

How America Pays for College 2025

Insights on How Students & Families are Covering College Costs

salliemae.com/howamericapays

Families Reported Spending More on College

Here's how they're covering the bill.



\$30,837

Average family spend
on college AY 2024-25

+9%

from

\$28,409 last year

2% friends or
extended family

48%
family income/
savings

23% loans

27%
grants and
scholarships

Cost is a leading factor in college decision-making.

82%

are willing to
stretch financially
to pay for college

79%

of families eliminated
at least one school
based on cost

74%

say college is
worth the cost

Top factors influencing college choice:

40%

proximity
to home

39%

affordability

39%

academic
program

FAFSA® confusion persists, even as the form improves.

Completion rates
dropped to

71%

from

74%

64%

found the FAFSA
easier to complete,

yet

29%

skipped it

Only 21%

of families
know it opens
in October

Scholarships make college possible but myths still get in the way.

75%

of scholarship recipients said
the aid made college possible

40%

of families **didn't use them**

Top reasons:

34%

lack of
awareness

28%

belief they
wouldn't win

Borrowing influences school choice.

48%

of families **borrowed** to
pay for college,

72%

said they'd rather
borrow than **miss out**

59%

of families believe
the availability of
federal student
loans has **driven
up college costs**

35%

of borrowers said
loan access led
them to consider
more expensive
schools

Free Tools and Resources for Students and Families

FAFSA® Guide
by **sallie**

scholly
Scholarships by **sallie**

scout
college search

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