The Color of Student Debt: Implications of Federal Loan Reforms for Black Students and HBCUs

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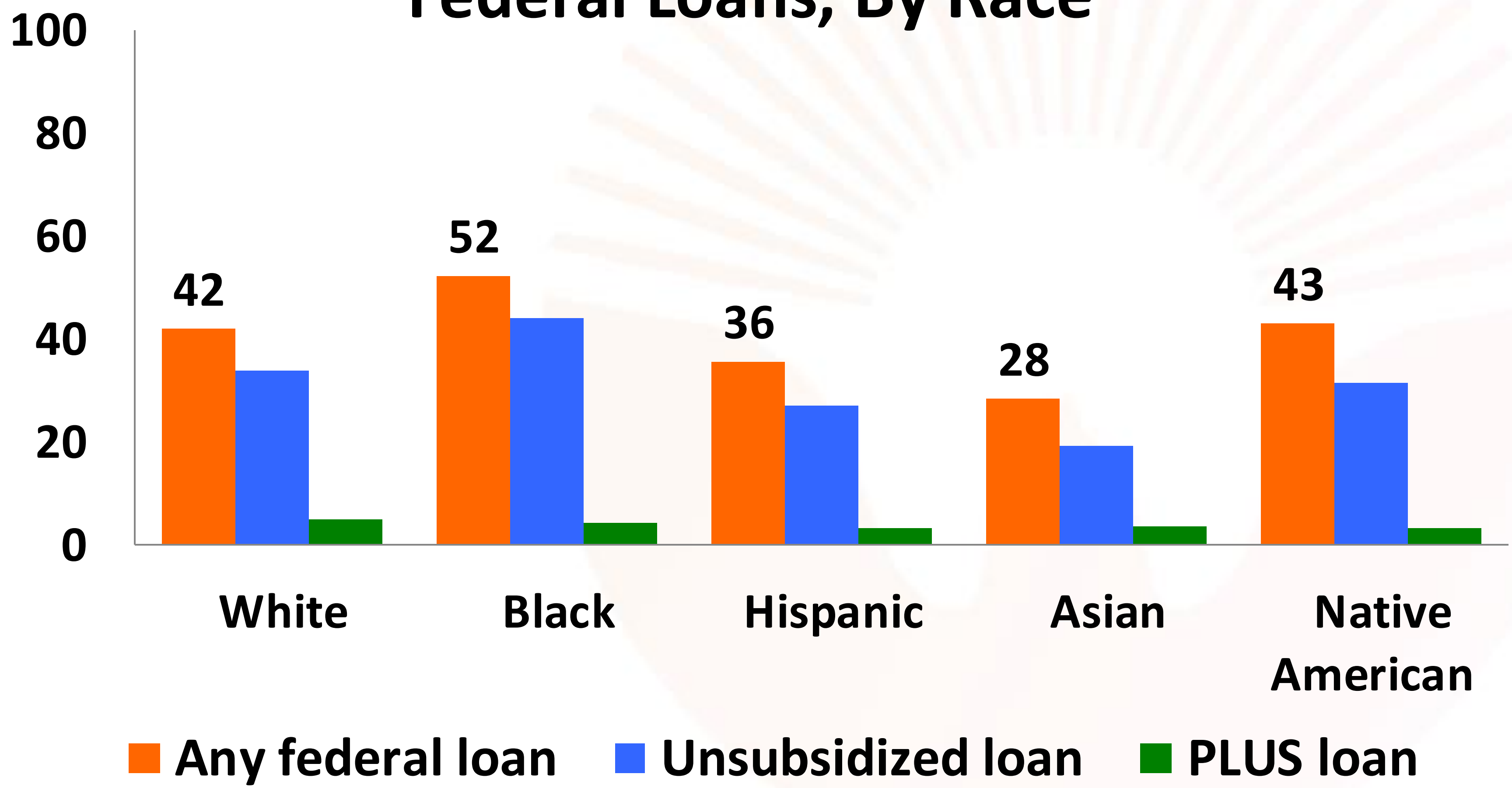
Percent of Undergraduates Borrowing Federal Loans, By Race



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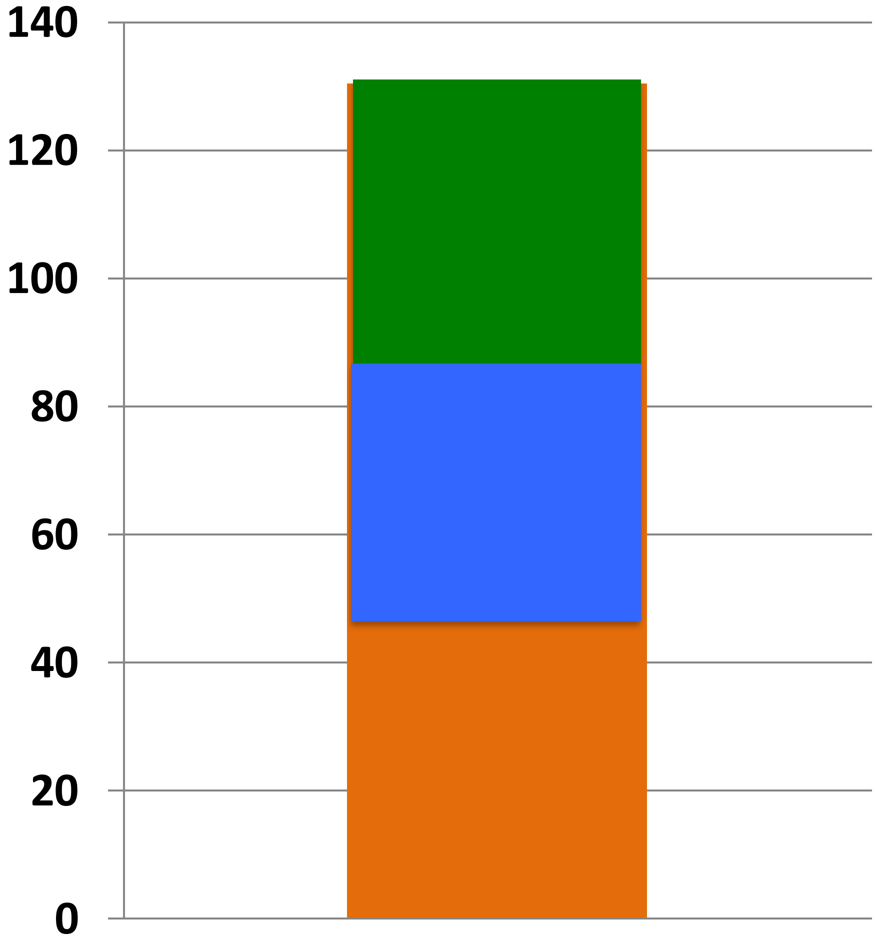
Black/White Gap in Student Debt (%)

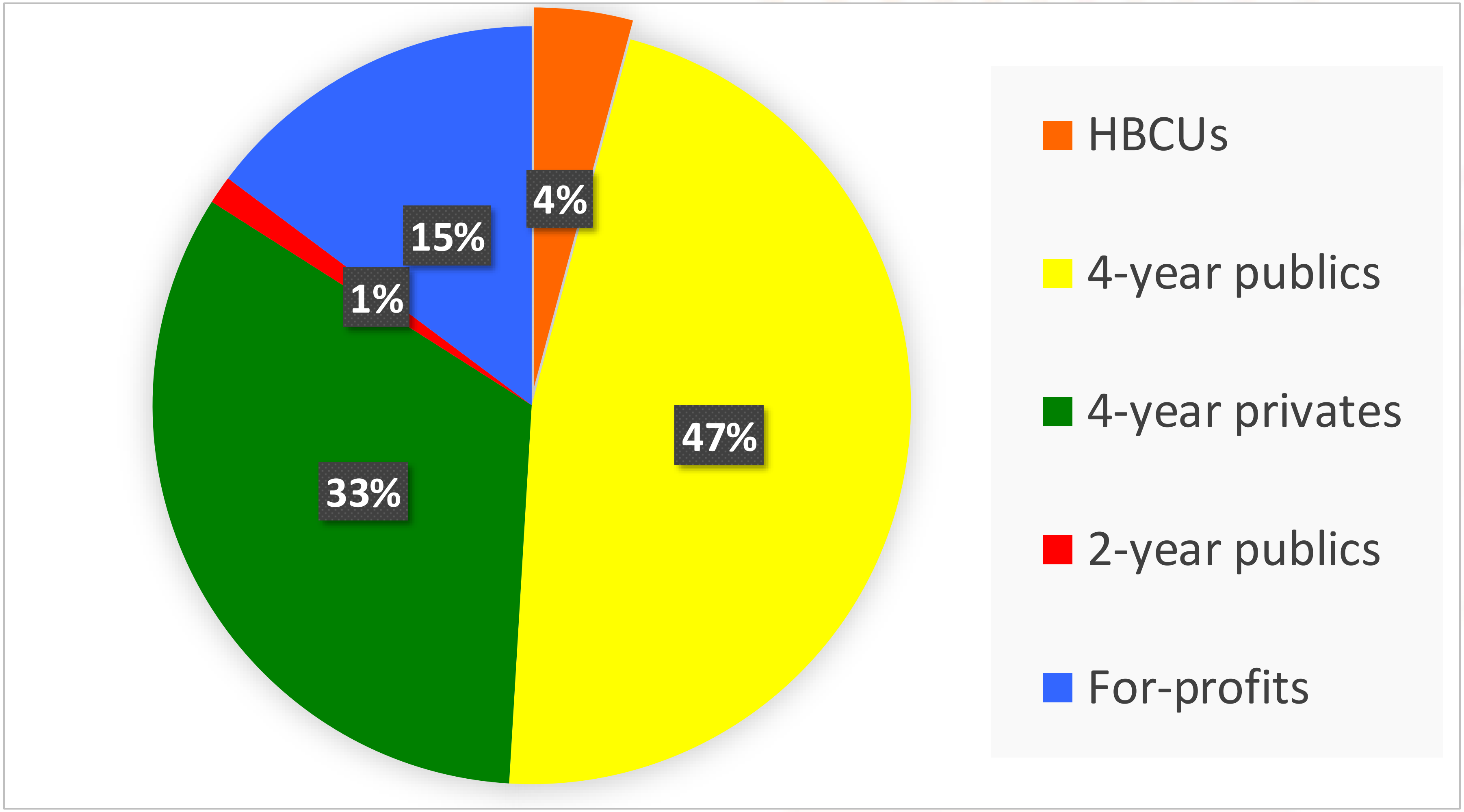


At age 25, black adults have 130% more student loan debt than white adults

Over 1/3 of this disparity is due to racial socioeconomic and wealth inequalities

An additional 30% is due to attending for-profits and underfunded/less generous institutions

Percent of all PLUS Borrowers by Institutional Type



Recommendations:

Unless, until college costs are substantially lowered

1. **Adopt negative EFC to reflect ability to pay**
2. **Increase transparency, reduce risk of borrowing**
   - **Bankruptcy protection**
   - **Increase loan limits, income-based repayments for PLUS loans**

Learn more at:

http://wihopelab.com/

Research Findings

- Unmet financial need amount is a consistent predictor of first to second year retention.
- Its strength is greatest during the period between the first semester of the first year and the second semester of the first year.
- First Semester GPA is also a consistent predictor of first to second year retention.
- Its strength is greatest during the period between the second semester of the first year and the first semester of the second year.

Research Findings Continued

- High school GPA, unmet financial aid need and ACT composite score are predictors of first semester GPA.
- Students whose parents' Parent Plus Loan application were denied have a higher attrition/retention rate than those whose parents loans were approved and those whose parents did not apply for the loan.
- Denial of the Plus loan is a predictor of first to second year retention along with first semester GPA, amount of unmet need, and original need amount. Denial of Plus loan is negatively related to student retention.

The Racial College Completion Gap:

Evidence from Texas

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FLORIDA STATE UNIVERSITY
COLLEGE OF EDUCATION

The data used in this paper include administrative records from the Texas Education Agency and the Texas Higher Education Coordinating Board. The conclusions of this research do not necessarily reflect the opinions or the official position of the Texas Education Agency, the Texas Higher Education Coordinating Board, or the State of Texas.

2002 College Cohort

White	Hispanic	Black
25,875	9,837	5,139
65.5%	51.4%	43.6%
	-14.1	**-21.9**

Who are these students?

(College Enrollees at 4-Year Institutions)

Economic Disadvantage

White	3.4%
Hispanic	**48.0%**
Black	**30.7%**

Academic Preparation

(e.g. Trigonometry Course)

White	69.9%
Hispanic	**60.8%**
Black	**46.8%**

Percent Minority in High School Context by Race

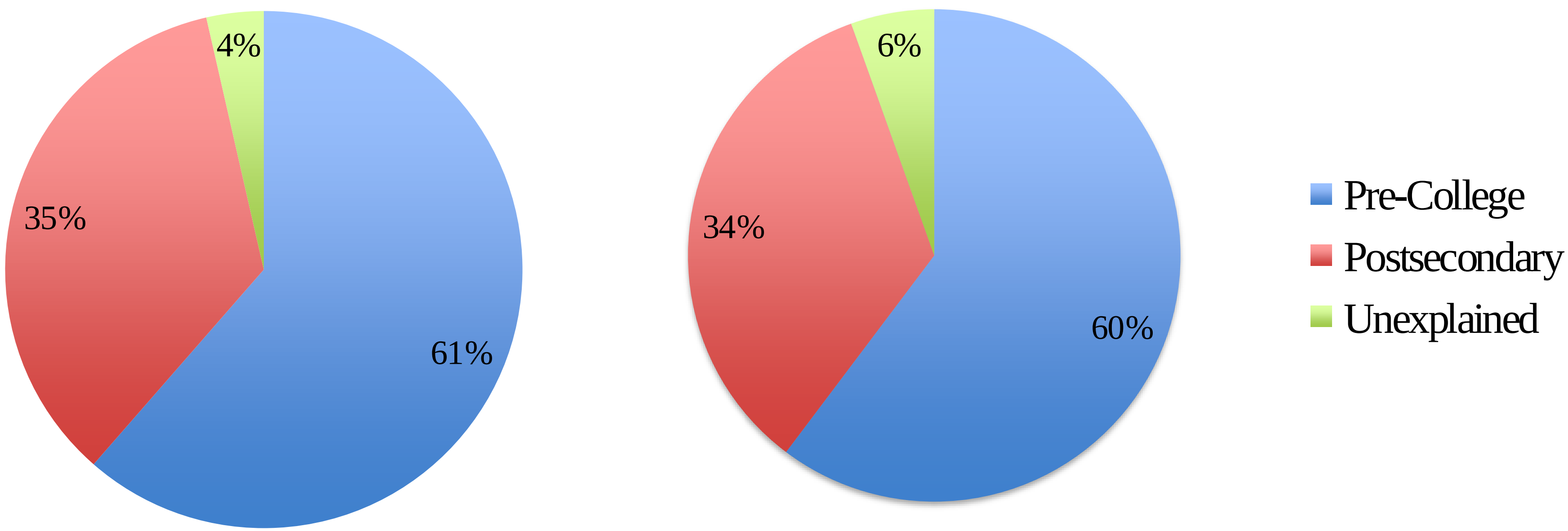
White	32.0%
Hispanic	**74.3%**
Black	**66.2%**

What contributes to the college-completion gap by sector?

(Results of Variance Decomposition Analysis)

Hispanic-White (-14.1)

Black-White (-21.9)

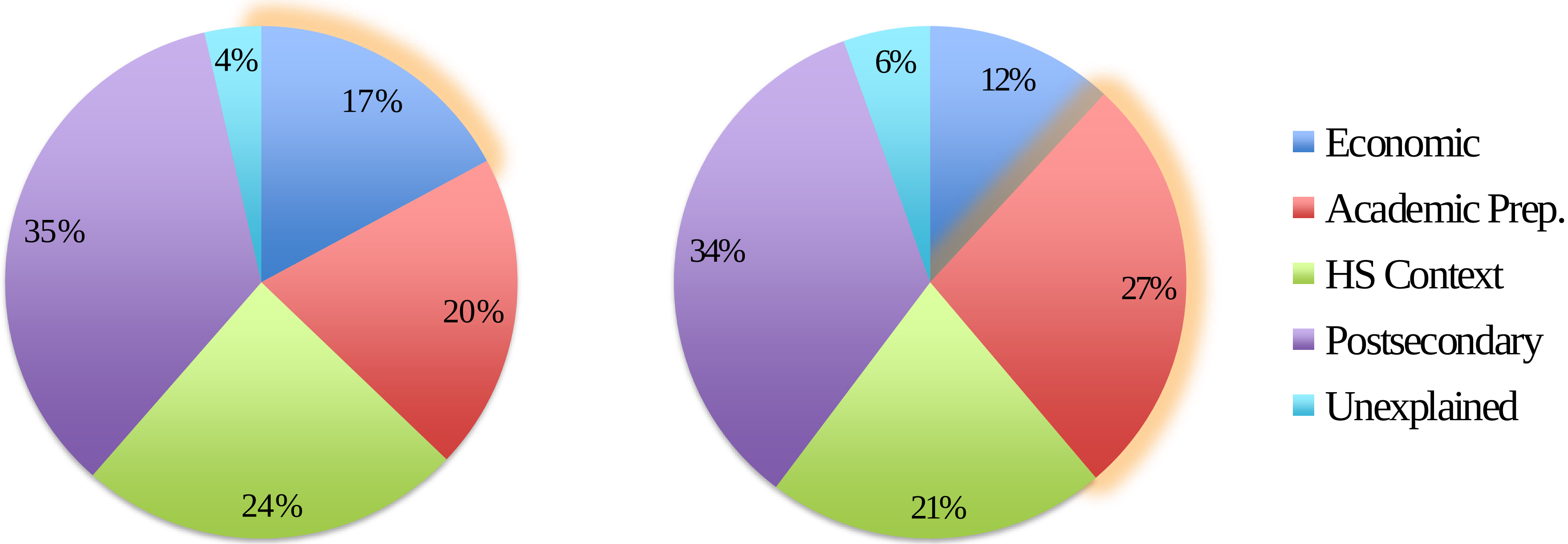


What factors contribute to these gaps by pre-college characteristics?

(Results of Variance Decomposition Analysis)

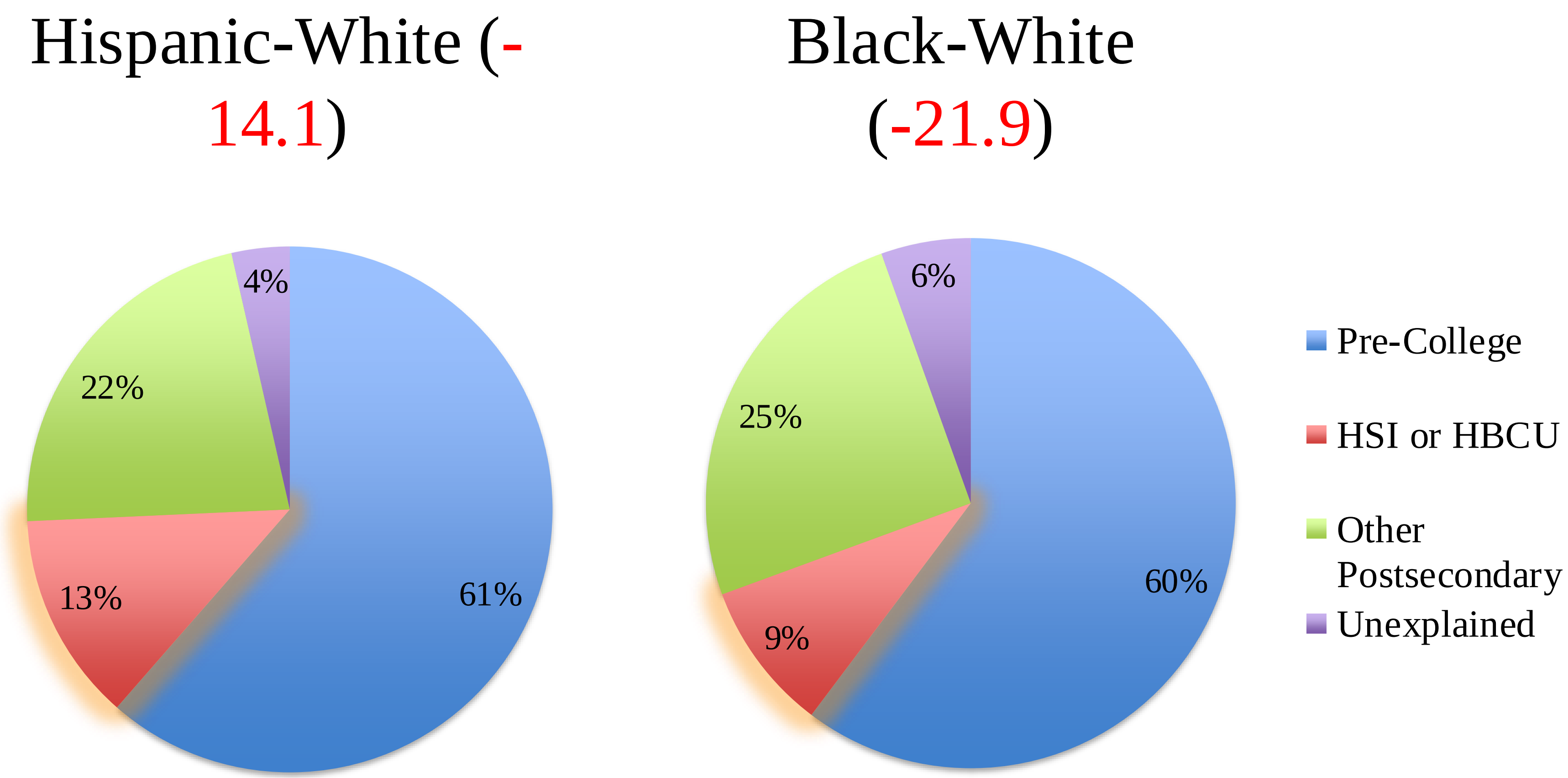
Hispanic-White (-14.1)

Black-White (-21.9)



What is the MSI role in the college-completion gap?

(Results of Variance Decomposition Analysis)



Conclusions

1. College Completion is not just a postsecondary story, especially for URM students.

1. Failing to account for this result would penalize institutions enrolling large numbers of minority students—and the students they serve.

1. Policy interventions aimed at financial aid and developmental education are warranted.

1. Use of varied and innovative data systems to accurately disentangle where odds of college completion are most challenged is highly recommended.

Contact Information

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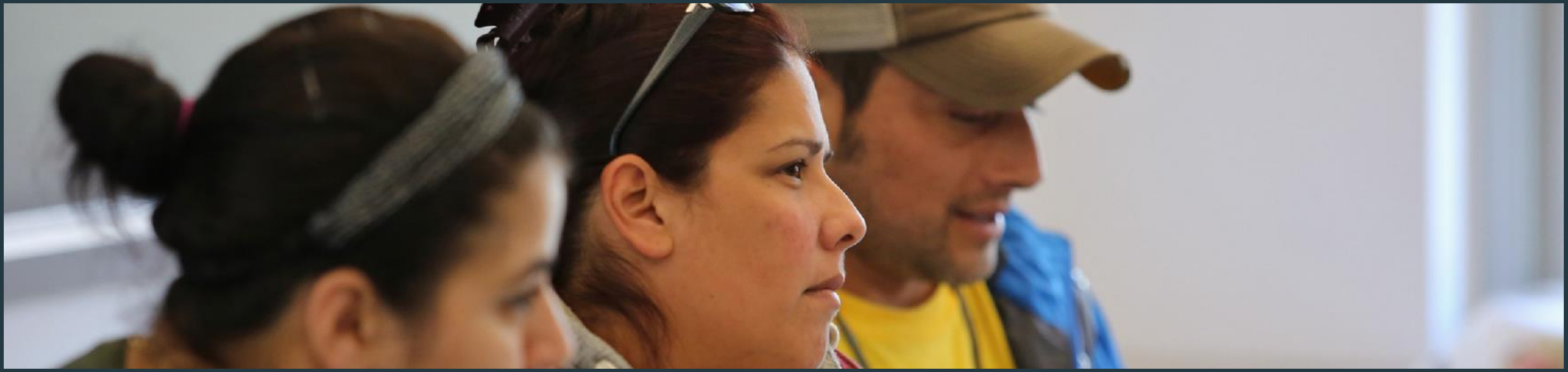
Center for MSIs



MSIs: A Data-Driven Student Landscape in the Outcomes-Based Funding Universe

Marybeth Gasman, Thai-Huy Nguyen, Andrés Castro Samayoa, & Daniel Corral

Graduate School of Education Penn GSE

Minority Serving institutions: By the Numbers

- Represent 8% of all colleges and universities
  - 567 MSIs
  - 34 TCUs
  - 105 HBCUs
  - 315 HSIs
  - 145 AANAPISIs

- 50% of MSIs' students receive Pell Grants

Men of Color @ MSIs

- 36% of men of color with full-time college enrollment
  - 51% of Hispanic men,
  - 45% of Native Hawaiian and Pacific Islander men,
  - 25% of Black men,
  - 22% of Native American men, and
  - 35% of Asian American men
- 48.6% of men of color with part-time college enrollment.
- Award 24% of all BAs to men of color; 22% of all AAs to men of color.

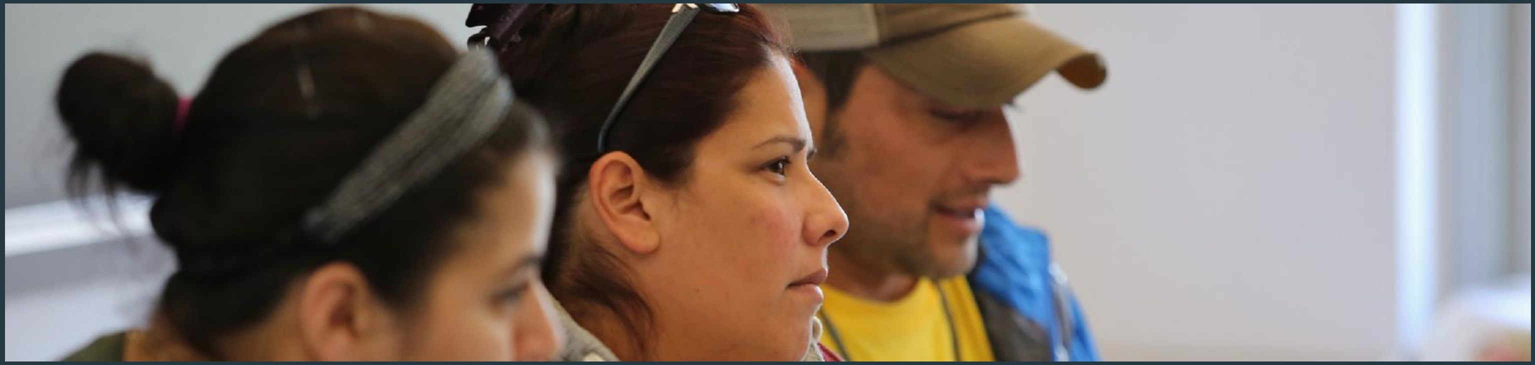
Teacher Education @ MSIs

- MSIs confer 11% of all teacher education degrees
- Bulk of these degrees are due to HSIs
- MSIs confer:
  - *54% of Hispanic BAs*
  - *31% of Black BAs*
  - *35% of Asian American BAs*

STEM @ MSIs

- *HBCUs award 17% of BAs in STEM*
- *HSIs award 37% of BAs in STEM*
- *TCUs award 2% of Bas in STEM; high two year transfer rates in STEM*

Center for MSIs



Recommendations for Policymakers:

- When evaluating MSIs, consider contributions of MSIs in high need areas
- Don't leave MSIs out of national conversations
- Consider richness and diversity of MSIs
- Care about 'forgotten populations' – invest in MSIs

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Money, Metrics, and Degree Attainment: Identifying Engines of Social Mobility

Sylvia Hurtado, Professor
Adriana Ruiz Alvarado, Ph.D.
Kevin Eagan, Assistant Professor
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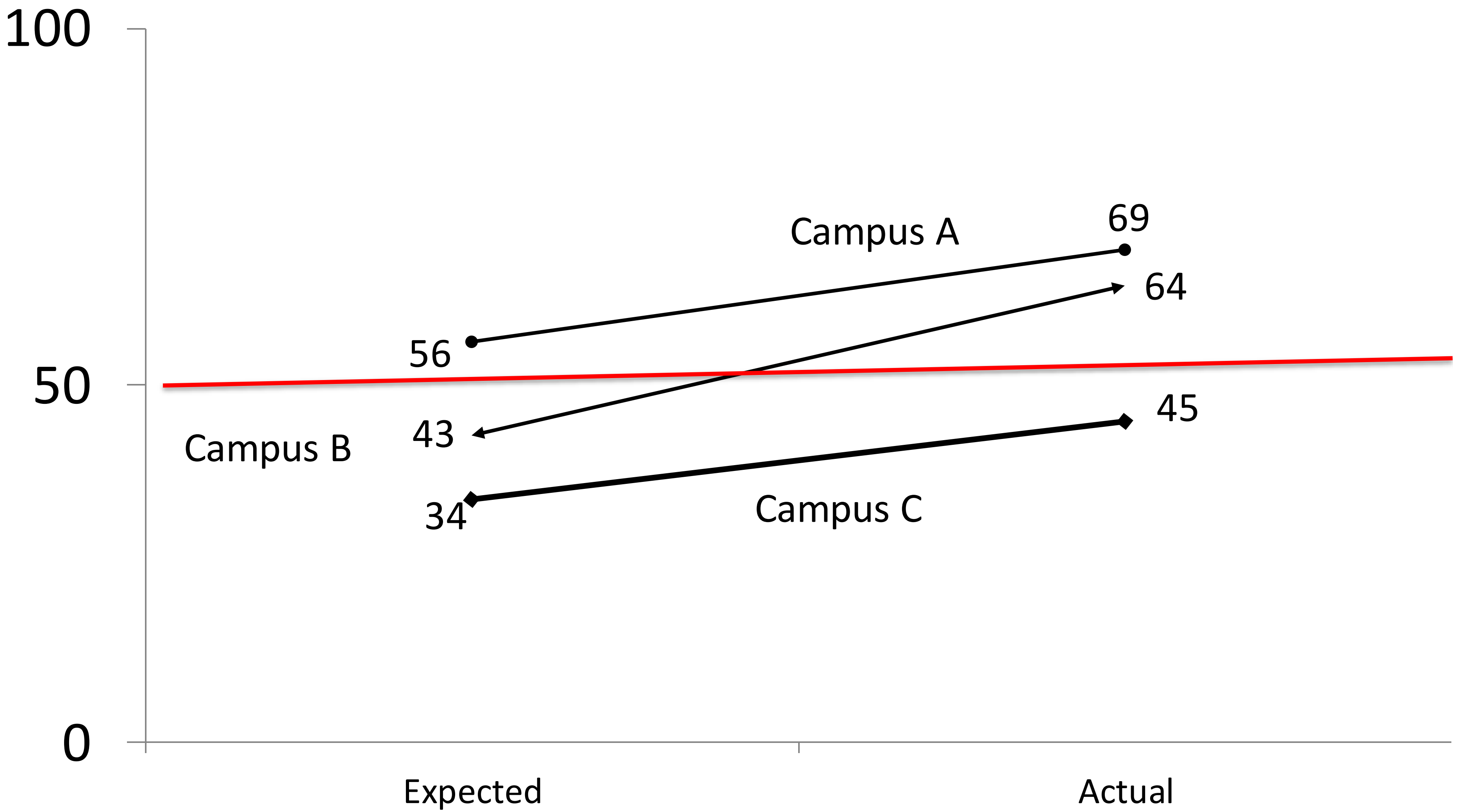
Example of Performance for Specific Campuses



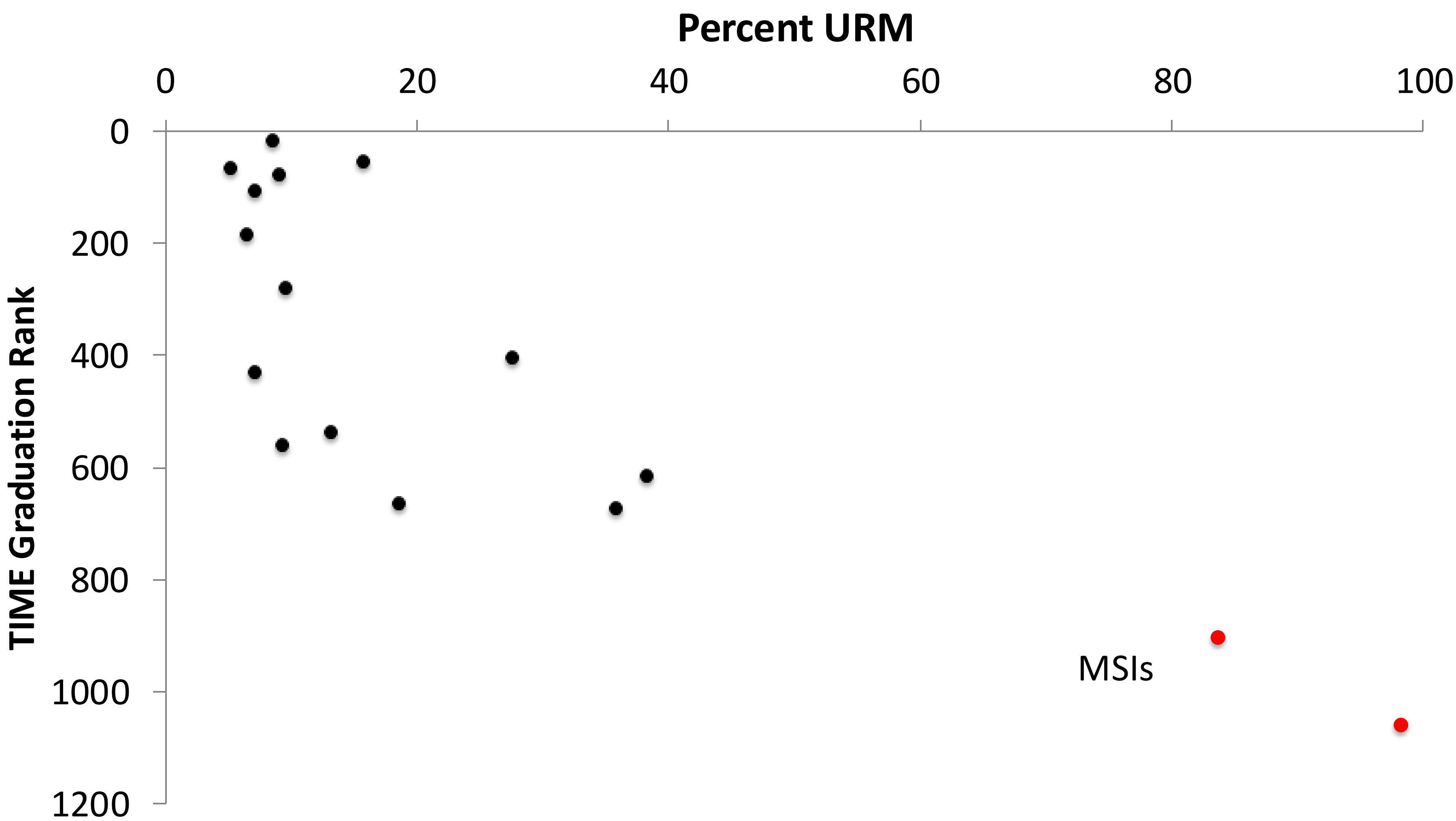
Key predictors of Institutional Performance (Actual Above Expected)

For low-income, first-generation and URM students

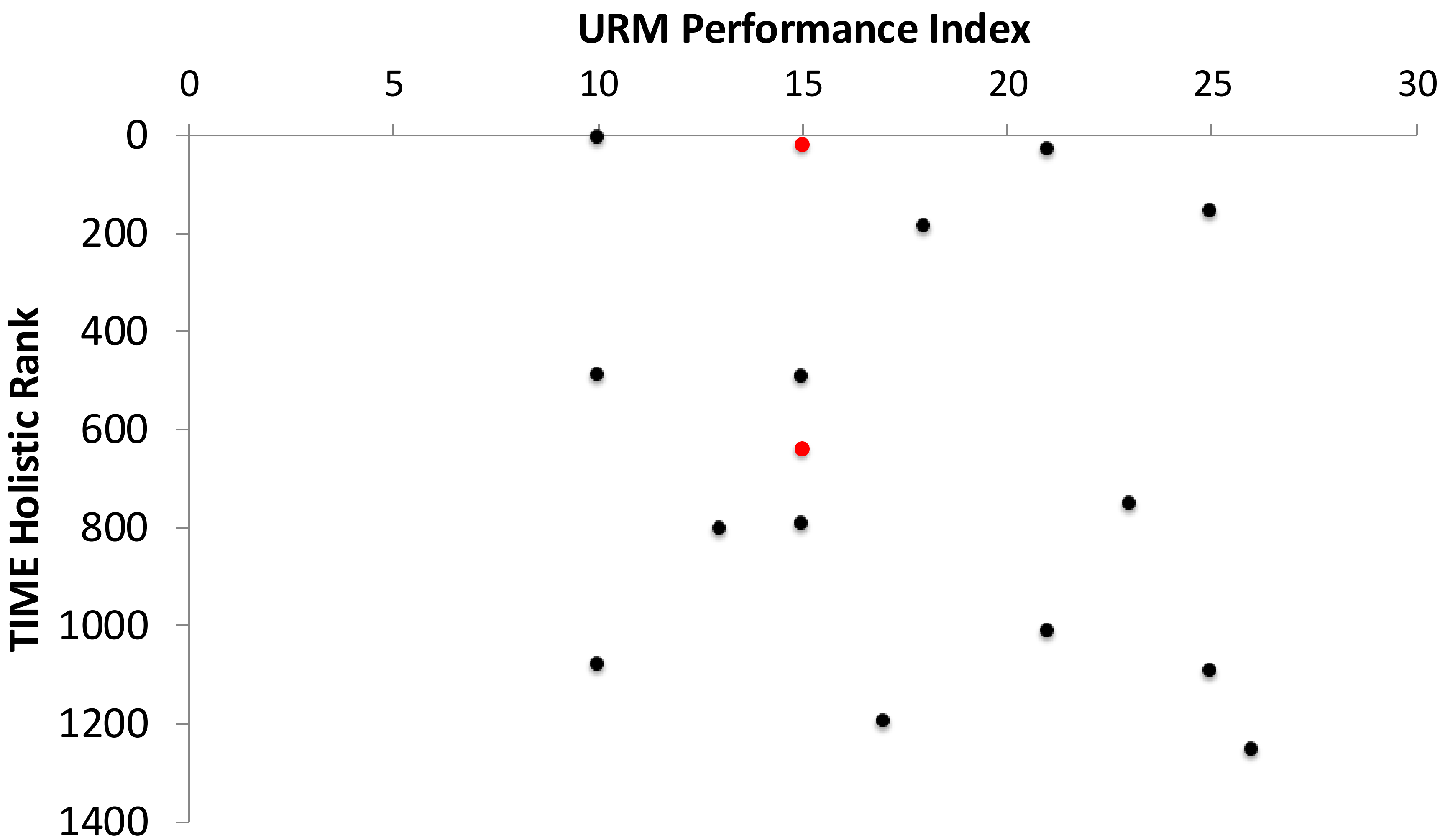
- Low selectivity
- Amount of financial aid among first-time, full-time freshmen
- Instruction expenditures per capita

Accessibility is key as is adequate financial support and strategic use of instructional resources

TIME Graduation Rank by Percent URM



TIME Holistic Rank by URM Performance Index



STEM Efficiency Scores vs. STEM Completion Rates

Institutional Type	Efficiency Score	STEM Completion Rate
Public (vs. private)	Higher	Lower
HBCU (vs. predom. White)	Higher (for Black students)	Higher (for Black students)
HSI (vs. predom. White)	Higher (for Latino students)	No difference (for Latino students)
Selectivity	Higher	Higher/no difference

Public colleges and minority serving institutions show greater efficiency than Predominantly white institutions in producing STEM degrees for Blacks and Latino students.

Differential impacts of college ratings: the case of education deserts

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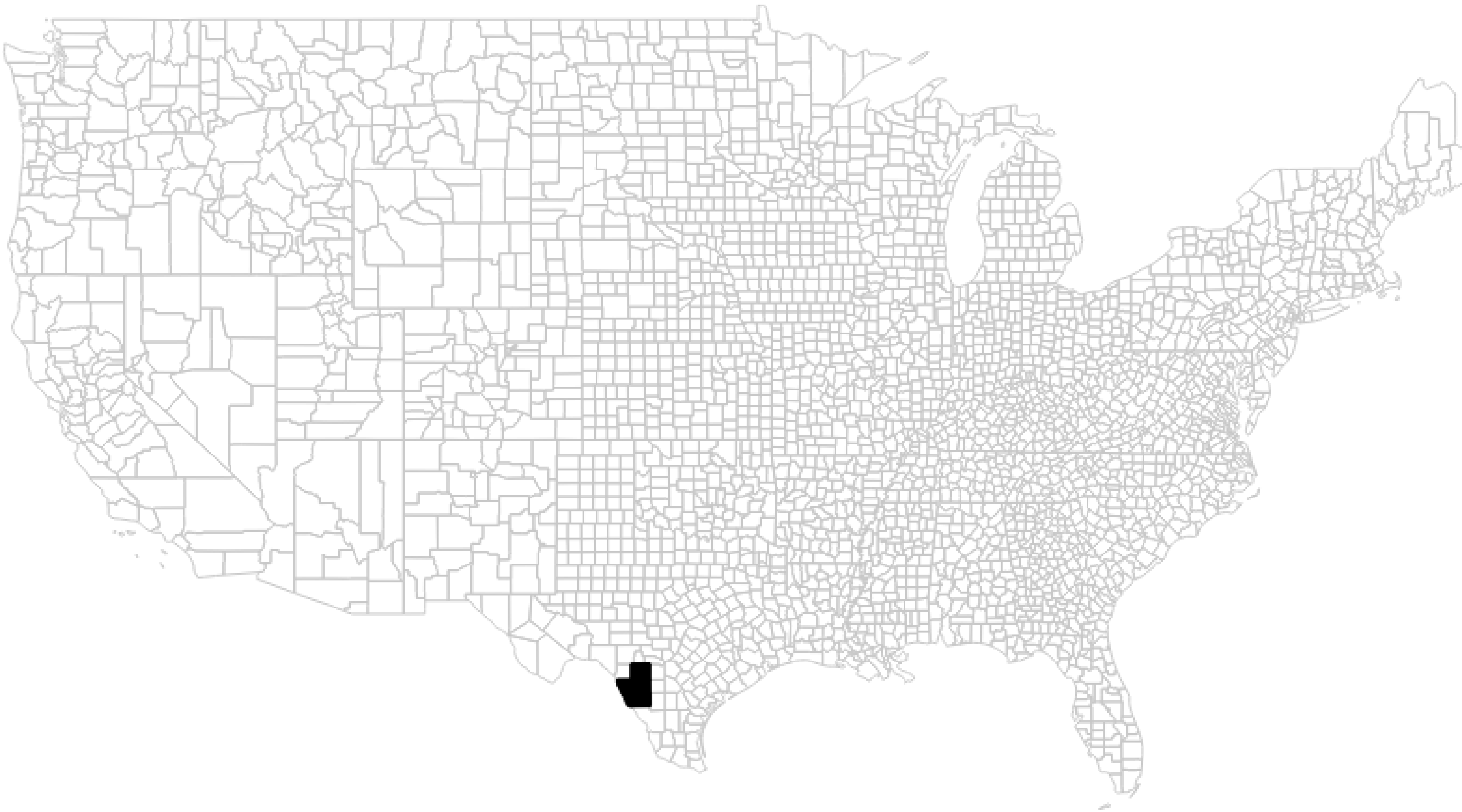
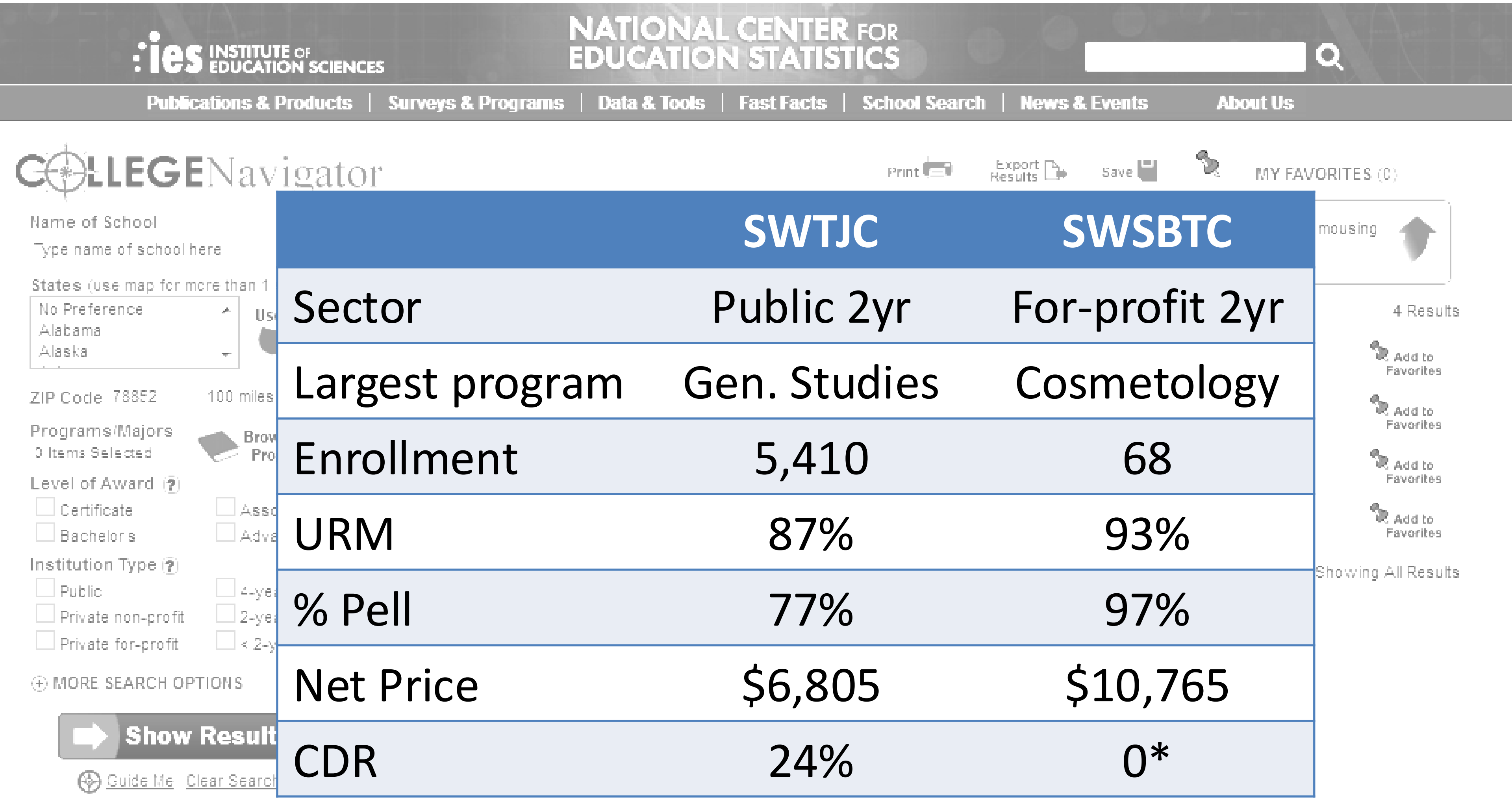
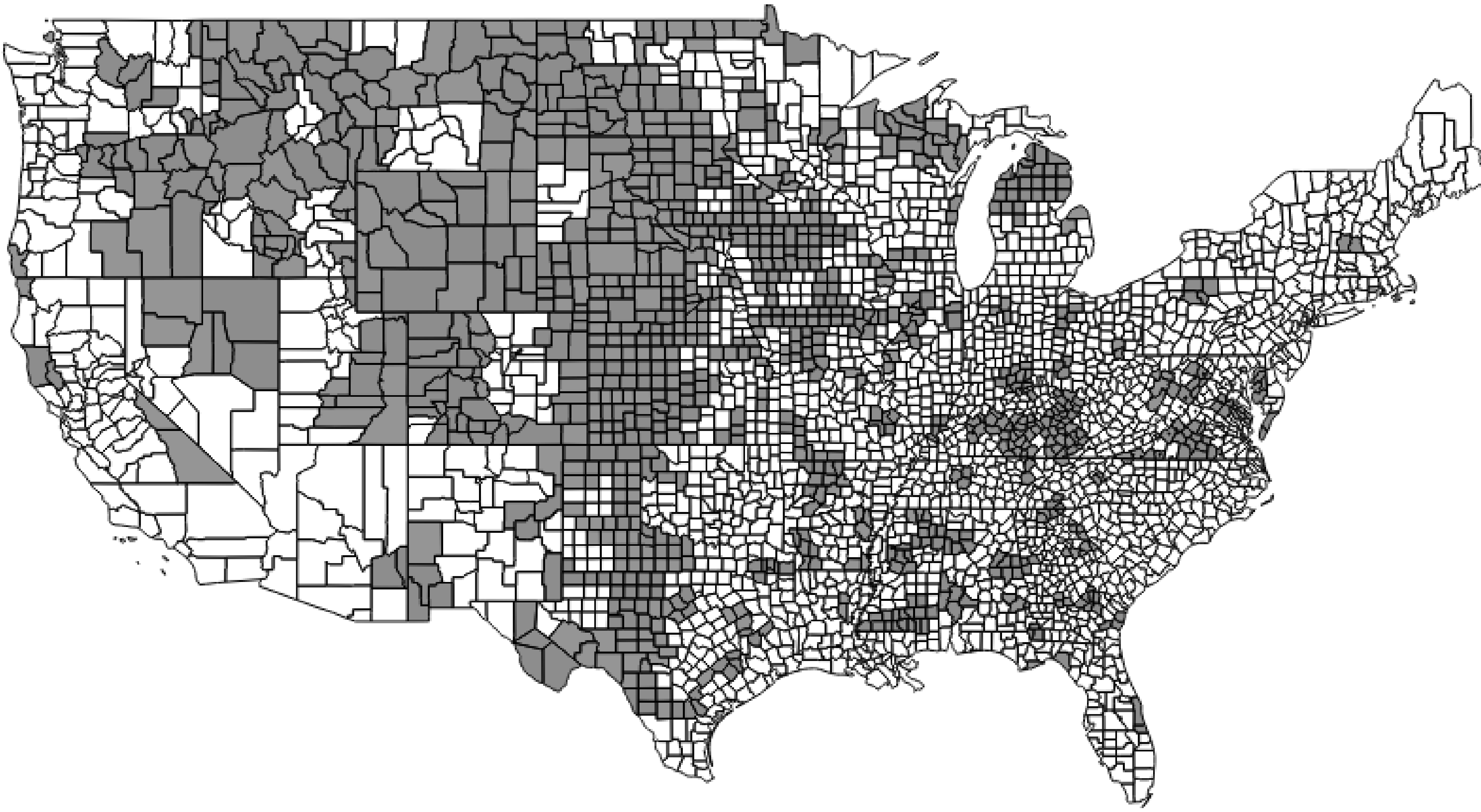




	SWTJC	SWSBTC
Sector	Public 2yr	For-profit 2yr
Largest program	Gen. Studies	Cosmetology
Enrollment	5,410	68
URM	87%	93%
% Pell	77%	97%
Net Price	$6,805	$10,765
CDR	24%	0*



Thank you!

Suggestions, comments, critiques welcome:

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How the shortcomings of a postsecondary ratings system could lead to shortchanging HSIs and their outcomes

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UCLA Civil Rights Project Policy Briefing, Washington, D.C.

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Comparisons for group vs. individual

- Can only adjust for characteristics on which there are available data
- IPEDS has a lot of missing data, especially for HSIs
- IPEDS does not even collect data on some of the most important predictors of college completion (academic preparation, achievement)

Adjustments can be unstable

- Whether college seems under- or overperforming depends on variables included
- Nearly 30% changed direction between including admissions policy and test scores
- This should raise red flags for tying financial aid to ratings based on these results

Recommendations

- Collect more data known to be predictive of institutional performance
- Provide institutions with resources for data collection and reporting comparable measures
- Resist temptation to implement high stakes policies based on inaccurate data and assessment
- Draw on existing voluntary efforts by higher education organizations