2016 U.S. Bank Parent Financial Survey
Examining Financial Attitudes of Parents of Undergraduate Students

The U.S. Bank Parent Financial Survey examines the attitudes and philosophies around financial education among parents of 18 to 24-year-old college students.

This report analyzes findings from a nationally-representative sample of 1,542 parents of undergraduate students to better identify the financial topics most parents are tackling today, the main areas of comfort and concern, and the ways parents can become better equipped to help their college-aged kids succeed financially.
When it Comes to Financial Education, Most Parents Don’t Go Beyond the Basics

Students look to their parents for guidance on personal financial topics. However, while parents are comfortable teaching their kids the basics such as piggy-bank saving and budgeting, many stop short of providing lessons around more complex concepts like credit and investing.

Parents today are mostly teaching their kids about saving money and budgeting, with roughly half teaching about credit and far fewer tackling the subjects of retirement and investing.

The gap in teaching about credit and saving for the future presents a problem as students face mounting student loan debt and new financial responsibilities (rent, bills, etc.) that they need to plan for and manage.

What are Most Parents Teaching their Kids About?

- 77% Saving money in general
- 66% Budgeting
- 54% Building and maintaining credit
- 32% Saving money for retirement
- 30% Investing money

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Parents and Kids Could Benefit from a Better Understanding of Credit

Many parents may not teach their kids about credit because they don’t fully understand it themselves, and many who are talking about credit may be misinformed. The survey found that more than half of parents incorrectly believe that their bank account balance affects their credit score (51 percent) and that debit cards can help build credit (52 percent).

“The stakes are high once kids go to college,” said Robyn Gilson, U.S. Bank Coach for Student Financial Education. “Instead of managing a weekly allowance, they’re managing scholarship money and student loans. They need to be confident about credit and planning for the future, otherwise the impact is costly. Worse yet, bad habits may be passed along to future generations, and that is exactly what U.S. Bank is working to prevent.”
Helping Kids Become Financially Self-Sufficient Starts at Home

According to parents, the biggest area of concern in how young people approach money today is that there’s too much reliance on mom and dad. They also worry that students aren’t focused on long-term goals and don’t understand the importance of saving for the future.

For parents, U.S. Bank offers this advice: have the conversation. According to the survey, most parents (56 percent) say their 18 to 24-year-old is “not very” or “not at all” involved in finances at home, which is a great place to start instilling the right financial knowledge and behaviors.

“Being financially fit is vital to a healthy happy life,” Gilson said. “Talking to teens about money should be as routine as brushing your teeth or grocery shopping. Look for everyday moments to have the conversation and know their friends at the bank are great coaches if the topics are more than parents want to tackle alone.”

The Biggest Problems with How Young People Approach Money Today, According to Parents:

1. Rely too much on mom and dad
2. Don’t have enough concern with long-term goals
3. Don’t understand the importance of saving for retirement

56% of parents say their 18 to 24-year-old has little to no involvement with family finances.
Conclusion and Methodology

Parents are the authority when it comes to how kids learn about money – but you’re not alone if you’re looking for help. Two-thirds of parents say they turn to outside sources – like bank websites – to help teach their kids about finances.

U.S. Bank is breaking through with relatable advice, tools and resources for students and parents on Student Union. Geared toward 18- through 24-years-olds who are finishing high school or are in college, U.S. Bank offers scholarship opportunities to students who complete online lessons about personal finance.

Through our national efforts, we are committed to breaking the cycle and getting more students and parents talking about money.

About the Parent Financial Education Survey
The 2016 U.S. Bank Parent Financial Education Survey was an online, quantitative survey of 1,542 parents of undergraduate students (18- to 24-years-old), conducted in May 2016. Parents were between 36- and 70-years-old and reflected the U.S. parent population with regard to race and gender, in accordance with the 2014 American Community Survey (ACS). Half were men, half were women.

About U.S. Bank

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