



## Data Sources:

### A Look at Loans and Cumulative Debt by Institutional Characteristics

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More than four out of ten (44%) students at the master's level financed their education at least in part with loans in 2007-08, as did nearly one-third (32%) of doctoral students, but the prevalence of student loans varied considerably by the type of institution graduate students attended (NCES, 2009). This article examines the use of student loans and cumulative loan debt among graduate students by institution type and Carnegie classification using data from the National Postsecondary Student Aid Study (NPSAS), a sample survey conducted every three to four years by the National Center for Education Statistics.

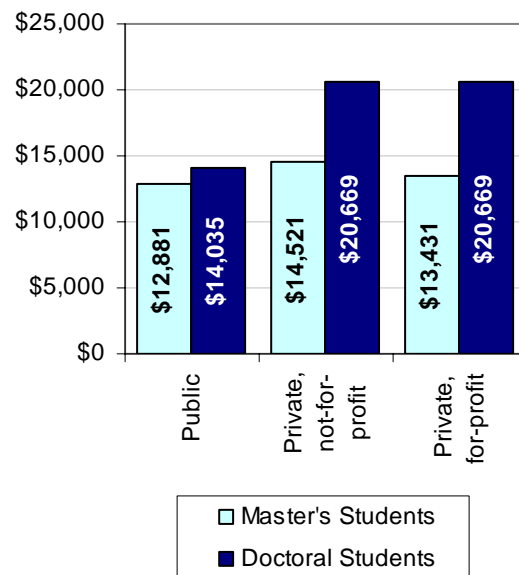
#### Loans and Loan Debt by Institution Type

Graduate students who borrow are most likely to take out Stafford loans. In academic year 2007-08, 40% of master's students and 29% of doctoral students had Stafford loans (either subsidized or unsubsidized). But, students at private, for-profit institutions were considerably more likely to have Stafford loans than their peers at public institutions and private, not-for-profit institutions.

At the doctoral level, 84% of students at private, for-profit institutions had Stafford loans for academic year 2007-08, compared with 30% of doctoral students at private, not-for-profit institutions, and 21% at public institutions. At the master's level, 75% of students at private, for-profit institutions had Stafford loans, compared with 40% of master's students at private, not-for-profit institutions, and 32% at public institutions.

While students at private, for-profit institutions were more likely to have Stafford loans, the average amount borrowed was similar to the average amount borrowed by students at private, not-for-profit institutions, particularly at the doctoral level. At the doctoral level, students who had Stafford loans at private, not-for-profit institutions borrowed \$20,669 on average for academic year 2007-08, the same as students at private, not-for-profit institutions (see Figure 1). But, students at public institutions who had Stafford loans borrowed just \$14,035 on average. At the master's level, students at private, not-for-profit institutions with Stafford loans borrowed slightly more than students at private, for-profit institutions and students at public institutions.

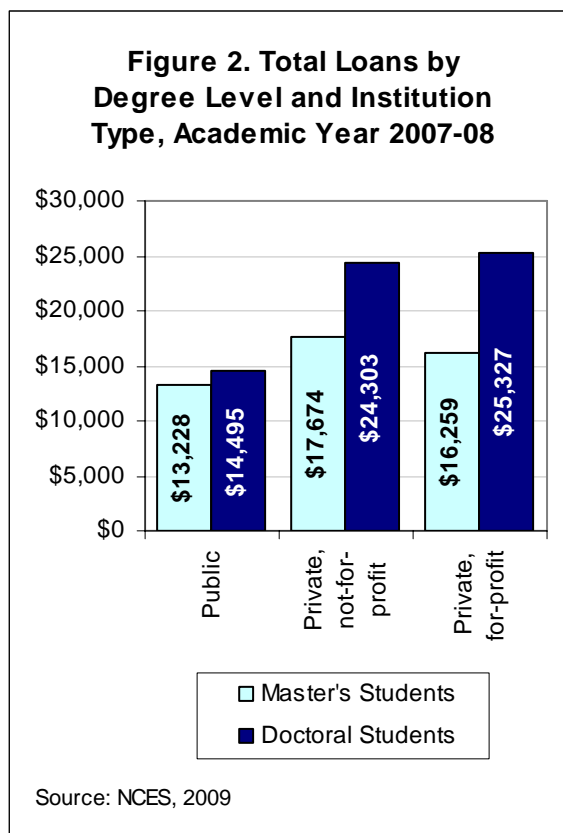
**Figure 1. Stafford Loans by Degree Level and Institution Type, Academic Year 2007-08**



Source: NCES, 2009

While Stafford loans are by far the most common type of loan among graduate students, Graduate PLUS loans, Perkins loans, private loans, and other types of loans are also used by students at both the master's and doctoral levels. In terms of total borrowing for academic year 2007-08, students at private, for-profit institutions were most likely to have loans and students at public institutions were least likely to have loans.

At the doctoral level, 87% of students at private, for-profit institutions had loans for academic year 2007-08, compared with 33% of students at private, not-for-profit institutions, and 23% at public institutions. Students at private, for-profit institutions with loans borrowed \$25,327 on average for academic year 2007-08, compared with just \$14,495 on average for students at public institutions (see Figure 2). At the master's level, 80% students at private, for-profit institutions had loans, while that percentage was lower at private, not-for-profit institutions (43%) and public institutions (37%). The amount borrowed at the master's level was highest on average among students with loans at private, not-for-profit institutions.



Overall, 69% of master's-level students in academic year 2007-08 and 59% of doctoral students had accumulated debt from their time as an undergraduate student, a graduate student, or both. In addition to being most likely to have loans for academic year 2007-08 as noted above, students at private, for-profit institutions were also more likely to have accumulated student loan debt throughout their educational careers than students at either private, not-for-profit or public institutions.

At the doctoral level, 95% of students at private, for-profit institutions had accumulated undergraduate and/or graduate debt, compared with 62% of doctoral students at private, not-for-profit institutions, and 53% at public institutions. At the master's level, 89% of students at private, for-profit institutions had accumulated educational debt through academic year 2007-08. Comparatively, 68% of students at private, not-for-profit institutions and 65% at public institutions had student loan debt.

In addition to being more likely to have debt, students at private, for-profit institutions also had the highest amount of debt. At the doctoral level, students with debt at private, for-profit institutions had borrowed \$77,484 on average through academic year 2007-08, compared with \$58,722 for students at private, for-profit institutions, and \$40,064 for students at public institutions. At the master's level, students at private, for-profit institutions had \$49,485 on average in cumulative borrowing, compared with \$38,657 and \$32,121 for students at private, not-for-profit and public institutions, respectively.

### Loans and Loan Debt by Carnegie Classification

Student loans and loan debt also vary by Carnegie classification. Presented below are doctoral-level data for the three different doctoral Carnegie classifications (using the 2005 "basic" classifications). In addition, master's-level data for all master's-focused institutions are compared with the data for master's students at all three types of doctoral institutions combined.

Doctoral students at doctoral/research universities were more likely to have Stafford loans in academic year 2007-08 than students at research universities with high research activity and research universities with very high research activity. At doctoral/research universities, 62% of doctoral students had Stafford loans, borrowing \$19,585 on average. In contrast, 25% of doctoral students at research universities with high research activity had Stafford loans, borrowing an average of \$14,250 each, and 16% of doctoral students at research universities with very high research activity had Stafford loans, borrowing an average of \$13,914 each.

Total loans were also greatest on average at doctoral/research universities, with 65% of students at these institutions having loans in academic year 2007-08, with an average amount of \$23,647 borrowed by these students. At research universities with high research activity, 28% of doctoral students had loans (borrowing \$15,261 on average), and at research universities with very high research activity, 18% had loans (borrowing \$15,782 on average).

Students at doctoral/research universities also were more likely to have accumulated student loan debt throughout their educational careers than students at either high research or very high research universities. At doctoral/research universities, 85% of doctoral students had accumulated undergraduate and/or graduate debt, compared with 56% of students at research universities with high research activity and 49% of students at research universities with very high research activity. Among those with debt, the total amount borrowed was also greater at doctoral/research universities (\$69,840) than at research universities with high research activity (\$45,702) or at research universities with very high research activity (\$38,604).

At the master's level, students at doctoral institutions were equally likely to have Stafford loans as students at master's-focused institutions – 38% of master's students at both types of institutions had Stafford loans for academic year 2007-08. But, master's students at doctoral institutions who had Stafford loans borrowed more on average than students at master's-focused institutions – \$14,994 vs. \$12,353.

Similar results were found for total loans. A similar percentage of master's students at doctoral institutions (43%) and master's-focused institutions (42%) had student loans for academic year 2007-08, with those at doctoral institutions borrowing more on average than those at master's-focused institutions – \$17,700 vs. \$13,309.

On average, accumulated student loan debt (among those with loans at the undergraduate and/or graduate levels) was higher among master's students at doctoral institutions than at master's-focused institutions (\$38,392 vs. \$34,325), but a higher percentage of students at master's-focused institutions than doctoral institutions had accrued debt through academic year 2007-08 (70% vs. 66%).

## **Conclusions**

Many of the differences in borrowing and debt burden by institutional characteristics can be attributed to the availability of other types of non-loan student aid. For example, 31% of doctoral students at public institutions and 23% of those at private, not-for-profit institutions had research assistantships in academic year 2007-08, compared with just 3.7% of students at private, for-profit institutions. Similarly, 6.4% of master's-level students at doctoral institutions had research assistantships in academic year 2007-08, compared with just 1.6% of master's-level students at master's-focused institutions. Despite this partial explanation, graduate students at private, for-profit institutions had accumulated more undergraduate and/or graduate student loan debt through academic year 2007-08 than students at private, not-for-profit institutions, who in turn had accumulated more debt than their peers at public institutions. While the differences in loan debt were less dramatic by Carnegie classification, doctoral students at doctoral/research universities had accrued more debt through 2007-08 than their peers at other types of

doctoral institutions, and master's students doctoral institutions had accrued slightly more debt than their peers at master's-focused institutions. Student loans provide many students with the financial means to complete graduate school, but institutional characteristics clearly impact the frequency of borrowing and the amount borrowed, and the debts incurred by those who borrow may substantially impact their personal finances as they leave graduate school and enter the workforce.

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*References:*

National Center for Education Statistics (NCES). 2009. 2007-08 National Postsecondary Student Aid Study (NPSAS:08). Dataset.