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Report: For Low-Income Students, Hidden College Costs Create Hardships, Barriers to Degree Completion

Lack of clear information about indirect expenses leaves students struggling to afford them

BOSTON — Before COVID-19, millions of college students were struggling to pay basic living and education costs beyond their tuition bill. Indirect expenses, non-tuition costs like textbooks, laptops, transportation, off-campus housing, and food, make up more than half the cost of college, yet students do not receive and cannot access essential information about them. These unforeseen costs can create financial hardship that prevent students from earning a degree, especially those from low-income backgrounds and communities of color who face affordability gaps nationwide.

Beyond the College Bill: The Hidden Hurdles of Indirect Expenses, a report released today by uAspire, examines how colleges calculate and communicate indirect expenses, how students struggle to understand and afford them, and the impact on students. The study draws on primary and secondary research, along with data analysis from over 800 colleges and the lived experiences of over 150 students.

“For many students, these additional costs far exceed the cost of tuition and fees, and they are unaware of them until they start classes,” noted Laura Keane, lead report author and uAspire chief policy officer. “Even after maxing out federal student loans, students still face significant gaps to cover their true cost of attendance. Students pay their college bill first leaving them struggling to cover indirect expenses and make ends meet throughout the year. The financial burden on students has been growing since 2008 and will be compounded by the economic impacts of COVID-19.”

Students need clear consumer information about what indirect expenses to expect, how much they cost, and when they need to be paid. Without transparency of costs beyond the college bill and the resources to help pay for them, one unforeseen expense can derail a college student’s dream of getting a degree.

The report found that:

- **Indirect Expenses are Hard to Find and Understand:** In a sample of 820 college websites, 39% did not include any indirect expense information at all. Among those that did, we found 58 different terms for “indirect expenses.”
- **Estimates Don’t Add Up:** We found differences of over \$8,000 in the indirect expense estimates from colleges only miles apart, raising questions about how schools determine which expenses to include.
- **Complexity Hinders Financial Aid Administrators:** Without federal guidance on setting the cost of attendance, there is a lot of variation in the way colleges calculate estimates, leading to inconsistencies.



- **Hidden Costs Create Hardships for Students:** 51% paid more for indirect expenses than they anticipated, and 53% changed food shopping or eating habits when faced with unexpected expenses.
- **Reforms Can Ease the Burden:** Programs like subsidized public transportation and apartments, cost-friendly textbook alternatives, and on-campus food pantries can help students cover the costs and contribute to college success.

“Inaccurate and under-communicated indirect expense estimates can lead economically vulnerable students to take on even more debt and exacerbate the cycle of poverty,” said Keane. “Giving students a clear understanding of the costs beyond tuition, combined with improved policies to cover those costs, will help drive degree completion with less debt.”

Beyond the College Bill suggests several straightforward policy changes and systems-level solutions that federal, state, and higher education leaders can take to reduce financial hardship and enable students to cover the true cost of college.

This month, uAspire advocacy fellows, a diverse group of college students from across the country, held virtual meetings with over 40 government offices to advance their stories and solutions to make college costs more transparent and affordable. On Thursday, June 25, the Office of Congresswoman Ayanna Pressley (MA-07) will sponsor a briefing where uAspire will present the report’s findings and policy recommendations.

To learn more about this report, click here <https://www.uaspire.org/report/beyond-the-college-bill>.

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uAspire is a national nonprofit ensuring that all young people have the financial information and resources to find an affordable path to and through college. Through student advising, counselor training, and policy and systems change, we work to remove the financial barriers to higher education. For more information please visit [uAspire.org](https://www.uaspire.org).