	13%	4%
Gen X	508	12%	62%	10%	16%	1%	8%	16%	16%	10%	4%	33%	8%	4%
Baby Boomer	87	10%	58%	11%	13%	7%	11%	13%	13%	18%	2%	43%	10%	8%

Base: Parents who are not saving for college

5

Technical notes

Target population

Ipsos conducted the *How America Saves for College 2016* survey online between Thursday, May 26, 2016, and Monday, June 6, 2016. Ipsos interviewed 1,959 adult parents of children younger than age 18.

Sample design

The survey sample was drawn from two sources:

- Ipsos i-Say Panel, in which panelists opt in and are incented by receiving instant win opportunities, sweepstakes entries, and daily prize giveaways
- A purchased list of adults with children under age 18

The sample design was a disproportionate stratified sample of parents. The sample was designed to over-represent African Americans and Hispanics, with a minimum of 400 responses from each group. Interviews were conducted in English and Spanish.

The sample was stratified by additional variables, such as household income, region, and age of the oldest child. The target set for each of these variables is shown in Table A.

Weighting

To correct for the disproportionate stratified sample, the survey was weighted using a statistical technique called raking, in which all of the population marginal profiles of interest are replicated in the sample. The sample was weighted by gender, age, race/ethnicity, region, education, and household income crossed by race. All of the demographic profiles used in the weights were sourced from the November 2012 U.S. Census Bureau's Current Population Survey (CPS), filtering in only adult parents with children younger than 18 years of age.

Table A: Sample Targets for Household Income by Race/Ethnicity, Region, and Age of Child

Household-total family income	White/Others	Black	Hispanic	Total
<\$35K	238	186	197	621
\$35-\$100K	578	167	164	908
\$100K+	384	47	39	470
Total	1200	400	400	2000

Region	
Northeast	346
Midwest	433
South	746
West	475
	2000

Age of oldest child	
Age 0-6	592
Age 7-12	675
Age 13-17	732
	1999

Margin of Error (MoE)

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

When estimating percentages from this survey using the whole sample (2,000), the MoE is estimated to be approximately +/- 2.2 percentage points, with a confidence level of 95%.

If percentages are being estimated from sub-domains of the survey, i.e., not using the whole sample, then the MoE will be higher than the one stated above, and must be re-calculated. Assuming that each domain being compared has a different sample size, the rule when estimating percentages from a base of n cases is $MoE(n) = 1/\sqrt{n}$. In this context, to judge whether the observed difference between two domains (groups) with different sample sizes, say n1 and n2, is statistically significant, this difference should be compared to $(1/\sqrt{n1}) + (1/\sqrt{n2})$. If it is larger, then it is considered statistically significant.

Effective base sizes

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

Table B: Margin of Error for Different Domain Sizes

Sample size	Margin of Error
50	14.1%
100	10.0%
200	7.1%
300	5.8%
400	5.0%
500	4.5%
600	4.1%
700	3.8%
800	3.5%
900	3.3%
1000	3.2%
1100	3.0%
1200	2.9%
1300	2.8%
1400	2.7%
1500	2.6%
1600	2.5%
1700	2.4%
1800	2.4%
1900	2.3%
2000	2.2%