

# How America Pays for College 2025

Insights on How Students & Families are Covering College Costs

[salliemae.com/howamericapays](https://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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