POSTSECONDARY

VALUE COMMISSION

EXAMINING HOW STUDENT AND PARENT DEBT IMPACTS POSTSECONDARY VALUE

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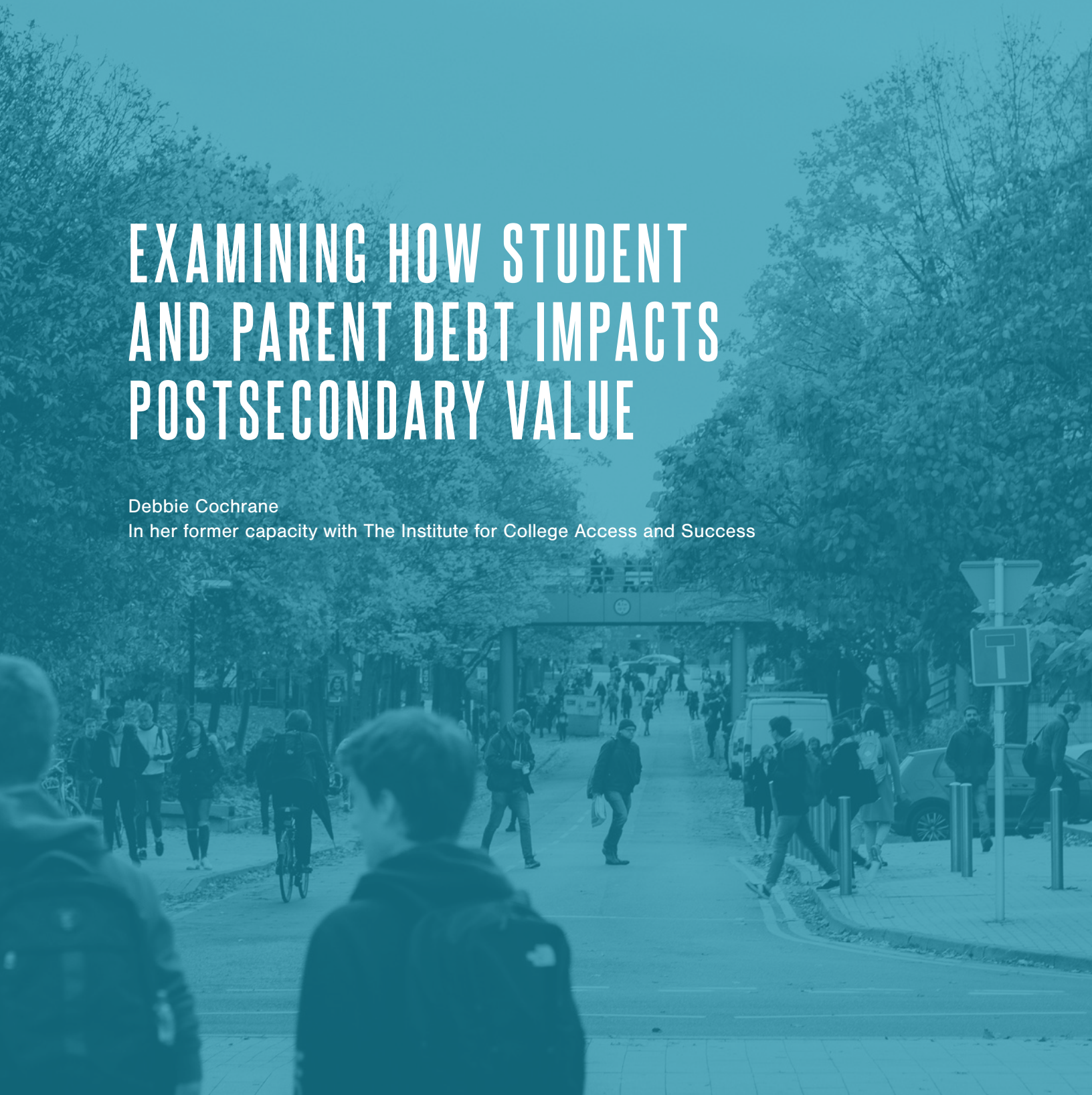
In her former capacity with The Institute for College Access and Success



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This paper is one in a foundational research series for the Postsecondary Value Commission authored in summer 2019 by scholars with diverse backgrounds and expertise. The research presented in these papers applies an equity lens to the philosophical, measurement, and policy considerations and assumptions underlying key components of postsecondary value to students and society, including investment, economic and non-economic returns, mobility, and racial and socioeconomic justice.

The Postsecondary Value Commission consulted this foundational research as it developed a conceptual definition of postsecondary value, a framework for measuring how institutions and programs create value and ensure equitable outcomes, and an action agenda with recommendations for applying the definition and framework to change policies and practices. Through this breadth of scholarship, the commission was better able to define the value of postsecondary education and the role institutions can play in creating a more equitable and fair United States.

Following the May 2021 release of the commission's findings, these foundational papers were prepared for publication. The views and opinions expressed in these papers do not necessarily reflect the positions of individual members of the Postsecondary Value Commission or the organizations they represent.

The Postsecondary Value Commission along with the Bill & Melinda Gates Foundation and Institute for Higher Education Policy are deeply grateful to the authors of this series. The authors' extensive expertise and thoughtful engagement in this work provided the foundation for the commission to develop an informed, innovative, and equity-driven framework. They also thank Deborah Seymour for editing the written products and the team at GMMB for their creative design and layout.

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With grant and scholarship aid as well as family resources unable to keep pace with college costs, loans have become a fact of life for millions of college students each year. In deciding how and how much to borrow, these students are making highly consequential decisions that will impact their future in unknown ways. Access to needed financial resources, including loans, can facilitate academic progression and timely completion, but whether or when students will ultimately graduate cannot be known with certainty when a promissory note is signed. The manageability of debt payments depends on some predictable factors, such as the type of debt and its terms, and others that are not predictable, such as future employment outcomes. Policy should aim to reduce the prevalence of postsecondary education opportunities that routinely leave borrowers with loans they cannot repay, and provide students with timely and relevant information and support with which to make borrowing decisions.[a]

STUDENT LOANS: WHAT THEY ARE AND HOW THEY ARE USED

The primary sources of student debt are federal loans[1] (including subsidized and unsubsidized Stafford loans, Grad and Parent PLUS loans, and Perkins loans) and private loans made by banks, state governments, and individual institutions. Experts agree that federal loans offer more consumer protections than private loans: these can be forgiven in instances of death or permanent disability, and provide myriad forbearance, deferment, repayment, discharge, and forgiveness options.[2] Of particular importance is the option for federal student loan borrowers to repay their debt as a portion of their income, as opposed to a fixed amount based on how much they owe. These income-driven repayment (IDR) plans can provide immediate benefit of more affordable monthly payments. Moreover, after a set number of payments, borrowers' remaining balances are forgiven, providing a light at the end of the repayment tunnel for those with very low incomes or high loan balances.

In contrast, private loans are more similar to credit cards than federal student loans, with fewer consumer protections. For instance, in the event of a student's death, parents may still be required to repay private loans incurred for the student's education, whereas all federal loans will be discharged.[3] Private loans can also cost more: for the 2019-20 academic year, the interest rate for federal student loans was fixed at 4.53 percent, while private loan interest rates vary and tend to be higher for borrowers with fewer resources. Private loan interest rates were as high as 13.99 percent for the 2019-20 academic year.[4]

Accordingly, federal loans are significantly more common. About 14 percent of 2016 bachelor's degree recipients' debt was comprised of private loans,[5] however, nonfederal loan volume is increasing after earlier declines.[6] The use of other forms of debt to finance college, including credit cards, and home equity loans is not as well quantified or examined.

Students and their families borrow money to pay for college costs net of other resources, such as income, savings and other assets, and grants and scholarships. As the cost of college has risen over recent decades, without corresponding increases in families' ability to pay, so too has the share of students relying on student loan debt and the amount of loans students are taking on. In 2016, 1.5 million students graduated from a four-year college with an average of $29,650 in student

a Cochrane authored this paper in summer 2019 while serving as the Executive Vice President at The Institute for College Access & Success.

loans, compared to less than half that figure ($12,750) in 1996 ($19,500 in 2016 dollars).[7] In 2016, 69 percent of all students graduating with a bachelor's degree had student debt, compared to 58 percent in 1996. Students who received federal Pell Grants, Black students, and students attending for-profit colleges are all more likely to borrow for college and graduate with higher total loan amounts (see Table A1).[8]

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Students and families can use debt to cover their cost of attendance, which includes both tuition and non-tuition costs of college while enrolled. By helping close the gap between available resources and costs, student loans function as an important college access tool. Students can also choose to borrow more or less to attend colleges of different costs, potentially putting a wider range of colleges into financial reach. Students also use loans to help manage college costs, including basic living expenses like housing, food, and transportation, without working more than is advisable while enrolled. While research demonstrates that working while enrolled can improve post-college employment outcomes, evidence also suggests that working over 20 hours a week can negatively impact academic success and increase the total cost of college if a working student reduces enrollment intensity to accommodate work schedules, extending time to graduation.[9]

CONSEQUENCES OF BORROWING TO PAY FOR COLLEGE

For many students, loans can be an investment that pays off because they can provide students who would otherwise not be able to afford college with access to the benefits of a quality education. Research finds that increased financial aid—in the form of both loans and grants—reduces students' work hours while in school and accelerates their time to graduation.[10] Even at community colleges, where borrowing is less prevalent, research finds that borrowing is associated with higher grade point averages, increased likelihood of transfer to a four-year college, and higher future earnings.[11] When student loans are available to community college students, they earn more credits in their first year and are more likely to complete math and science classes.[12] Indeed, improving access to credits raises college enrollment and completion,[13] while descriptive statistics show that borrowers with higher federal student debt typically have more education and therefore larger earnings.[14] Unfortunately, studies examining these trends often do not examine whether these benefits to borrowing are shared across race, family income, or other disaggregated groups.

While there are undoubtedly positive impacts of student debt—including when students benefit from the education they borrowed to obtain—too many students struggle to repay their loans. While repayment struggles may manifest in a range of ways, the clearest and most severe measures of hardship are delinquency (loans with past-due balances) and default (loans at least 270 days past-due). A quarter (24 percent) of all federal Direct Loan borrowers were either delinquent or in default at the end of 2018,[15] and in recent years, over a million federal Direct Loan borrowers entered default in any given 12-month period.[16] Should borrowers default, their credit score can be ruined, making it very difficult or impossible to participate in the economy through such activities as renting an apartment, buying a car, or obtaining a cell phone. Further, their wages can be garnished and, if left unresolved, their Social Security payments can be withheld.[17]

Historically marginalized students are more likely to default on their student loans, and Black college students in particular are at disproportionate risk of this most devastating consequence of college debt.[18] Black bachelor's degree graduates default at five times the rate of white bachelor's degree graduates (21 versus 4 percent).[19] And while borrowers are less likely to default if they complete their program (11 percent of completers versus 23 percent of non-completers), Black bachelor's degree recipients are more likely to default than white dropouts.[20] Black students are also overrepresented at for-profit colleges,[21] where graduates default at four times the rate of students who started at public colleges and more than three times the rate of students who started at nonprofit colleges.[22] Nearly 60 percent of Black undergraduates rely on Pell Grants to attend college,[23] and Pell Grant recipients are five times more likely to end up in default as their higher income peers.[24]

Persistent student debt can also bring negative effects even when borrowers are not delinquent or in default. Increased student debt loads have contributed to decreased homeownership levels nationwide among younger households[25] as well as delayed projected retirement.[26] Borrowers with high debts may prioritize more lucrative careers, rather than ones in public service or more aligned with their personal goals.[27] Debt can create a psychological burden as well, even when borrowers are being helped by federal programs. Recent focus groups conducted for New America found that while borrowers in IDR generally like their repayment plans and think the benefits outweigh the costs, student loan borrowers in general felt discouraged, even hopeless, when their loan balances grew despite making monthly payments.[28] This can happen when income-based payments are less than the interest that accrues each month, and the rising balances can cause significant distress and create a feeling of throwing money into a black hole.[29] Four years after earning a bachelor's degree, about half (47 percent) of Black borrowers' total outstanding debt exceeds their balance at graduation, compared to less than one-fifth (17 percent) of White borrowers, suggesting that unpaid interest accrual disproportionately impacts Black borrowers and exacerbates the racial disparities in initial borrowing levels.[30]

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KEY FACTORS IN DEBT LEVELS AND STUDENT LOAN REPAYMENT

The amount of debt students incur is influenced by a range of factors, including students' academic trajectories. Because loans are provided to help students pay for college costs in a given year, cumulative debt loads typically increase with each semester a student is enrolled. Among similarly situated students, those who earn a bachelor's degree have higher debt loads than students who completed an associate degree or undergraduate certificate (see Table A1).

However, the general relationship between student debt burdens and enrollment trajectories is not always straightforward. Students who take longer to complete their program often graduate with higher average debt: according to one study focused on graduates of the University of Northern Iowa, each additional month enrolled increased total borrowing by 2.43 percent.[31] However, such trends are not consistent across the board, and may be influenced by the availability of other

financial resources, enrollment intensity, or other factors. Similarly, while many presume that bachelor's degree graduates who began their studies at a community college—where borrowing is relatively rare—will graduate with lower debt loads, research does not support that hypothesis.[32] More research is needed to determine and explain the relationship between transfer and debt loads.

DETERMINING HOW MUCH TO BORROW IS DIFFICULT FOR INDIVIDUAL STUDENTS GIVEN FUTURE UNCERTAINTIES

At the individual level, there are some general rules of thumb about when debt becomes unmanageable. For instance, it has become standard advice to tell borrowers to limit cumulative debt loads to their expected earnings in their first year of work post-graduation, which would position a borrower to be able to repay their debt over ten years.[33] However, no student can know precisely what their career or earnings trajectory will be, making this guidepost difficult if not impossible for borrowers to act upon.

These unpredictable academic and employment trajectories speak to the challenges students face in determining appropriate borrowing levels at the time of enrollment. Consumer information is important and is improving—with newly available program-level debt and earnings being calculated and published through the U.S. Department of Education's College Scorecard tool as of 2019—and may serve as a useful tool for students and families seeking to better understand typical outcomes before making enrollment or financing choices. However, the limitations of consumer disclosure, combined with high college costs, demonstrate that information alone is not up to the task of preventing unmanageable debts.[34]

Such uncertainty among individuals underscores how critical income-driven repayment plans are for federal student loan borrowers. Borrowers repaying Direct Loans in a standard 10-year repayment plan are ten percentage points more likely to be more than 90 days delinquent than borrowers enrolled in the two most recently introduced IDR plans (13 percent vs. 3 percent).[35] Research on the causal effects of IDR enrollment has shown that borrowers enrolled in an IDR plan are less likely to be delinquent, and they pay down more of their loan each month than those in fixed plans with similar level of engagement with their servicers. This is true even though monthly payments can be smaller in IDR than in a fixed repayment plan because borrowers are less likely to miss payments.[36] While not a panacea for debt that becomes unmanageable or a solution for colleges that routinely leave students with debts they cannot afford, such plans provide students a lifeline to stay on top of their student debt and help mitigate public policy concerns about the harms of individual students taking on more than they can afford.

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The amount of debt a student takes on is not a predictor of repayment struggles in and of itself. In fact, federal student loan defaults are concentrated among borrowers with small-volume loans, in large part because these borrowers are less likely to have completed their degrees.[37] Loans of less than $10,000 accounted for nearly two-thirds of all defaults for the 2011 cohort three years after

entering repayment, while loans of less than $5,000 accounted for 35 percent of all defaults.[38] These statistics demonstrate that it is not necessarily the size of the loan that is driving affordability or the value of postsecondary education: often it is whether the student earned the credential for which the loans were incurred. Similarly, borrowers graduating from graduate programs with the highest amount of debt are often the most likely to repay such high debt burdens because of their significant increase in earning power.[39]

TYPICAL DEBT LOADS BY SCHOOL AND FIELD OF STUDY CAN SHED LIGHT ON VALUE TO STUDENTS

In considering unmanageable debt loads, it is important to move beyond debt loads for individual students to evaluate the typical debt loads for students hailing from a given college or program. Protecting individual students from the harmful consequences of burdensome debt is important yet distinct from ensuring that schools and programs do not routinely subject students to unmanageable debts. This distinction, combined with the unpredictability of academic and employment trajectories for individual students, suggests that accountability policies aimed at mitigating unaffordable debts are best applied at the institutional or programmatic level. Doing so allows for a range of student debt outcomes for individual students and acknowledges that some borrowing factors are outside of an institution's control, while preventing schools or programs from relying on cost structures that routinely leave students with unaffordable debts.

For example, after years of deliberation, Obama-era gainful employment regulations for career education programs articulated a debt-to-earnings ratio above which a borrower's debt is presumed to be unmanageable: when debt service accounted for more than 8 percent of borrowers' total earnings, or more than 20 percent of their discretionary earnings. Programs where graduates' debt loads met one of these two standards "passed" the rule. Programs failed the gainful employment rule and would lose eligibility for federal financial aid if typical debt levels exceeded 12 percent of earnings, or 30 percent of discretionary earnings—thresholds 50 percent higher than the passing standards. Programs in between passing and failing standards could also lose eligibility for federal financial aid but were given more time to improve.

The 8 percent threshold for the ratio of debt-to-earnings is taken from mortgage underwriting practices which acknowledged that borrowers with debt service ratios above eight percent—including all sources of debt—may struggle to repay.[40] While several financial aid studies have adopted the eight percent standard for use in determining manageable student loan debt, it is worth noting that the gainful employment rule's adoption of the eight percent threshold excludes any debt beyond student loans from debt-service calculations and as such underestimates borrowers' true debt burden.

In contrast, the 20 percent debt-to-discretionary-earnings standard in the gainful employment rule stemmed from a study focusing specifically on student loan debt burdens, which analyzed wage premiums, financial aid needs-analysis, and subjective debt burdens. That study concludes that "there are virtually no circumstances under which higher debt-service ratios [than 20 percent of discretionary earnings] would be reasonable." The rationales for these standards were thoroughly documented in the Department of Education's 2011 and 2014 rulemakings and have withstood robust judicial scrutiny.

The gainful employment standards are particularly useful for determining career college program outcomes and accountability, as they identify where employment-focused programs routinely leave students with burdensome debts. Because career education programs are designed to provide workforce-oriented education and training, and graduates are expected to quickly enter the job market, they are particularly well suited to being gauged by graduates' early-career incomes. While the public policy goal of preventing unmanageable debts or debts that do not pay off for students cannot be achieved by focusing on career education programs exclusively, measuring the economic value and long-term payoff of other programs is less straightforward. Liberal arts graduates, for instance, may attend multiple programs before entering the workforce, which renders potential assessment of a particular program's payoff murkier. Further, research on career and earnings prospects of liberal arts graduates continues to show steady, long-term gains, such that early-career earnings may not accurately identify which programs pay off and which do not. Further study on how to identify, measure, and operationalize acceptable debt thresholds for programs beyond career education programs is needed.

IMPACTS OF DEBT ON STUDENTS AND PARENTS

Compared to the wealth of information available about student borrowing and debt loads, less research has focused on parent borrowing. Whereas students financing their educations through debt do so with an expectation that their earnings will increase after leaving school, thus enabling them to repay the debt, the same is not true for parents whose labor market value is not expected to increase as a result of the debt. Parent borrowing is much less common than student borrowing, and as such data on parent borrowing are limited. However, available survey data suggest that parents from across the income spectrum rely upon the parent PLUS loan program to pay for their children's education in different ways. In 2015-16, 18 percent of parent PLUS borrowers borrowed for students with an expected family contribution (EFC) of zero, meaning that the federal government estimated the family had no financial resources to put toward college costs, yet made loans to those same parents with a median value of $9,900. In contrast, 27 percent of parent PLUS borrowers took out loans for students with EFCs above 19,300, with an average loan of $18,700—an amount lower than their EFC, which suggests that some parents may choose to borrow loans as a method of financing their own expected contribution, as estimated through the federal aid formula.[41]

Table A2 shows parent PLUS utilization for dependent students in 2015-16, with a particular focus on Black students whose parents are more likely to rely on PLUS loans. While the vast majority of dependent student parents do not rely upon PLUS loans, irrespective of race, some of those who do appear to borrow beyond their means. For instance, of the 11 percent of dependent students with EFCs between 10,001 and 15,000 whose parents took out parent PLUS loans in 2015-16, 4.9 percent took out more than $15,000 in debt.

For parents planning for retirement, such debt burdens can significantly impact their daily life and long-term financial health and stability, particularly for already low-income families. A recent AARP survey indicated that 25 percent of private student loan cosigners ages 50 and older had to make a loan payment because the student borrower failed to do so.[42] Such arrangements can create a strain on retirement for students' family members as they age. Given the inability to discharge these types of debts in bankruptcy and lack of eligibility for income-based repayment and other protections provided on federal loans made to students, families have few options to help them manage payments.

WHAT DO INCOME-SHARE AGREEMENTS TELL US ABOUT MEASURING VALUE

In recent years, there has been increasing interest in and experimentation with private income share agreements (ISAs) as an alternative to traditional student loans in financing higher education. With an ISA, a borrower signs a contract with a college or other investor to receive funds to cover educational expenses now in exchange for a repaying a portion of their future income for a set period of time after they complete or leave the program, rather than repaying a traditional loan principal with accruing interest.

Most colleges and companies offering ISAs have not shared their pricing models and contracts, though publicly available information reveals that common factors used to determine the terms and conditions for ISAs include the school the borrower is attending, their year in school, and their degree program. Under existing ISA models, a college senior majoring in engineering would be given more favorable financing terms precisely because they are likely poised to finish their degree and do well in the labor market afterwards. For example, Purdue's Back a Boiler ISA program would ask computer engineering students graduating in May 2021 for 2.43 percent of income over 88 months, whereas a student studying education would pay 4.27 percent of income over 116 months.[43]

It is important to note that because school and program choices are not distributed equally across all students, ISAs that provide differential terms may also have equity implications, leaving students from low-income backgrounds, women, and students of color paying more for their education.[44] ISA advocates propose that this dynamic is desirable because it may nudge students to attend higher quality colleges or choose majors that are more remunerative.

The differential terms offered via ISAs contrast starkly with the federal loan program, which offers the same terms and conditions for all students regardless of their backgrounds, the school they attend, or program of study. It is also worth noting that, through differential tuition policies, a number of colleges have pursued an opposite path to address cost and equity concerns, charging higher tuition to students in majors that are costly to provide and that may lead to higher post-college earnings, or charging upperclassmen higher tuition to reflect the costlier courses they take.[45]

Ultimately, an ISA's terms are based on an assessment of the available information to ensure that investors recover their expense, typically with some level of additional financial return beyond the break-even point. The resulting differential terms and conditions of ISA contracts reinforce what is known already via publicly available completion and earnings data—that the school a student attends, the major they pursue, and their progress toward and completion of their degree or credential all correlate, on average, with successful employment and increased earnings post-college. Whether translating those facts into differential pricing of a financial product is a useful guidepost for students making decisions about their potential education

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and career is unclear. In the absence of sufficiently robust need-based grant aid programs that bring college costs within reach for students without the need for debt financing, it is also important to consider how widespread adoption of such a model would impact college enrollment and attainment of students deemed higher risk.

CONSIDERATIONS FOR THE CREATION OF A POSTSECONDARY VALUE DEFINITION

Given the current state of research and remaining questions with respect to debt financing in higher education, several priorities emerge with respect to defining and measuring value. First, federal student loans are the safest form of debt for students who need to borrow to cover the gap between available resources and the cost of attending college. While any amount or type of borrowing requires careful consideration, including federal student loans, other types of debt financing should receive additional scrutiny given their cost structures and inferior consumer protections.

Second, federal and state financial aid systems assume students and families can and will pay a reasonable portion of college costs themselves. However, an accurate understanding of what students and families can reasonably afford remains elusive, because the calculation of students' 'expected family contribution' is better understood as a mechanism for rationing limited funds rather than an accurate assessment of what students and families can reasonably afford each year. This reality makes determining front-end thresholds for reasonable debt loads unfeasible. Further, determining whether paying the family's contribution out of pocket is more or less burdensome than using debt to finance it over the long term depends on both whether the family can pay educational costs in the short term and/or repay loans over a longer period—neither of which is sufficiently clear currently.

Third, the extent to which students borrow is in part a function of what college costs. Debt is better thought of as a method of financing college costs rather than a component of value directly. It is not possible to quantify the value of an education in terms of how families cover educational costs, and doing so risks creating adverse incentives to exclude students from low-income backgrounds.

Nonetheless, unmanageable debts can leave students worse off than if they had never attended college at all and can be a sign that the value of the education obtained does not justify its cost. Policy should aim to reduce the prevalence of postsecondary education opportunities that routinely leave borrowers with loans they cannot repay, such as those measured through borrower distress or debt-to-earnings ratios.

Baseline quality standards that rely upon trusted, verifiable data are an important policy priority for ensuring students are not financing low-value educations with debt that must later be repaid. This is simplest for career-oriented postsecondary educational programs where employment benefits are more immediate and thus easier to measure (i.e., the medical assisting graduate who quickly seeks employment as a medical assistant) and more complicated for programs where the goal of the program is much broader than a financial return (i.e., English bachelor's degree graduates who take any number of routes, including those that delay entry into the workforce, go on to graduate school, or enter public service).

In addition to ensuring that programs are providing value commensurate with or greater than their costs, individual students can be aided by timely, reliable and accessible information about college costs, debts, and employment outcomes, and by the ready availability of safeguards for those who struggle to repay loans borrowed.

PRIORITIES FOR FUTURE RESEARCH

More work is needed to understand the use and tradeoffs of using alternative (non-federal) debt to finance college, including short- and long-term consequences of leveraging wealth through credit cards, home equity loans, and private loans with high interest rates. Better understanding parent borrowing, including how those loans are used among those with differential financial strength and their effects on students' and parents' subsequent economic security and mobility would also help fill gaps in the research, especially as parent PLUS borrowing may uniquely impact Black families with limited wealth.

Likewise, more work is needed to understand how students' academic trajectories influence the amount of debt incurred, and how students' and colleges' responsibilities and expectations can be brought in better alignment to ensure students' resulting debt loads are manageable.

Research exploring why and how students default on federal loans is urgently needed to understand the ways in which the potential benefits of student loans are undermined and result in increased financial hardship. More research is needed to understand the long-term impacts that default has beyond the borrower's own life, which includes consequences for a family and community, broader inequitable patterns of educational attainment and economic opportunity, and economic growth.

A deeper understanding of the degree to which the current IDR monthly payment calculation reduces payments sufficiently to prevent financial hardship, particularly for borrowers with non-zero monthly payments but low levels of wealth would add value to the field.

More broadly, more work is needed to articulate repayment hardship beyond the extremes of delinquency and default. Stress of loan payment obligations on top of other sources and symptoms of financial distress can be overwhelming and demoralizing, and monthly student loan payments may come at the expense of making other investments like home purchases or starting a business, creating long-term distress and discouragement. Better articulation of these negative consequences through long-term qualitative work tracking borrowers in repayment is necessary.

APPENDIX

Table A1. College Graduate Debt by Race, Gender, Pell Grant Receipt, Dependency, and Sector

BACHELOR'S DEGREE GRADUATES								
	TOTAL		PUBLIC		NONPROFIT		FOR-PROFIT	
	% WITH DEBT	AVERAGE DEBT	% WITH DEBT	AVERAGE DEBT	% WITH DEBT	AVERAGE DEBT	% WITH DEBT	AVERAGE DEBT
Total	68.9%	$29,669	66.3%	$26,807	69.1%	$31,446	86.1%	$40,583
American Indian or Alaska Native Male	70.2%	$23,154	69.2%	‡	‡	‡	‡	‡
American Indian or Alaska Native Female	79.7%	$28,107	80.3%	‡	‡	‡	85.8%	‡
Asian Male	42.0%	$24,245	42.8%	$21,288	34.5%	$25,032	79.1%	$41,323
Asian Female	47.7%	$26,361	42.7%	$20,514	51.7%	$31,535	83.8%	$44,277
Black or African American Male	82.5%	$32,023	80.9%	$30,351	83.0%	$31,082	86.6%	$37,731
Black or African American Female	86.4%	$35,166	83.1%	$29,965	89.3%	$39,289	92.8%	$44,778
Hispanic or Latino Male	65.1%	$24,881	61.9%	$21,553	66.6%	$25,163	81.5%	$40,059
Hispanic or Latino Female	67.2%	$25,846	60.3%	$22,291	76.2%	$26,597	85.7%	$36,838
Pacific Islander/Hawaiian Male	91.7%	$23,588	‡	‡	‡	‡	93.2%	$15,819*
Pacific Islander/Hawaiian Female	86.8%	$30,076	‡	‡	‡	‡	98.5%	$42,129
White Male	66.0%	$29,535	65.2%	$27,658	64.0%	$30,885	82.9%	$39,398
White Female	72.1%	$30,500	70.0%	$27,904	73.3%	$32,430	86.1%	$42,399
Male of More Than One Race	68.1%	$29,731	71.1%	$29,459	52.2%	$28,732	82.0%	$32,928
Female of More Than One Race	76.4%	$29,641	76.2%	$27,214	72.4%	$30,096	93.4%	$42,465
Never Received Pell	50.6%	$26,715	49.4%	$24,016	52.0%	$30,517	58.5%	$35,091
Received Pell	84.4%	$31,182	81.2%	$28,297	87.7%	$32,048	93.8%	$41,544
Dependent	65.7%	$26,585	63.6%	$24,064	68.8%	$30,754	84.7%	$34,247
Independent, No Dependents, Unmarried	73.0%	$32,366	70.2%	$29,632	73.0%	$33,928	89.5%	$43,105
Independent, No Dependents, Married	65.0%	$31,353	65.4%	$29,308	58.0%	$29,624	76.2%	$40,256
Independent, with Dependents	74.4%	$34,209	71.0%	$31,385	69.6%	$31,831	86.2%	$40,773

ASSOCIATE'S DEGREE GRADUATES								
	TOTAL		PUBLIC		NONPROFIT		FOR-PROFIT	
	% WITH DEBT	AVERAGE DEBT	% WITH DEBT	AVERAGE DEBT	% WITH DEBT	AVERAGE DEBT	% WITH DEBT	AVERAGE DEBT
Total	48.0%	$18,501	40.9%	$15,636	80.7%	$24,361	87.2%	$26,142
American Indian or Alaska Native Male	‡	‡	‡	‡	‡	‡	‡	‡
American Indian or Alaska Native Female	‡	‡	‡	‡	‡	‡	‡	‡
Asian Male	27.1%	$14,607	22.0%	‡	‡	‡	76.9%	$26,349
Asian Female	26.4%	$19,000	19.4%	$14,269	‡	‡	69.3%	$27,039
Black or African American Male	58.1%	$20,584	50.9%	$18,257	78.7%	$26,333	88.0%	$25,679
Black or African American Female	71.6%	$23,097	61.5%	$18,534	97.1%	$23,902	93.6%	$31,651
Hispanic or Latino Male	35.6%	$14,870	29.0%	$12,320	72.4%	‡	76.3%	$20,054
Hispanic or Latino Female	35.3%	$16,330	25.8%	$11,053	69.8%	‡	87.1%	$24,120
Pacific Islander/Hawaiian Male	‡	‡	‡	‡	‡	‡	‡	‡
Pacific Islander/Hawaiian Female	‡	‡	‡	‡	‡	‡	‡	‡
White Male	43.3%	$16,384	38.0%	$14,605	76.5%	$23,960	80.3%	$21,358
White Female	55.3%	$18,529	49.6%	$16,307	82.1%	$23,412	91.6%	$26,861
Male of More Than One Race	26.3%	$22,200	21.0%*	‡	‡	‡	‡	‡
Female of More Than One Race	64.1%	$21,659	59.5%	$19,388	‡	‡	97.5%	$29,025
Never Received Pell	29.8%	$14,171	27.3%	$12,473	58.5%	$22,960	60.0%	$23,456
Received Pell	59.3%	$19,847	50.7%	$16,868	86.3%	$24,600	93.1%	$26,521
Dependent	34.7%	$12,087	29.3%	$10,278	69.4%	$15,326	86.4%	$18,575
Independent, No Dependents, Unmarried	51.9%	$19,624	45.6%	$17,033	84.6%	$26,916	87.2%	$27,174
Independent, No Dependents, Married	53.3%	$17,966	49.4%	$14,500	63.4%*	‡	84.9%	$32,892
Independent, with Dependents	58.7%	$22,110	49.8%	$18,987	‡	$27,104	87.8%	$28,100

CERTIFICATE GRADUATES								
	TOTAL		PUBLIC		NONPROFIT		FOR-PROFIT	
	% WITH DEBT	AVERAGE DEBT	% WITH DEBT	AVERAGE DEBT	% WITH DEBT	AVERAGE DEBT	% WITH DEBT	AVERAGE DEBT
Total	66.5%	$15,512	44.6%	$16,403	79.0%	$16,987	84.2%	$14,886
American Indian or Alaska Native Male	‡	‡	‡	‡	‡	‡	‡	‡
American Indian or Alaska Native Female	‡	‡	‡	‡	‡	‡	‡	‡
Asian Male	36.2%*	$14,279	‡	‡	‡	‡	70.8%	$14,037
Asian Female	52.0%	$14,813	‡	‡	‡	‡	74.0%	$13,567
Black or African American Male	69.4%	$15,098	43.1%	‡	95.6%	$13,651	89.1%	$17,243
Black or African American Female	88.4%	$16,557	73.3%	$16,012	93.9%	$18,504	94.5%	$16,458
Hispanic or Latino Male	55.7%	$13,421	30.0%*	‡	72.8%	$13,484	70.2%	$13,178
Hispanic or Latino Female	65.4%	$14,073	26.9%	‡	83.5%	$11,554	80.9%	$13,276
Pacific Islander/Hawaiian Male	‡	‡	‡	‡	‡	‡	‡	‡
Pacific Islander/Hawaiian Female	‡	‡	‡	‡	‡	‡	‡	‡
White Male	56.5%	$16,813	38.6%	$18,412	80.9%	$13,921	80.4%	$16,360
White Female	70.7%	$15,903	54.3%	$16,184	75.0%	$22,818	87.9%	$14,736
Male of More Than One Race	54.5%	$14,610	‡	‡	‡	‡	‡	‡
Female of More Than One Race	93.5%	$15,463	‡	‡	‡	‡	90.8%	$16,102
Never Received Pell	39.2%	$14,356	25.7%	$14,480	59.5%	$15,222*	67.4%	$14,026
Received Pell	78.6%	$15,766	61.0%	$17,102	87.6%	$17,519	87.5%	$15,017
Dependent	64.8%	$13,818	33.7%	$14,321	77.9%	$17,179	85.9%	$13,267
Independent, No Dependents, Unmarried	69.3%	$17,396	53.3%	$19,557	77.8%	$16,523	82.9%	$16,223
Independent, No Nependents, Married	47.7%	$14,604	28.8%	‡	‡	‡	80.2%	$14,223
Independent, with Dependents	68.6%	$15,417	48.2%	$15,077	84.2%	$17,976	84.2%	$15,242

*Notes: The race/ethnicity categories reflect the terms used by the U.S. Department of Education. ‡ Reporting standards not met. *Interpret data with caution given small sample size.*

Source: U.S. Department of Education, National Center for Education Statistics, 2015-16 National Postsecondary Student Aid Study (NPSAS:16). Race/ethnicity labels are those used by the Department.

Table A2. Parent PLUS Loan Amounts by Expected Family Contribution, 2015-16

PARENT PLUS LOAN AMOUNT						
Expected Family Contribution	**None**	**Less than $5,000**	**$5,001 - $10,000**	**$10,001- $15,000**	**$15,001 - $20,000**	**$20,001 or more**
0	93.6%	2.1%	2.0%	1.1%	0.4%	0.7%
$1-5,000	92.1%	1.9%	2.5%	1.6%	0.9%	1.0%
$5,001-10,000	90.9%	1.3%	2.4%	2.4%	1.8%	1.3%
$1,000-15,000	88.6%	1.6%	2.3%	2.6%	1.8%	3.1%
$15,001-20,000	89.4%	1.2%	1.9%	2.5%	2.3%	2.6%
$20,001 +	90.6%	0.5%	1.6%	1.7%	2.2%	3.4%
Total	91.5%	1.5%	2.1%	1.7%	1.4%	1.8%
NON-BLACK STUDENTS						
0	95.5%	1.5%	1.4%	0.8%	0.3%*	0.5%
$1-5,000	93.1%	2.0%	1.9%	1.4%	0.8%	0.8%
$5,001-10,000	91.8%	1.4%	2.0%	2.2%	1.6%	1.2%
$1,000-15,000	88.8%	1.5%	2.3%	2.6%	1.7%	3.0%
$15,001-20,000	89.2%	1.3%	1.9%	2.6%	2.3%	2.7%
$20,001 +	91.1%	0.4%	1.5%	1.6%	2.1%	3.2%
Total	92.2%	1.3%	1.7%	1.7%	1.3%	1.8%
BLACK STUDENTS						
0	89.3%	3.6%	3.5%	1.8%	0.7%*	1.2%*
$1-5,000	87.5%	1.7%	5.0%	2.2%	1.7%	1.8%
$5,001-10,000	84.4%	1.1%*	5.4%*	3.7%*	3.6%*	1.8%*
$1,000-15,000	86.6%	2.1%*	3.3%*	2.4%*	2.4%*	3.2%*
$15,001-20,000	91.6%	0.4%*	2.0%*	1.4%*	2.4%*	2.2%*
$20,001 +	83.5%	1.1%*	2.8%*	2.5%*	3.9%*	6.3%*
Total	87.7%	2.4%	4.0%	2.2%	1.7%	2.0%

*Notes: Includes dependent students only. *Interpret data with caution given small sample size.*

Source: U.S. Department of Education, National Center for Education Statistics, 2015-16 National Postsecondary Student Aid Study (NPSAS:16).

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