

FINANCIAL WELLNESS OF STUDENTS WITH CHILDREN

This report uses data from the Study on Collegiate Financial Wellness (SCFW) to examine the financial attitudes, practices, and knowledge of students from colleges and universities across the United States. In 2017, the SCFW surveyed students at 65 institutions; 28,539 students completed the survey for a response rate of 10.5%. This report summarizes the financial experiences of college students with dependent children (i.e., student parents).

Student parents make up over one-quarter of the total undergraduate population and 15% of undergraduate students at four-year institutions¹. However, student parents have lower degree completion rates than their non-parenting peers, particularly among single parents²; they also face unique challenges that could have financial repercussions, including difficulty obtaining childcare, limited financial resources to devote to education, and a lack of campus support structures³. The present brief applies a holistic model of financial wellness⁴ to understand the financial experiences and attitudes of student parents.

METHODS

Only participants who completed all variables of interest were included in the analysis. Additionally, a cleaning process consistent with Dugan et al. (2012) was used to identify mischievous responders in the dataset. Several categories (e.g., enrollment type) were condensed to two categories to facilitate the use of *t*-tests. The final sample included 20,185 participants, of which 1,630 were student parents and 18,555 were non-parenting students. A detailed summary of participant demographics is provided in the Appendix.

Two sets of analyses were conducted for this research brief. The first analysis examined the differences between student parents and non-parenting students age 24 and older. The analysis was restricted to students over the age of 24 given the small number of traditional age (i.e. 18 to 23 years old) students in the student parent sample, as well as vastly different proportions between the percentage of student parents over the age of 24 (82.8%) and the percentage of non-parenting students over the age of 24 (13.3%). The restricted samples used for these analyses were more similar in terms of institution type, race, and enrollment status.

The second set of analyses explored how institutional and demographic characteristics shaped student parents' experiences on financial wellness measures, and was restricted to student parents only.

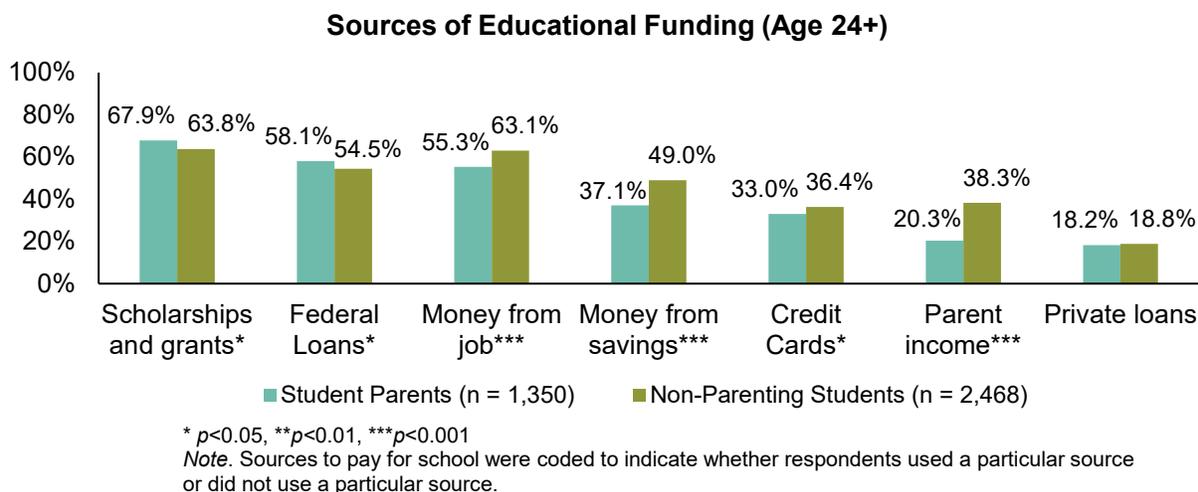
KEY FINDINGS

- Student parents age 24 and older were more likely to use scholarships and federal loans for educational expenses than non-parenting students of the same age group, although they were less likely to use money from jobs, parent income, credit cards, and money from savings.
- Single parents had higher average financial strain scores than partnered parents, as well as lower average scores on financial optimism and financial self-efficacy measures.
- Women, students with debt, and 2-year students in the student parent cohort had significantly different scores than their respective comparison groups on all financial wellness measures.

RESULTS

Comparing Student Parents to Non-Parenting Students (24 and Older)

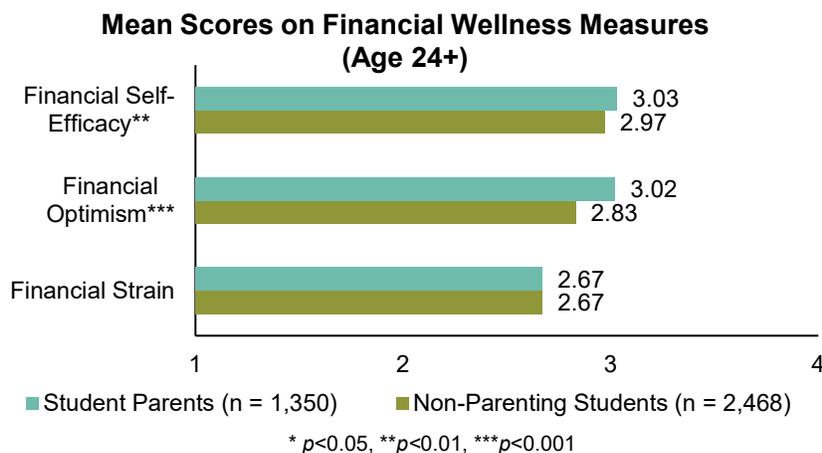
The first analysis addressed potential differences between student parents and non-parenting students age 24 and older on use of educational funding sources. The graph below summarizes how student parents and non-parenting students paid for educational expenses. Chi square tests were used to compare educational funding sources.



This analysis demonstrated that student parents were more likely to use scholarships/grants and federal loans to finance their education. In contrast, non-parenting students were more likely to use money from jobs, money from savings, credit cards, and parent income.

The second analysis compared mean scores for student parents and non-parenting students on several financial wellness measures using independent sample t -tests. Note that all measures are on a 1 to 4 point scale and are converted from Likert scales, in which 1 = Strongly Disagree and 4 = Strongly Agree. Definitions and details of the financial wellness measures are provided in the Appendix.

Student parents had higher average scores than non-parenting students on the financial self-efficacy and financial optimism measures. There was no significant difference between mean scores for student parents and non-parenting students on the financial strain measure.



Financial Wellness Differences Among Student Parents

The second set of analyses compared student parents on the financial wellness measures using a variety of institutional and demographic factors. The same financial wellness measures (i.e. self-efficacy, optimism, and strain) from the previous section were used for this analysis. Independent *t*-tests were used to compare average scores on these measures among different groups of student parents.

Table 1: Financial Wellness Measure Scores (n = 1,630)

		<i>n</i>	Self-Efficacy Score	Optimism Score	Strain Score
Institution Type	2-Year	844	2.98	3.04	2.81
	4-Year	786	3.04	2.96	2.53
	Significance		*	**	***
Parent Type	Single Parent	676	2.90	2.92	2.81
	Partnered Parent	954	3.09	3.06	2.58
	Significance		***	***	***
Age	18-23 years old	280	2.91	2.89	2.66
	24+ years old	1,350	3.03	3.02	2.67
	Significance		***	***	
First Generation	First Generation	1,155	3.02	3.01	2.71
	Continuing Generation	475	2.98	2.97	2.58
	Significance				**
Gender	Woman	1,221	2.96	2.97	2.74
	Man	409	3.14	3.09	2.47
	Significance		***	***	***
Enrollment Status	Enrolled part-time	579	3.03	3.03	2.68
	Enrolled full-time	1,051	3.00	2.98	2.65
	Significance				
Current Debt (e.g., credit cards, loans, etc.)	Has debt	1,314	2.99	2.98	2.71
	No debt	316	3.07	3.08	2.49
	Significance		*	**	***

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

There were a number of significant differences across all financial wellness measures. Students at 2-year institutions had lower average financial self-efficacy scores than students at 4-year institutions, but also had higher average optimism and strain scores.

Single parents had higher average strain scores than partnered parents, but had lower average financial optimism and self-efficacy scores. This pattern was also true of women compared to men, as well as students with debt compared to students without debt.

Traditional age student parents (18 to 23 years old) had lower average self-efficacy and optimism scores than non-traditional age student parents (24+ years).

First generation students had higher financial strain scores than continuing generation students.

There were no significant differences between student parents enrolled part-time versus student parents enrolled full-time on any of the included measures.

CONCLUSION

This brief explored the financial beliefs, attitudes, and practices of student parents. The first set of analyses examined differences between student parents and non-parenting students as specific cohorts. Student parents age 24 and older were more likely than non-parenting students of the same age to use scholarships and federal loans to pay for educational expenses (e.g., tuition, textbooks, school supplies, etc.). However, non-parenting students age 24 and older were more likely to use money from jobs, saving accounts, credit cards, or their parents as sources of funding. The financial measures analysis demonstrated that student parents age 24 and older have higher average financial optimism and financial self-efficacy scores than non-parenting students of the same age group.

Student parents over age 24 did not demonstrate higher average financial strain scores relative to non-parenting students of the same age. However, the disaggregated student parent analyses indicated that specific groups of student parents experience elevated financial strain. Single parents, women, and students with debt had higher financial strain scores, as well as lower financial optimism and self-efficacy scores, relative to their respective comparison groups. Additionally, students at 2-year institutions had higher financial strain scores and lower self-efficacy than students at 4-year institutions.

Our research suggests that while student parents differed in important ways from non-parenting students, particular groups of student parents were more likely to experience challenges around financial wellness.

MORE INFORMATION

The Study on Collegiate Financial Wellness (SCFW) is a multi-institutional survey of college students examining their financial attitudes, practices and knowledge. The 2017 SCFW was administered to 271,191 students at 65 different U.S. institutions and 90 individual campuses; 28,539 students responded for a response rate of 10.5%. Most respondents were enrolled at four-year public institutions (68%); 10% were enrolled at four-year private institutions and 22% were enrolled at two-year public institutions.

Suggested Citation

Study on Collegiate Financial Wellness. (2019). *Financial Wellness of Students with Children*. Center for the Study of Student Life, The Ohio State University, Columbus, Ohio.

REFERENCES

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- ² Perna, L. W., Fester, R., & Walsh, E. (2010). Exploring the college enrollment of parents: A descriptive analysis. *Journal of Student Financial Aid*, 40(1), 6-16.
- ³ Goldrick-Rab, S., & Sorensen, K. (2010). Unmarried parents in college. *The Future of Children*, 20(2), 179-203.
- ⁴ Montalto, C. P., Phillips, E. L., McDaniel, A., & Baker, A. R. (2019). College student financial wellness: Student loans and beyond. *Journal of Family and Economic Issues*, 40(1), 3–21. <https://doi.org/10.1007/s10834-018-9593-4>

APPENDIX

Table A1: Full Sample Participant Demographics

		Student Parents		Non-Parenting Students	
		Age 18-23 (n = 280)	Age 24+ (n = 1,350)	Age 18-23 (n = 16,087)	Age 24+ (n = 2,468)
Institution Type	2-Year	35.0%	55.3%	11.2%	46.9%
	4-Year	65.0%	44.7%	88.8%	53.1%
Race and Ethnicity	White	48.2%	52.5%	67.0%	54.1%
	Black	9.6%	9.3%	5.6%	6.7%
	Latino	27.1%	22.3%	12.3%	20.8%
	Asian	6.1%	4.6%	8.1%	7.9%
	Multiracial	4.3%	3.9%	3.9%	4.1%
	Other	1.8%	2.6%	1.4%	3.4%
	Prefer not to say	2.9%	4.8%	1.6%	3.0%
Gender Identity	Man	22.9%	25.6%	33.2%	42.2%
	Woman	77.1%	74.4%	66.8%	57.8%
First Generation	First Generation	59.6%	73.2%	38.0%	59.4%
	Continuing Generation	40.4%	26.8%	62.0%	40.6%
Enrollment Status	Enrolled part-time	15.4%	39.7%	5.5%	33.8%
	Enrolled full-time	84.6%	60.3%	94.5%	66.3%
Employment Status	Not employed	40.4%	32.2%	36.0%	29.2%
	Employed part-time	48.2%	29.0%	58.1%	41.4%
	Employed full-time	11.4%	38.7%	5.9%	29.5%

Table A2: Definition of Financial Measures

Measure	Description	Total Items
Financial Self-Efficacy	Feeling of confidence and preparedness when dealing with financial matters	7
Financial Strain	Feeling stressed or worried about finances	5
Financial Optimism	Attitudes toward financial future	3

If your institution is interested in participating in the next administration of the SCFW, please contact us at scfw@osu.edu.