

## Something We Can All Agree on: College Savings is Daunting, but Necessary

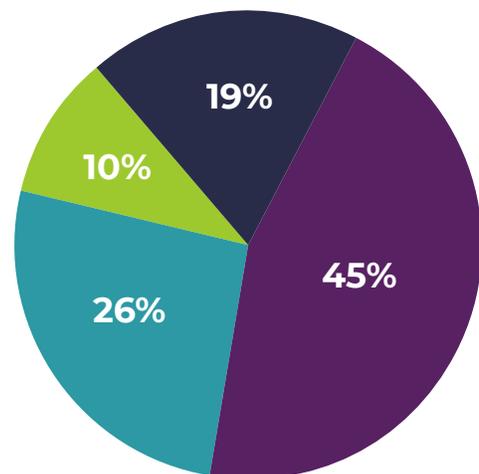
**Survey:** Despite the strong majority of parents placing a high importance on college savings, just 19% are “very confident” they’ll be able to save the amount of money they hope to put aside.

**When it comes to raising kids, the days are long and the years are short!** As time flies by, are parents confident they’ll be able to save their desired amount of money for their children’s college education? According to a national survey commissioned by Upromise in late March 2021 of 1,007 parents with a child under 18, *just 19% are “very confident” they’ll be able to achieve this, with another 45% “somewhat confident.”*



### Chart 1

How confident are you that you will have the desired money set aside in a fund to pay for your oldest child’s college when they are ready to attend?



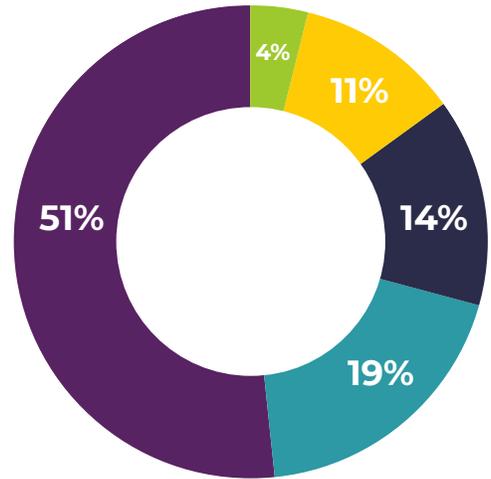
### You Can’t Start Early Enough, But Please Start When You Can.

Half of parents recommend starting a college fund soon after a child is born (with another 11% saying to do so “as soon as they know they want children”).

**Chart 2**

**When should parents start a fund to save for college for their children?**

- When the child knows they want to go to college
- As soon as they know they want children
- At least 10 years before the child can attend college
- It's never too late to start
- Soon after a child is born



**College Savings is the Talk of the Playgroup.**

Savings for college arises as a conversation topic at least “pretty often” for 34% of parents, with another 36% “sometimes” discussing this topic with their peers and relatives.



**“It Takes a Village” to Help Save.**

Just 26% of parents with a college fund think it’s “very easy” to help save. While they do identify themselves as the primary contributor to their children’s college funds, nearly half (45%) indicate that other relatives have contributed or will be doing so in the future.



**Save For an Emergency, but Also Save for College.**

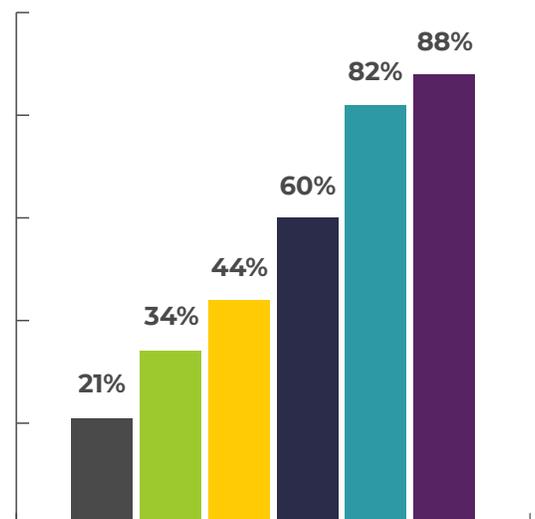
The clear majority (82%) of parents identify saving for college as “extremely” or “very” important, second only to an emergency fund.

**Chart 3**

**How important is it to you to set aside funds for each of the following?**

(Summary of Extremely/Very Important)

- New vehicles
- House renovations
- Family vacations
- Health savings account
- College
- Emergencies



## Make a (529) Plan and Stick to It.

When asked which tips they'd give fellow parents about saving for college, of greatest importance is setting automatic deposits for regular contributions, encouraging them it's never too late to start and/or meeting with a financial advisor to set up a 529 plan. *One in three (32%) would also use cash back rewards from credit cards to save for college.*



## Making it Easy to Save Their Cash is King.

The top desired feature of a 529 plan is *a way to contribute a little at a time without feeling the pinch on my budget* (54%), followed by automatic scheduled transfers into the 529 plan (51%), *a way to contribute to the 529 plan through everyday purchases I make* (44%) and options that make it easy for family and friends to contribute to the 529 plan (44%).

Additionally, around four-in-ten spotlight credit card cash back rewards that are deposited into the 529 plan and/or the option to “round up” their purchases into plan contributions as valuable features.



## Despite the Uncertainty of a Pandemic, College Savings Remains a Priority.

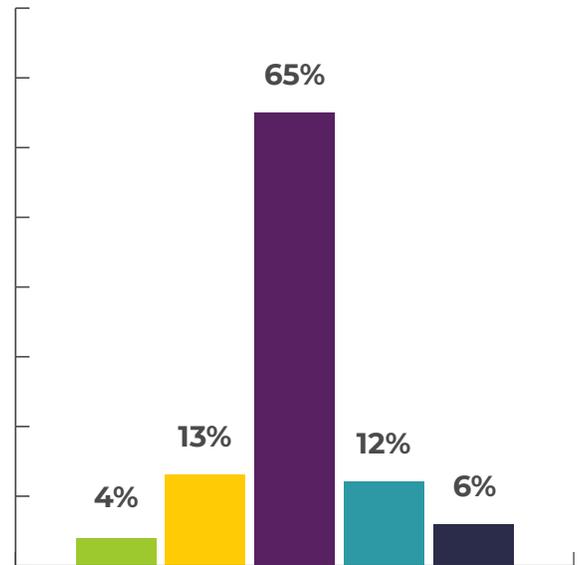
Since the COVID-19 pandemic escalated in early March 2020, 82% say their college fund contributions have stayed about the same or increased.



#### Chart 4

Since the pandemic began, how have your college savings contributions changed, if at all, compared to pre-pandemic?

- Contributed a lot more
- Contributed a little more
- Stayed about the same
- Contributed a little less
- Contributed a lot less



#### Stimulus Money Will Often Get Socked Away for Savings

Of those who expect to receive a new stimulus check/increased child tax credit soon, 35% plan to use some of this money towards college savings: third only to saving for an emergency-52% and paying down debt-40%.

#### As Optimism Returns, College Savings May Increase.

Thinking ahead to the next year, 40% of parents with a college fund anticipate increasing their college fund contributions to some extent over the next 12 months, while just 4% think their contributions may decrease.

Learn More  
[www.upromise.com](http://www.upromise.com)

The Upromise College Savings survey was conducted by Prodege, parent company of Upromise, via an online survey of 1,007 U.S. parents/guardians with children under the age of 18, between March 19 and March 23, 2021.

