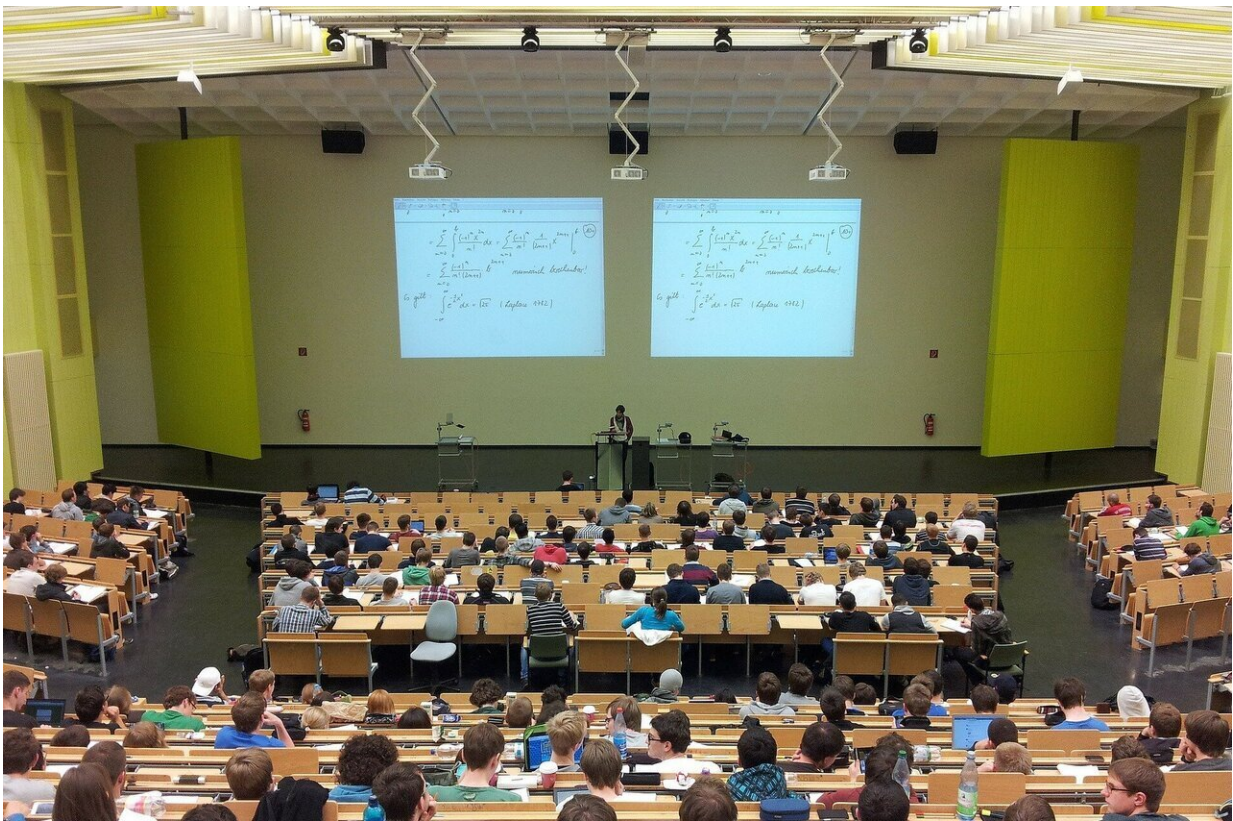


Sell the house? Rent out a room? These are some of the ways Americans pay for college

July 11 2022, by Charisse Jones



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Joyelle Tilton's youngest son, Dylan, wanted to attend the University of Massachusetts at Amherst or Boston.

But as an out-of-state student, tuition would cost roughly \$36,000, more than twice the tab they'd pay if they lived in Massachusetts.

So last August, the family made a decision. Just before Dylan started his junior year in high school, they packed their bags, said goodbye to relatives in Nevada, and moved to Massachusetts.

"Luckily my husband was a virtual worker and we can live anywhere, so we gave up our home in Las Vegas," says Tilton, 47.

It may seem like a dramatic step, but for Tilton, moving beat plunging her family into debt to pay for her son's [college](#) education.

"We're not willing to take out loans. I'm willing to make sacrifices in other areas," she says. "My husband is still paying off his school loan and probably will till the day he dies."

How much is college tuition?

Selling the house. Tapping retirement funds. Renting out a spare room.

Those are just some of the ways families are paying ever-mounting college costs. And that's not counting the decisions made by students themselves, who besides working their way through school, are joining the National Guard, opting for community college, or applying to cheaper universities overseas to afford tuition—if they choose to go to college at all.

The soaring costs of a college education are "going to lead both to fewer people going and fewer people graduating," says Anthony Carnevale, director of the Georgetown University Center on Education and the Workforce. "Those are the two effects we know about in great detail that is the core issue in higher education."

The average cost of an undergraduate degree in the U.S., including room and board and fees, soared 169%, from \$9,307 to \$25,004, between 1980 and 2019, according to the Georgetown University Center's analysis of data from the U.S. Department of Education. Between the 2008/09 and 2018/19 [school years](#), tuition alone rose from an average of \$17,045 to \$24,623.

As President Joe Biden considers whether to cancel some student debt, we must also ponder ways to keep students and their families from accumulating such a heavy financial burden in the first place.

It may not be economically feasible or politically palatable to make a four-year college education free to all who want one. And it can be argued that as stressful as it may be, working a part-time job while studying might make the degree at the end of the road that much more rewarding.

But financial aid guidelines could be more generous, recognizing that even families with incomes in the mid-six figures might struggle to foot a five-figure tuition bill, plus room and board, annually for at least four years.

And while universities certainly have salaries to pay, expenses to cover, and amenities to provide, a triple-digit increase in overall college costs since the 1980s—along with an average annual tuition rate equal to almost a third of the average American's salary—is unsustainable. At the very least it needs to be justified.

"It is absolutely out of control," says Tilton. "I don't think any of us are prepared for the cost of higher education, and I don't know what the answer is. I don't know how the government fixes it. I don't know."

Tilton and her husband Chad, 50, always made it clear to their three

children that when it came time for college, they'd have to help pay their way.

"Our kids knew they needed to get scholarships because it had gotten way more expensive than when my husband and I were in college," she says.

While Brie, 25, decided not to go to college, Colby, 19, hoped to get an ROTC scholarship to help fund his education. When that didn't come through, he signed up for the National Guard in Massachusetts which will cover his tuition at U Mass Boston.

He'll be a freshman there in the fall after taking a year to do basic training, she says. Academic scholarships will pay for his room and board. He's also saved \$17,000 from his job at Target.

The couple's youngest son, Dylan, 17, also works at Target and has a goal of saving the same amount as his big brother. But after failing a hearing test, joining the National Guard was not an option.

So the family relocated to Wareham, Massachusetts to establish residency even though Dylan will be a high school senior this year and has yet to be accepted at the state university.

Tilton is confident he will get in, and that the family's move was worth it. "He's a straight-A student, works ... and did really well on the SATs," she says.

When Tilton and her husband filled out the Free Application for Federal Student Aid (FAFSA), the portal used to determine federal, and often state and individual schools' financial aid, Tilton said they were told they should be able to contribute \$30,000 a year toward their son's college costs.

"We can't," she says. "My husband doesn't make even \$100,000 a year."

So for now, the family is living in a long-term Airbnb rental. Dylan is applying for various scholarships, and Tilton and her husband will remain in Massachusetts even after he's gained official state residency if he needs to live at home and commute to campus to save money.

"We really don't want him to rack up debt," she says. "Even with us moving, he'll probably still have to take out some student loans" to cover the cost of books and other fees.

How do people afford college without loans?

Tiffany Fite's children made a different type of move, enrolling in schools in Europe where universities can be more affordable.

She and her husband, Benjamin, began earnestly looking at their options in 2018, as the glossy brochures sent by U.S. colleges began to tumble in.

The so-called "college arms race" had begun, says Fite, a consultant. And she and her husband, an attorney, determined "we didn't want any part of that."

Instead, they hoped their sons, Aidan, 19, and Ethan, 20, would be able to enjoy their high school years without constantly worrying about whether they got into certain schools.

Fite says they are also a thrifty family, saving so diligently that she and her husband were able to take off work for two years and crisscross the country with their sons in an RV.

She wants her sons to have that same financial freedom, unencumbered by debt.

"If there was one financial lesson we wanted our boys to take away from us as they grow and fly is always live below your means ," Fite says.

The family opened 529 savings accounts but knew they wouldn't be enough to cover the \$100,000 they'd likely have to pay for each son to earn a bachelor's degree.

"We wouldn't co-sign for loans, and we would not borrow against our retirement or our future for their college," says Fite. So, they began looking for other ways their sons could go to school without piling on debt.

They weighed the cost of their sons living at home and attending Boise State, which is literally next door to their Idaho home. They priced out attending community college. "And then we found out about the option for going abroad," she says.

The boys took a gap year after [high school](#), partly to work and save. Then they were off to Europe. Aidan will be starting a three-year Bachelor of Arts program in archaeology next month at the University of Pecs, Hungary, where tuition is \$5,000 a year. And Ethan will enter his second year at Anglo American University in Prague, where annual tuition is \$8,500.

Their parents will pay \$45,000 to \$50,000 for each son's overall college tuition, and they also plan to match \$5,000 of income their children earn from working.

"It took a lot of work on our end to look at the other options," says Fite, "but (it was) worth it."

What is the best way to pay for college?

Apprenticeships and certifications are gaining traction as more people look at the high cost of college and ask, "Why bother?"

A recent Gallup poll found that 46% of parents said they would prefer their child seek a different credential than a bachelor's degree. And only 56% of adults under age 30 who went to college felt that the benefits were greater than the costs, according to a Federal Reserve study released in May.

As an educational consultant, Carolyn Johnson helps young people navigate the maze of applying to college, including applying for scholarships and financial aid.

Her daughters, Alison, 23, and Amy, 21, a graduate of and current student at Fordham University, have received numerous scholarships and each has roughly \$20,000 in loans.

Still, to cover the college costs that remained, Johnson and her husband sold their home and tapped their retirement funds. "My husband figures he'll work until he's 70," she says.

They sold their house partly because it was becoming financially draining to deal with the damage from several floods. But using the money to help cover tuition was also a priority, she says.

"I'm in the business so I know education is the foundation and the stepping stone," she says. "Houses come and go ... We've lost material things we were attached to and we learned those things don't last, but education lasts forever."

Why should colleges not be free?

Some schools have started to offer financial assistance to a broader array

of households. Stanford, for instance, in 2020 raised the income threshold for students to get scholarships that cover their full tuition to \$150,000 from \$125,000. And households earning less than \$75,000 have their room and board, along with tuition covered.

Dartmouth College, meanwhile, said that starting this summer, it will replace loans in its financial aid offerings with broader scholarship grants.

But both of those schools are extremely selective, meaning only a small number of students can benefit from that assistance.

Ohio State meanwhile is offering an option that could benefit a wider array of students with its Scarlet and Gray Advantage, a program it said will begin a pilot this fall. It sets students up for a debt-free undergraduate education through a combination of scholarships, grants, job opportunities, and family contributions.

Such expansions of debt-free aid are models worth emulating at even more schools that can afford—or develop partnerships that allow them to be—more generous.

Free [community college](#) could also provide a debt-free entry point to higher education, though for now, that recommendation has been pared from Biden's Build Back Better legislation which has yet to be approved by Congress.

Many community colleges have transfer agreements with particular colleges or universities if students take certain courses and earn the required credits.

Care still has to be taken however to ensure a two-tier system doesn't become cemented, where lower-income and students of color remain

concentrated in two-year schools, while four-year colleges primarily educate students who are more affluent and white, says Carnevale.

In the meantime, if families gain a clearer understanding of what majors or schools offer the greatest employment and earning potential, competition could grow between colleges, slowing the dizzying uptick in tuition, he says.

"In any market, in any industry, once you're able to measure value in great detail ... you've started down the road to cost competition," he says adding that while the data exists through tools like the College Scorecard, more families need to be made aware of it.

Paying for college with a room to rent

For now, Michelle St. Onge plans to rent out a spare bedroom in her home to help pay for her youngest son, Ethan, 18, to attend Clarkson University in the fall.

"We're making the leap based on the return on investment we think we're going to get after (graduation), but we still have to figure out a way to pay for it now," says St. Onge who lives in Peru, New York. "I'm a single mom and the only one helping him with his tuition."

Once Ethan becomes a sophomore, they'll look at additional financial options, like his possibly becoming a resident advisor to reduce the cost of room and board.

He also may have to apply for some student loans.

But that's down the road.

"This first year, we've figured it out," she says. "One year at a time."

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Citation: Sell the house? Rent out a room? These are some of the ways Americans pay for college (2022, July 11) retrieved 19 April 2024 from <https://phys.org/news/2022-07-house-rent-room-ways-americans.html>

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