

Race and Ethnicity in Higher Education: A Status Report

CHAPTER 7



How Students Finance Undergraduate Study



Race and Ethnicity in Higher Education: A Status Report

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This chapter is part of a larger report by the American Council on Education (ACE) titled *Race and Ethnicity in Higher Education: A Status Report*. The report and its accompanying microsite provide a data-informed foundation for those working to close persistent equity gaps by providing a comprehensive review of the educational pathways of today's college students and the educators who serve them.

Race and Ethnicity in Higher Education: A Status Report and the microsite were made possible through the generous support of The Andrew W. Mellon Foundation.

Visit www.equityinhighered.org to learn more about the project and to download the full report containing more than 200 indicators on race and ethnicity. Also available on the site are downloadable figures, detailed data, and other resources on race and ethnicity in higher education.

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32.0% of Graduate Students were Students of Color

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INTRODUCTION

College affordability has been a mainstream issue in American society over the last several years, and for good reason. As noted elsewhere in this report, postsecondary credentials are associated with higher wages for those who earn them, not to mention the many societal benefits that result from an educated citizenry (McMahon 2009; Ma, Pender, and Welch 2016; Turk 2019). Yet as college is becoming more valuable to individuals and society, it is also less affordable than in the past.

For those students who do pursue higher education, there is considerable variation in how they finance college, by race, ethnicity, and economic circumstance. The most notable and consistent finding that emerged from these data is that Black¹ students were most likely to borrow and accrue larger debts when compared with other students. Asian and Hispanic students were least likely to borrow to fund their undergraduate education. These patterns hold both overall and within types of institutions, dependent student status, and family income quartile. As policymakers, institutional leaders, and others seek to make college more affordable for everyone, it is important to recognize the uneven financial barriers and opportunities facing today's students.²

KEY FINDINGS

- The share of undergraduate students completing the Free Application for Federal Student Aid (FAFSA) in 2015–16 ranged from 67.5 percent of Asian students to 84.4 percent of Black students.
- A larger share of African American students than students from any other racial and ethnic group had no expected family contribution (EFC) based on the financial data provided on the FAFSA. White students were least likely to have \$0 EFCs and most likely to have EFCs of \$19,300 or more. The share of Black students with EFCs this high was lower than the share of any other racial and ethnic group.
- Receiving grant aid but not borrowing was more common among Asian and Hispanic students than among Black and White students.
- Larger shares of Black and American Indian or Alaska Native students than of students from other racial and ethnic groups received grant aid.
- Sources of grant aid differed across demographic groups. For example, Black, Hispanic, American Indian or Alaska Native, and Native Hawaiian or other Pacific Islander students received around 30 percent of their grant aid from the federal government, compared with 11.6 percent for White students. White students, Asian students, and students of more than one race received about half of their aid from their institutions.
- In 2015–16, 37.3 percent of students took both federal subsidized and unsubsidized direct loans. The shares of students borrowing under these programs ranged from 26.0 percent of Asian students to 49.8 percent of Black students.
- Both independent and dependent Black students were more likely to borrow than members of other racial and ethnic groups. Asian and Hispanic students borrowed at lower than average rates.
- Black bachelor's degree recipients left college with higher average debt per borrower and higher debt per graduate than students from any other racial and ethnic group. Hispanic students graduated with lower than average levels of debt. The same pattern held for associate degree recipients.

1 The terms Black and African American are used interchangeably.

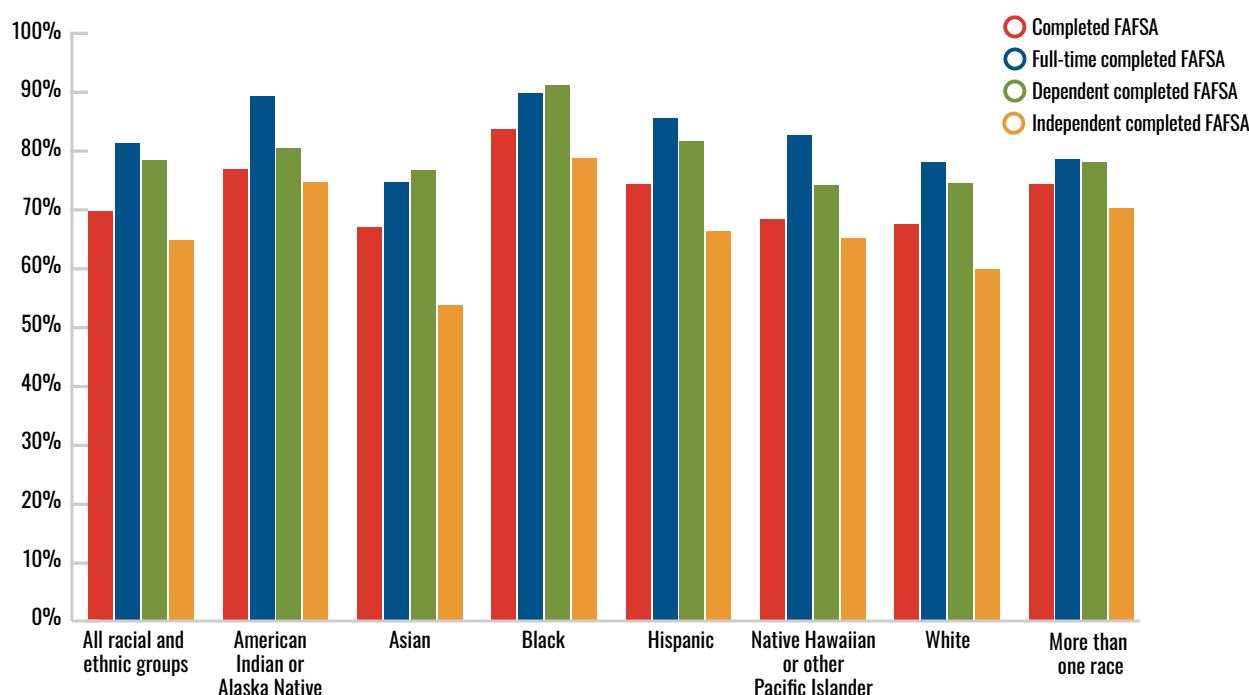
2 Where possible, the data in this chapter cover a wide range of demographic groups, including international students. However, international students who have certain visas, including an F1 or F2 nonimmigrant student visa or a J1 or J2 nonimmigrant exchange visitor visa are not eligible for federal financial aid. Meaningful comparisons are limited by the small sizes of some groups and by exclusion of international students from the federal and state aid on which domestic students rely.

As presented in Chapter 3 of this report, “Enrollment in Undergraduate Education,” Whites represented the majority of undergraduate students (52.0 percent) in 2015–16. Hispanics were the second largest racial and ethnic group (19.8 percent), followed by Blacks (15.2 percent), Asians (5.7 percent), students of more than one race (3.3 percent), American Indians or Alaska Natives (0.8 percent), and Native Hawaiians or other Pacific Islanders (0.4 percent). An additional 2.8 percent were international students.³ Comparisons of data presented in this chapter across groups should be made with caution, as small sample sizes for certain racial and ethnic groups may not be meaningful.

FINANCIAL AID APPLICATION AND EXPECTED FAMILY CONTRIBUTION

Students who wish to receive federal financial aid must first submit a Free Application for Federal Student Aid (FAFSA). The FAFSA is used to determine eligibility for grants, loans, and work-study, and is often required by many state and institutional aid programs as well. In 2015–16, over 70 percent of domestic undergraduate students completed the FAFSA.

Figure 7.1: FAFSA Completion Rates, by Race and Ethnicity: 2015–16



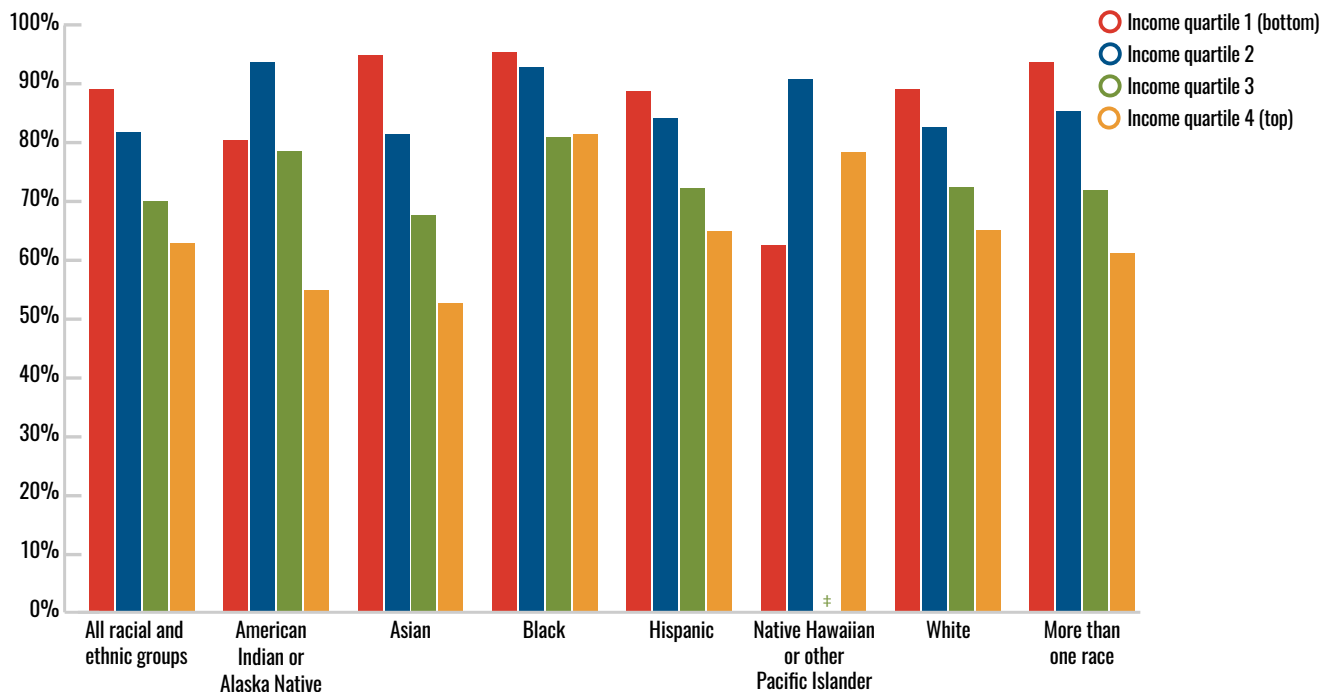
Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

- About 82 percent of full-time students and 65.0 percent of students who enrolled part time for at least part of the 2015–16 academic year completed the FAFSA.
- Overall, FAFSA filing rates ranged from 67.5 percent of Asian students to 84.4 percent of Black students.
- Filing rates rose when looking just at full-time students, ranging from 75.2 percent of Asian students to 90.6 percent of Black students.

3 The National Center for Education Statistics (NCES) defines a nonresident alien as “a person who is not a citizen or national of the United States and who is in this country on a visa or temporary basis and does not have the right to remain indefinitely.” In this report, nonresident aliens are labeled as international students.

Low-income students—those with little to no expected family contribution (EFC)⁴—have the most to gain from submitting the FAFSA. These students will have access to greater amounts of grant aid as well access to subsidized student loans. Within each income quartile, Black students were the most likely to complete the FAFSA.

Figure 7.2: FAFSA Completion Rates of Dependent Students, by Family Income and Race and Ethnicity: 2015–16



Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016
 Note: † Estimate suppressed. Reporting standards not met.

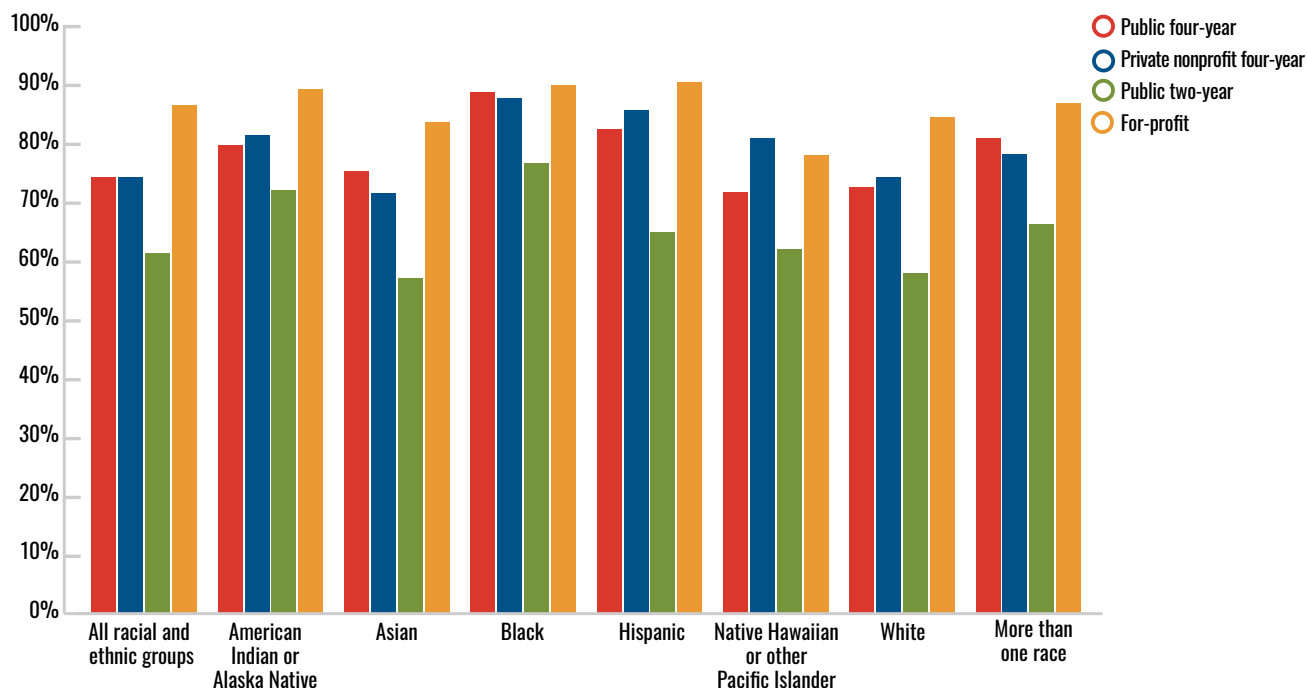
- Among students in the bottom income quartile, approximately 96 percent of dependent⁵ Black and Asian students completed the FAFSA, compared with only 63.1 percent of Native Hawaiian or other Pacific Islander students.
- In the highest income quartile, 82.1 percent of Black students applied for federal aid, compared with 53.0 percent of Asian students.
- Seventy-nine percent of dependent students and 65.4 percent of independent students completed the FAFSA, ranging from 54.2 percent of independent Asian students to 91.9 percent of dependent Black students.
- Full-time students completed the FAFSA at higher rates than those enrolled part time. Among each of these groups, Black students had the highest filing rates.
- Asians had the lowest FAFSA completion rate overall and among both full-time (75.2 percent) and independent students (54.2 percent).
- However, among dependent students, White (75.1 percent) and Native Hawaiian or other Pacific Islander (74.7 percent) students were slightly less likely than Asians (77.3 percent) to submit the form.

⁴ Expected family contribution (EFC) is a measure used to determine eligibility for federal financial aid as well as how much aid a student can receive. The calculation to determine EFC considers family income, assets, benefits, family size, and how many family members will attend college that year (Federal Student Aid, n.d.).

⁵ Students in the National Postsecondary Student Aid Study (NPSAS) are considered dependent if they are “under 24 years of age who are unmarried, do not have dependents, are not veterans or on active military duty, are not orphans or wards of the court, are not homeless or at risk of homelessness, and have not been deemed independent by a financial aid officer” (Radwin et al. 2018). Students who do not fit the previously mentioned categories are considered independent students.

FAFSA submission rates also differed by the higher education sector in which students enrolled. Overall, FAFSA filing rates were highest among students in the for-profit sector⁶ and lowest in public two-year colleges.

Figure 7.3: FAFSA Completion Rates, by Sector and Race and Ethnicity: 2015–16



Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

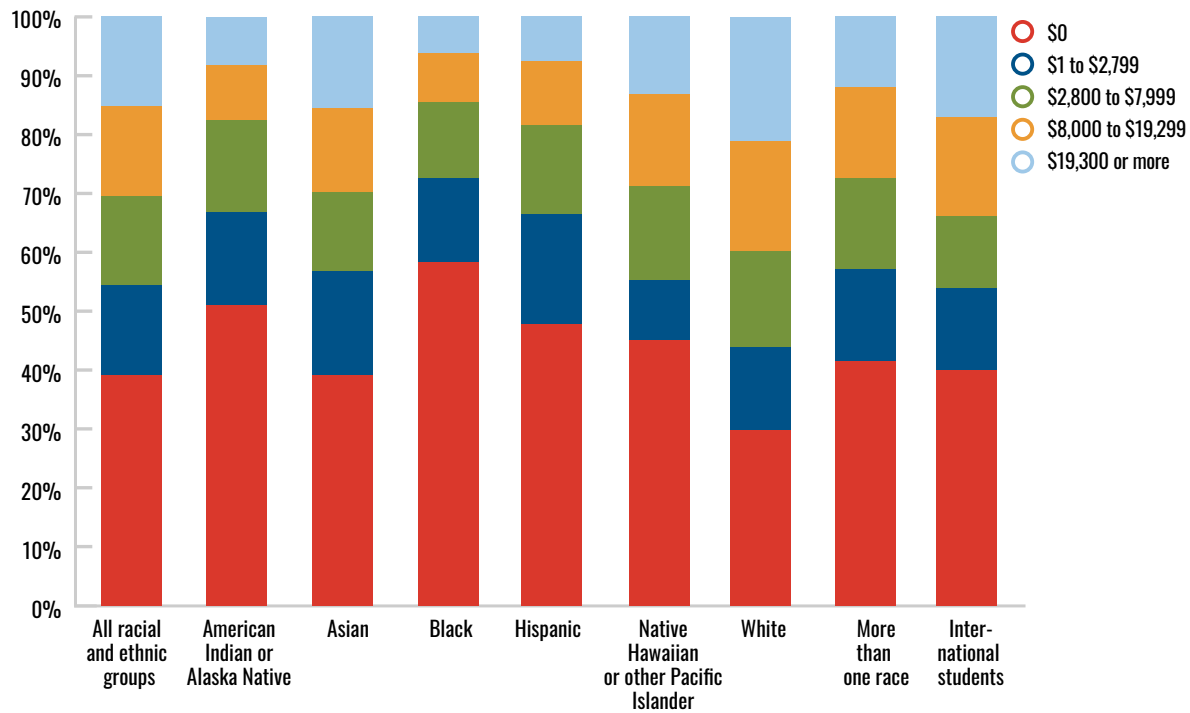
Note: Institutions were categorized into sectors based upon control of the institution and the length of the predominant award granted.

- Across sectors, Black students applied for federal aid at higher rates than did students from other groups.
- In the for-profit sector, approximately 91 percent of Hispanic and Black students completed the FAFSA in 2015–16, a larger share than among other races and ethnicities.
- Across sectors, the lowest filing rates were generally among Asian, White, and Native Hawaiian or other Pacific Islander students.

Students whose resources, combined with those of their parents in the case of dependent students and their spouses in the case of independent students, are deemed inadequate to make any financial contribution to their college education have a \$0 EFC.

⁶ Institutions were categorized into sectors based upon control of the institution and the length of the predominant award granted. For more information, please refer to the report's methods section.

Figure 7.4: Expected Family Contribution, by Race and Ethnicity: 2015–16



Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016
 Note: Expected family contribution estimated by NCS for non-FAFSA filers.

- In 2015–16, 39.1 percent of undergraduate students had an EFC of \$0, with shares ranging from 29.7 percent of White students and 39.1 percent of Asian students to 58.3 percent of Black students.
- One-quarter of those with a positive EFC had an EFC of \$19,300 or more. The share of students with EFCs this high ranged from 6.2 percent of Black students and 7.5 percent of Hispanic students to 21.0 percent of White students.

FINANCIAL AID

Students receive different types of financial aid depending on their financial circumstances and financial literacy, the types of institutions in which they enroll, borrowing behavior, and a variety of other factors. In 2015–16, 86.8 percent of full-time undergraduates (and 72.3 percent of all undergraduates) received some form of financial aid. Only 8.5 percent of full-time students at private nonprofit four-year institutions, 6.2 percent of those at for-profit institutions, and 13.0 percent of those at public four-year institutions paid for college without financial aid, compared with 21.4 percent of public two-year college students.

Even among full-time students at one type of institution, there was considerable variation in the types of financial aid packages that students from different racial and ethnic groups received, largely because of differences in their financial circumstances and the particular institutions in which they enrolled. Table 7.1 illustrates the types of financial aid received for all full-time undergraduates and those at public four-year institutions, which enrolled the largest share (38 percent) of full-time undergraduates in 2015–16.

Table 7.1: Types of Financial Aid for All Full-Time Undergraduates and Full-Time Undergraduates at Public Four-Year Institutions, by Race and Ethnicity: 2015–16

		No Aid	Any Aid	Grants, No Loans	Loans, No Grants	Grants and Loans	Federal Work-Study or Other Only
All Undergraduate Students	All racial and ethnic groups	13.2%	86.8%	32.2%	8.4%	45.2%	1.0%
	American Indian or Alaska Native	7.0%	93.0%	56.5%	2.9%	33.2%	0.0%
	Asian	16.3%	83.7%	42.1%	5.8%	35.2%	0.6%
	Black	3.9%	96.1%	23.7%	6.1%	65.2%	0.9%
	Hispanic	9.2%	90.8%	41.0%	5.4%	43.6%	0.7%
	Native Hawaiian or other Pacific Islander	10.0%	90.0%	38.7%	6.9%	42.5%	0.0%
	White	13.6%	86.4%	29.2%	10.6%	45.5%	1.1%
	More than one race	10.4%	89.6%	35.5%	7.6%	45.4%	1.1%
Public Four-Year	All racial and ethnic groups	13.0%	87.0%	27.1%	12.3%	46.7%	0.9%
	Asian	15.0%	85.0%	38.1%	7.6%	38.4%	0.6%
	Black	2.8%	97.2%	17.1%	9.1%	70.1%	0.4%
	Hispanic	7.8%	92.2%	34.7%	7.3%	49.1%	0.7%
	White	13.5%	86.5%	24.8%	15.4%	45.3%	1.0%

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

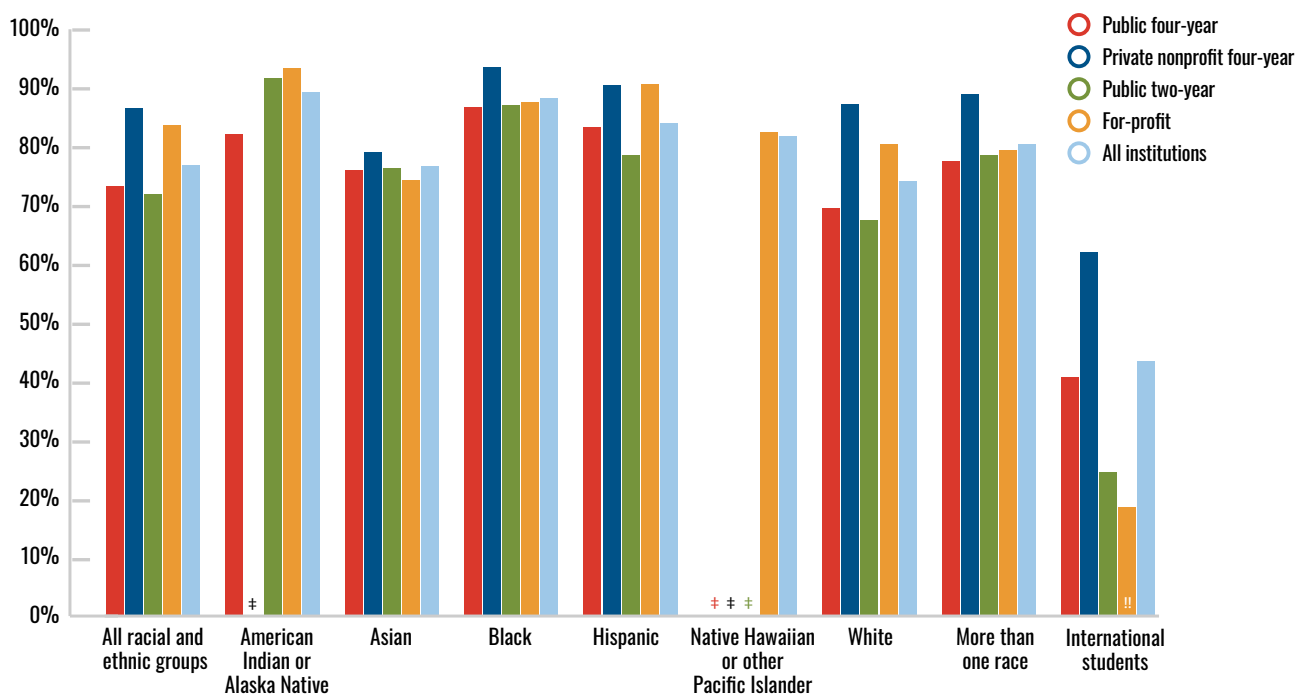
Note: Institutions were categorized into sectors based upon control of the institution and the length of the predominant award granted.

- Across racial and ethnic groups, the shares of students receiving financial aid ranged from 83.7 percent of Asian students and 86.4 percent of White students to 93.0 percent of American Indian or Alaska Native students and 96.1 percent of Black students.
- Asian students were least likely to receive financial aid; Black and American Indian or Alaska Native students were most likely to receive aid.
- Most students either received grants but not loans, or received both grants and loans. The share receiving grants but not loans ranged from 23.7 percent of Black students to 42.1 percent of Asian students and 56.5 percent of American Indian or Alaska Native students.

GRANT AID

Grant aid is the form of financial aid that best relieves the financial pressure of paying for college. Unlike loans, grants do not have to be repaid. Unlike work-study, grants do not require work in exchange for funding, and unlike tax credits, they are available at the time the bills have to be paid. Some grant aid depends on academic achievement and on the resources and policies of the colleges and universities in which students enroll. But most of this aid is allocated at least partially on the basis of students' financial need. Grant aid is awarded by the federal and state governments, colleges and universities, employers, and other private entities.

Figure 7.5: Share of Full-Time Students Receiving Grant Aid, by Sector and Race and Ethnicity: 2015–16



Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

Notes: Institutions were categorized into sectors based upon control of the institution and the length of the predominant award granted. | ‡ Estimate suppressed. Reporting standards not met. | !! Interpret with caution. Ratio of standard error is > 50%.

- In 2015–16, when 77.4 percent of students who attended one institution full time received grant aid from at least one source, there was considerable variation across domestic racial and ethnic groups. The proportion of students receiving grant aid ranged from 74.7 percent of White students and 77.2 percent of Asian students to 88.9 percent of Black students and 89.8 percent of American Indian or Alaska Native students.
- International students are much less likely than citizens and permanent residents to receive grant aid, but 62.5 percent of those enrolled full time in private nonprofit four-year institutions did receive this assistance in 2015–16.
- Some of the variation was related to institutional sector, with full-time students in private nonprofit four-year and for-profit institutions more likely than those attending public colleges and universities to receive some amount of grant aid.
- However, within sectors, full-time Black and American Indian or Alaska Native students were generally the most likely and White or Asian students the least likely to receive grant aid.

Almost 80 percent of full-time undergraduate students received grant aid in 2015–16. About half of that aid came from the colleges and universities in which students enrolled (i.e., institutional grant aid), and 25.2 percent came from the federal government (including 7.4 percent through programs for veterans and members of the military). State governments provided 11.6 percent of grant aid; employers and other private sources provided the remainder.

Sources of aid varied across racial and ethnic groups, primarily because of differences in their financial circumstances and in the institutions in which they enrolled.

- Black, Hispanic, American Indian or Alaska Native, and Native Hawaiian or other Pacific Islander students received about 30 percent of their grant aid from the federal government (excluding veterans and military aid). White students received only 11.6 percent of their grants from this source in 2015–16.
- White students received almost 60 percent of their grant aid from the institutions in which they enrolled. American Indian or Alaska Native and Native Hawaiian or other Pacific Islander students received just over 30 percent of their grant aid from this source in 2015–16.
- International students received 68.8 percent of their grant aid from their institutions, with the remainder almost evenly split between employers and other private sources.
- Hispanic students received 16.8 percent of their grant aid from their states in 2015–16—a larger share than any other group.
- American Indian or Alaska Native students received 22.9 percent of their grant aid from private sources other than employers in 2015–16, compared with 7.0 percent of overall grant aid from this source.

Average grant aid per student depends both on the share of students receiving aid and the average amounts awarded. Only 3.2 percent of full-time undergraduates received veterans and military aid in 2015–16 and 4.3 percent received employer assistance. The average \$651 and \$354, respectively, of aid per student in these categories represent relatively large grants (\$20,500 for veterans and military aid and \$8,200 for employer aid) to a small number of students. In contrast, 45.3 percent of students received federal grant aid averaging \$1,573 per student and 42.8 percent of students received institutional grant aid.

Table 7.2: Grant Aid per Student by Source: Full-Time Undergraduate Students, by Race and Ethnicity: 2015–16

		Total Grants	Federal	Veterans/ DOD	State	Institutional	Employer	Private
Average Grant Aid per Student	All racial and ethnic groups	\$8,820	\$1,573	\$651	\$1,027	\$4,600	\$354	\$615
	American Indian or Alaska Native	\$9,311	\$2,791	\$557	\$805	\$2,969	\$54	\$2,135
	Asian	\$10,828	\$2,183	\$427	\$1,589	\$5,486	\$556	\$587
	Black	\$9,875	\$3,011	\$748	\$1,194	\$4,117	\$251	\$554
	Hispanic	\$8,835	\$2,618	\$611	\$1,487	\$3,393	\$239	\$487
	Native Hawaiian or other Pacific Islander	\$8,121	\$2,410	\$629	\$1,008	\$2,655	\$174	\$1,245
	White	\$8,370	\$967	\$695	\$868	\$4,920	\$337	\$583
	More than one race	\$9,421	\$1,604	\$926	\$966	\$4,738	\$257	\$930
	International students	\$8,115	\$2	\$0	\$8	\$5,585	\$1,255	\$1,265

		Total Grants	Federal	Veterans/ DOD	State	Institutional	Employer	Private
Share Receiving Grants	All racial and ethnic groups	77.4%	45.3%	3.2%	29.6%	42.8%	4.3%	14.9%
	American Indian or Alaska Native	89.8%	69.3%	3.0%	25.5%	36.7%	3.2%	34.0%
	Asian	77.2%	48.6%	1.7%	37.1%	43.3%	4.8%	11.2%
	Black	88.9%	74.5%	4.1%	34.8%	39.3%	4.1%	12.6%
	Hispanic	84.6%	64.8%	2.8%	39.3%	34.5%	3.3%	12.2%
	Native Hawaiian or other Pacific Islander	82.4%	61.1%	1.8%	33.9%	38.9%	‡	11.2%
	White	74.7%	35.2%	3.4%	26.7%	46.6%	4.4%	16.7%
	More than one race	80.9%	50.8%	4.4%	31.8%	45.5%	4.7%	17.1%
	International students	43.8%	‡	‡	‡	33.1%	7.8%	8.4%
Distribution of Grant Aid by Source	All racial and ethnic groups	100%	17.8%	7.4%	11.6%	52.2%	4.0%	7.0%
	American Indian or Alaska Native	100%	30.0%	6.0%	8.6%	31.9%	0.6%	22.9%
	Asian	100%	20.2%	3.9%	14.7%	50.7%	5.1%	5.4%
	Black	100%	30.5%	7.6%	12.1%	41.7%	2.5%	5.6%
	Hispanic	100%	29.6%	6.9%	16.8%	38.4%	2.7%	5.5%
	Native Hawaiian or other Pacific Islander	100%	29.7%	7.7%	12.4%	32.7%	2.1%	15.3%
	White	100%	11.6%	8.3%	10.4%	58.8%	4.0%	7.0%
	More than one race	100%	17.0%	9.8%	10.3%	50.3%	2.7%	9.9%
	International students	100%	0.0%	0.0%	0.1%	68.8%	15.5%	15.6%

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016
Note: ‡ Estimate suppressed. Reporting standards not met.

- In 2015–16, total grant aid per student (including both recipients and non-recipients) ranged from \$8,115 for international students and \$8,121 for Native Hawaiians or other Pacific Islanders to \$9,875 for Black students and \$10,828 for Asian students.
- Asian students received, on average, the highest amount of state grant aid and high institutional and employer grant aid relative to other student groups. They had lower than average military and veterans' aid.
- Black students had the highest average federal grant aid (\$3,011) and the highest aid to veterans and members of the military (\$748) (other than the small number of students of more than one race). They had lower than average institutional, employer, and private grant aid.
- Despite their relatively low total grant aid, Native Hawaiian or other Pacific Islander students had higher than average grants from federal and private sources.
- Many of the differences in grant aid by race and ethnicity were associated with differences in income.

Table 7.3: Share of Grant Aid for Full-Time Dependent Undergraduate Students, by Source, Income, and Race and Ethnicity: 2015–16

		Federal Grants (Excludes Veterans and Department of Defense)	Federal Veterans Benefits and Department of Defense	State Grants	Institutional Grants	Employer Aid	Private Source Grants
All Income Quartiles	All Income Quartiles Total	19.2%	2.0%	11.6%	56.4%	3.8%	7.0%
	American Indian or Alaska Native	26.4%	1.3%!!	8.3%!	41.2%!	0.8%!!	22.0%!
	Asian	21.3%	0.6%!!	14.8%	52.7%	5.2%!	5.4%
	Black	30.5%	2.5%	12.3%	46.4%	2.3%	6.0%
	Hispanic	31.5%	1.8%	17.1%	41.2%	2.6%	5.8%
	Native Hawaiian or other Pacific Islander	24.2%	4.3%!	12.8%!	41.1%!	0.0%!	17.6%!!
	White	13.5%	2.2%	10.1%	63.3%	3.8%	7.1%
	More than one race	20.9%	2.8%!	9.9%	55.1%	2.2%!	9.2%
	International students	0.0%!!	0.0%!	0.1%!!	69.8%	16.4%	13.6%
Income Quartile 1 (Bottom)	Income Quartile 1 Total	40.7%	0.7%!	15.8%	35.5%	1.7%	5.7%
	Asian	35.9%	0.1%!!	19.3%	38.1%	0.6%!	5.9%!
	Black	44.8%	0.9%!!	14.1%	32.6%	1.6%!	6.0%
	Hispanic	45.4%	0.6%!!	19.5%	28.4%	1.4%!	4.6%
	White	40.6%	0.6%!!	15.1%	37.4%	1.6%	4.8%
Income Quartile 2	Income Quartile 2 Total	26.5%	1.4%	15.7%	47.5%	2.3%	6.6%
	Asian	26.9%	0.0%	18.0%	43.3%	7.5%!!	4.3%!
	Black	29.3%	3.0%!	13.8%	47.7%	1.6%!	4.5%
	Hispanic	33.5%	1.4%!	19.4%	38.7%	1.2%!	5.8%
	White	23.8%	1.1%!	15.3%	51.4%	1.9%	6.5%
Income Quartile 3	Income Quartile 3 Total	3.1%	2.5%	9.2%	72.6%	4.7%	7.9%
	Asian	3.1%	1.4%!!	13.0%	74.5%	3.8%!!	4.2%
	Black	3.3%	2.5%!	8.1%	73.5%	6.2%!!	6.3%!
	Hispanic	6.8%	2.1%!!	13.7%	65.1%	3.1%!	9.2%
	White	2.5%	2.9%	8.8%	73.6%	4.0%	8.3%
Income Quartile 4 (Top)	Income Quartile 4 Total	0.3%	3.8%	4.1%	76.1%	7.4%	8.3%
	Asian	0.4%	1.8%!!	2.6%!!	74.1%	14.2%!	6.8%!
	Black	0.4%	8.6%!!	3.8%!!	73.9%	2.8%!!	10.5%
	Hispanic	0.2%	7.2%!!	3.6%!	71.2%	11.4%!	6.4%
	White	0.3%	3.4%!	4.5%	77.6%	6.3%	7.8%

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

Notes: ! Interpret with caution. Ratio of standard error to estimate is >30% but <50%. | !! Interpret with caution. Ratio of standard error is > 50%.

- Overall, White students received a lower share of their grant aid from the federal government (13.5 percent) and a higher share from their institutions (63.3 percent) than other groups. However, low-income Asian students received a lower share of their grants from the federal government (35.9 percent) and a higher share from their institutions (38.1 percent) than low-income White students.
- Overall, relative to other groups, Black and Hispanic students received a higher share of their grant aid from the federal government (30.5 percent and 31.5 percent, respectively) and a lower share from their institutions (46.4 percent for Black students and 41.2 percent for Hispanic students).
- Like White and Asian students, Black students from the third income quartile received about three-quarters of their grant aid from their institutions (73.5 percent).

ANNUAL BORROWING

By far the most common forms of loans for all groups of students are direct subsidized and unsubsidized loans from the federal government. Subsidized loans are available only to students with documented financial need; the government pays the interest on these loans while students are enrolled in college. Unsubsidized loans are available to all students. Students are responsible for paying on the interest of these loans while they are enrolled in college (Federal Student Aid, n.d.).

In 2015–16, about 40 percent of undergraduate students—including both full-time and part-time students—borrowed to help finance their education. About 37 percent of students took subsidized and unsubsidized direct loans in 2015–16.

Table 7.4: Types of Loans: Undergraduate Students, by Race and Ethnicity: 2015–16

		All racial and ethnic groups	American Indian or Alaska Native	Asian	Black	Hispanic	Native Hawaiian or other Pacific Islander	White	More than one race
Direct Subsidized Loans	% Borrowing	32.4%	27.7%	24.0%	46.2%	26.7%	26.0%	31.2%	37.1%
	Average Amount Borrowed per Borrower	\$3,722	\$3,427	\$3,985	\$3,545	\$3,735	\$3,783	\$3,776	\$3,711
Direct Unsubsidized Loans	% Borrowing	31.2%	23.6%	18.8%	43.0%	22.8%	28.4%	32.2%	33.6%
	Average Amount Borrowed per Borrower	\$4,045	\$3,853	\$3,734	\$4,141	\$3,884	\$4,754	\$4,068	\$4,048
Subsidized and Unsubsidized Combined	% Borrowing	37.3%	29.6%	26.0%	49.8%	29.1%	31.4%	37.9%	40.4%
	Average Amount Borrowed per Borrower	\$6,609	\$6,274	\$6,385	\$6,859	\$6,463	\$7,429	\$6,560	\$6,775
Perkins Loans	% Borrowing	2.1%	1.5%!	3.1%	2.3%	1.7%	0.3%!!	2.2%	2.6%
	Average Amount Borrowed per Borrower	\$2,131	‡	\$2,173	\$2,293	\$2,162	\$1,221	\$2,056	\$2,143
Private Loans	% Borrowing	5.5%	2.2%	4.6%	3.8%	3.9%	3.1%	6.8%	5.6%
	Average Amount Borrowed per Borrower	\$8,711	\$5,779	\$10,034	\$7,434	\$7,138	\$8,226	\$9,208	\$8,239
Direct PLUS Loans to Parents	% Borrowing	4.4%	1.1%	3.4%	5.5%	3.2%	3.7%	4.8%	4.6%
	Average Amount Borrowed per Borrower	\$14,027	‡	\$16,201	\$12,549	\$12,152	‡	\$14,834	\$14,060
Total Loans (Excluding Parent PLUS Loans)	% Borrowing	39.5%	31.0%	28.4%	51.2%	31.2%	32.4%	40.4%	42.9%
	Average Amount Borrowed per Borrower	\$7,636	\$6,557	\$7,801	\$7,354	\$7,109	\$8,021	\$7,892	\$7,635
Total loans (Including Parent PLUS Loans)	% Borrowing	39.6%	31.0%	28.5%	51.5%	31.3%	32.4%	40.6%	43.0%
	Average Amount Borrowed per Borrower	\$9,175	\$7,069	\$9,713	\$8,664	\$8,318	\$9,408	\$9,602	\$9,110

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

Notes: ‡ Estimate suppressed. Reporting standards not met. | ! Interpret with caution. Ratio of standard error to estimate is >30% but <50%. | !! Interpret with caution. Ratio of standard error is > 50%.

- The shares of students borrowing under the Direct Loan Program ranged from 26.0 percent of Asian students to 49.8 percent of Black students.
- Among borrowers (excluding Parent PLUS Loans), average amounts borrowed ranged from \$6,557 among American Indian or Alaska Native students to \$8,021 among Native Hawaiian or other Pacific Islander students.
- The share of students using private loans ranged from 2.2 percent of American Indian or Alaska Native students to 6.8 percent of White students. The average amount borrowed ranged from \$5,779 among American Indian or Alaska Native students to \$10,034 among Asian students.
- Approximately 4 percent of students' parents used federal student loans, ranging from 1.1 percent of American Indian or Alaska Native students to 5.5 percent of Black students. The average annual amount borrowed by those taking these loans ranged from \$12,152 among Native Hawaiian or other Pacific Islander students to \$16,201 among Asian borrowers.
- The pattern of average loans per student differs from the pattern of average per borrower because of variation in the shares of students in different racial and ethnic groups who borrowed. Whether or not Parent PLUS Loans were included, Black students borrowed most: \$3,767 per student excluding PLUS and \$4,458 including PLUS. American Indian or Alaska Native students borrowed least: \$2,034 per student excluding PLUS and \$2,192 including PLUS.

Table 7.5: Total Loans per Student, by Race and Ethnicity: 2015–16

	Total Loans per Student without PLUS	Total Loans per Student with PLUS
All racial and ethnic groups	\$3,013	\$3,636
American Indian or Alaska Native	\$2,034	\$2,192
Asian	\$2,212	\$2,764
Black	\$3,767	\$4,458
Hispanic	\$2,216	\$2,602
Native Hawaiian or other Pacific Islander	\$2,600	\$3,050
White	\$3,185	\$3,894
More than one race	\$3,272	\$3,921

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

Borrowing by Dependency Status

With the exception of American Indian or Alaska Native students, within each racial and ethnic group, a larger share of dependent than of independent students took out student loans in 2015–16. The average amounts borrowed were higher for independent students (\$8,009) than dependent students (\$7,344). However, including the amounts borrowed by the parents of dependent students ultimately made total borrowing within each group higher for dependent students.

Table 7.6: Total Annual Borrowing, by Dependency Status and Race and Ethnicity: 2015–16

	Dependent Students						Independent Students	
	PLUS		Total Loans (with PLUS)		Total Loans (without PLUS)		Total Loans	
	% Borrowing	Average Amount Borrowed per Borrower	% Borrowing	Average Amount Borrowed per Borrower	% Borrowing	Average Amount Borrowed per Borrower	% Borrowing	Average Amount Borrowed per Borrower
All racial and ethnic groups	8.8%	\$14,027	44.2%	\$10,078	43.9%	\$7,344	35.0%	\$8,009
American Indian or Alaska Native	2.8%	\$14,889	25.8%	\$7,793	25.8%	\$6,197	34.3%	\$6,727
Asian	5.9%	\$16,201	32.3%	\$9,940	32.2%	\$7,004	23.2%	\$9,287
Black	13.9%	\$12,549	57.6%	\$9,693	57.1%	\$6,742	47.4%	\$7,840
Hispanic	6.1%	\$12,152	33.1%	\$8,617	32.9%	\$6,440	29.3%	\$7,943
Native Hawaiian or other Pacific Islander	9.9%	\$12,061	32.5%	\$9,522	32.5%	\$5,862	32.3%	\$9,339
White	9.1%	\$14,834	47.1%	\$10,614	46.7%	\$7,799	33.4%	\$8,036
More than one race	8.9%	\$14,060	45.8%	\$9,897	45.4%	\$7,231	40.1%	\$8,133

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

- Among both dependent and independent students, Black students borrowed at higher rates in 2015–16 than other students.
- Although these high borrowing rates generated high average loans per student, among borrowers, White dependent students had the largest loans, both excluding and including parent loans. Among the relatively small share of Asian parents who borrowed, PLUS loans averaged \$16,201, compared with an overall average of \$14,027.
- Native Hawaiian or other Pacific Islander students had the largest loan size among independent students (\$9,339).
- Among independent students, Asian students borrowed at the lowest rate (23.2 percent) and had one of the highest average loan amounts (\$9,287).
- Among dependent students, Asian and Hispanic students borrowed at similarly low rates relative to other groups. Hispanic students had one of the lowest average loan amounts of any group.

Borrowing by Income Level

The lower income levels of Black families relative to others likely contributed to their larger reliance on loans to finance post-secondary education. However, even within income groups Black students consistently borrowed more than others.

Table 7.7: Average Annual Borrowing for Dependent Undergraduate Students, by Family Income and Race and Ethnicity: 2015–16

		Student Loans	Parent Loans	Total Loans
Income Quartile 1 (Bottom)	Income Quartile 1 Total	\$2,497	\$635	\$3,132
	American Indian or Alaska Native	\$1,530!	\$435!!	\$1,965!
	Asian	\$2,006	\$753	\$2,759
	Black	\$3,452	\$1,126	\$4,578
	Hispanic	\$1,629	\$330	\$1,958
	Native Hawaiian or other Pacific Islander	\$1,522!	\$146!!	\$1,669!
	White	\$2,825	\$543	\$3,367
	More than one race	\$2,956	\$1,027!	\$3,983
	International students	‡	‡	‡
Income Quartile 2	Income Quartile 2 Total	\$3,173	\$955	\$4,128
	American Indian or Alaska Native	\$1,652	\$277!!	\$1,929!
	Asian	\$1,989	\$696	\$2,685
	Black	\$4,257	\$1,820	\$6,077
	Hispanic	\$2,200	\$639	\$2,839
	Native Hawaiian or other Pacific Islander	\$1,578!	\$1,147!!	\$2,725!
	White	\$3,582	\$931	\$4,514
	More than one race	\$3,618	\$817	\$4,436
	International students	‡	‡	‡
Income Quartile 3	Income Quartile 3 Total	\$3,549	\$1,443	\$4,992
	American Indian or Alaska Native	\$2,349	\$427!!	\$2,776!
	Asian	\$2,964	\$1,306	\$4,270
	Black	\$3,701	\$2,389	\$6,090
	Hispanic	\$2,385	\$1,181	\$3,567
	Native Hawaiian or other Pacific Islander	‡	‡	‡
	White	\$3,868	\$1,425	\$5,293
	More than one race	\$3,730	\$1,410	\$5,140
	International students	‡	‡	‡
Income Quartile 4 (Top)	Income Quartile 4 Total	\$3,677	\$1,915	\$5,592
	American Indian or Alaska Native	\$853!	\$623!!	\$1,476!
	Asian	\$2,192	\$1,238	\$3,430
	Black	\$4,643	\$3,303	\$7,946
	Hispanic	\$3,180	\$1,719	\$4,899
	Native Hawaiian or other Pacific Islander	\$3,502!	\$2,924!!	\$6,426!
	White	\$3,835	\$1,903	\$5,738
	More than one race	\$2,710	\$1,779	\$4,490
	International students	‡	‡	‡

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

Notes: ‡ Estimate suppressed. Reporting standards not met. | Interpret with caution. Ratio of standard error to estimate is >30% but <50%. | !! Interpret with caution. Ratio of standard error is >50%.

- Among 2015–16 dependent students whose parent incomes were in the lowest income quartile, borrowing per student (including both borrowers and non-borrowers) for the year ranged from around \$1,600 for Hispanic students to approximately \$2,800 for White students and \$3,500 for Black students.
- Annual parent borrowing per student in the lowest income quartile was much higher for Black students (\$1,126) than for others.
- Adding parent and student borrowing together, averages were \$4,578 per Black student and \$3,367 per White student, compared with about \$2,000 per Hispanic student.
- The highest average student borrowing for Black students was in the highest income quartile—\$4,643.
- Average borrowing for Black parents increased with income, reaching approximately \$3,300 per student in the highest income quartile for a combined student and parent average loan of \$7,946.
- At every income level, average borrowing was higher among Black and White students than among Asian and Hispanic students.

DEBT: ASSOCIATE DEGREE RECIPIENTS

The data presented here provide information on the average amount borrowed per borrower and per student. The average amount borrowed per borrower includes only those students who took out loans to finance their education. The average amount borrowed per student includes all students, regardless of whether or not they took out loans to finance their education.

Among students who received an associate degree in 2015–16, almost half borrowed an average of \$18,500, with a median debt among borrowers of \$15,000 at graduation. Black students and American Indian or Alaska Native students had the highest rates of borrowing (67.2 percent each).

Table 7.8: Total Borrowing: Associate Degree Recipients, by Race and Ethnicity: 2015–16

	% Who Borrowed	Average Amount Borrowed per Borrower	Median Amount Borrowed per Borrower	Average Amount Borrowed per Student	% Independent	% Completed at Public Two-Year Institution	% Completed at For-Profit Institution
All racial and ethnic groups	48.0%	\$18,501	\$15,005	\$8,889	64.3%	82.3%	11.2%
American Indian or Alaska Native	67.2%	\$18,225	\$14,713	\$12,254	76.3%	84.1%	14.0%!
Asian	29.6%	\$17,459	\$15,013	\$5,170	60.4%	87.3%	8.2%
Black	67.2%	\$22,303	\$19,482	\$14,986	76.8%	71.5%	20.4%
Hispanic	36.3%	\$15,778	\$12,000	\$5,719	55.9%	83.5%	10.9%
Native Hawaiian or other Pacific Islander	47.3%	‡	‡	‡	46.3%	82.1%	15.9%!
White	50.9%	\$17,794	\$14,250	\$9,063	64.1%	84.0%	9.3%
More than one race	51.0%	\$21,795	\$20,199	\$11,113	65.4%	84.4%	9.4%
International students	7.9%!	‡	‡	‡	70.2%	87.2%	4.3%!

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

Notes: Institutions were categorized into sectors based upon control of the institution and the length of the predominant award granted. | ‡ Estimate suppressed. Reporting standards not met. | ! Interpret with caution. Ratio of standard error to estimate is >30% but <50%.

- Black students had the highest median debt (\$19,482), the highest average debt per borrower (\$22,303), and the highest average debt per student (\$14,986).
- These higher debt levels could be partly attributed to the fact that 76.8 percent of Black associate degree recipients were independent students, compared with 64.3 percent overall (and 55.9 percent of Hispanic students).
- Roughly one-fifth (20.4 percent) of Black graduates earned their degrees at for-profit institutions, where tuition prices and debt levels are much higher than at public two-year colleges.

Students who earned their associate degrees at for-profit institutions were much more likely to borrow and borrow considerably larger amounts than those who earned similar degrees at public two-year colleges.

Table 7.9: Total Borrowing: Associate Degree Recipients, by Sector and Race and Ethnicity: 2015–16

		% Who Borrowed	Average Amount Borrowed per Borrower	Median Amount Borrowed per Borrower	Average Amount Borrowed per Student
Public Two-Year	All racial and ethnic groups	40.4%	\$15,486	\$11,811	\$6,264
	American Indian or Alaska Native	‡	‡	‡	‡
	Asian	23.0%	\$12,771	\$11,433!	\$2,931
	Black	57.3%	\$18,581	\$14,334	\$10,652
	Hispanic	27.7%	\$11,624	\$6,750	\$3,221
	Native Hawaiian or other Pacific Islander	‡	‡	‡	‡
	White	44.6%	\$15,451	\$12,000	\$6,889
	More than one race	44.8%	\$19,392	\$1,700	\$8,690
For-Profit	All racial and ethnic groups	87.4%	\$26,231	\$24,676	\$22,928
	American Indian or Alaska Native	‡	‡	‡	‡
	Asian	79.6%	\$27,913	\$22,111	\$22,220
	Black	92.9%	\$30,210	\$29,690	\$28,075
	Hispanic	85.1%	\$22,854	\$20,588	\$19,444
	Native Hawaiian or other Pacific Islander	‡	‡	‡	‡
	White	87.3%	\$24,985	\$23,346	\$21,807
	More than one race	83.4%	\$28,816	\$28,761	\$24,022

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

Notes: Institutions were categorized into sectors based upon control of the institution and the length of the predominant award granted. | ‡ Estimate suppressed. Reporting standards not met. | ! Interpret with caution. Ratio of standard error to estimate is >30% but <50%.

- Among 2015–16 associate degree graduates, 87.4 percent from the for-profit sector had education debt averaging \$26,231 with a median of \$24,676; 40.4 percent of graduates at public two-year institutions had education debt averaging \$15,486, with a median of \$11,811.
- The relatively large share of Black students who graduated from for-profit institutions (20.4 percent of Black students compared with 11.2 percent overall) contributed to this group's high debt levels. Yet, even within sectors, Black associate degree recipients were more likely to accrue debt and had the highest average and median debt levels.
- At public two-year colleges, the average debt per associate degree recipient was around \$3,000 for both Asian and Hispanic students, \$6,900 for White students, and \$10,700 for Black students. In the for-profit sector the average debt per Black student was \$28,075.
- The average debt of \$19,444 per Hispanic student was the lowest of the four largest racial and ethnic groups at for-profit institutions.

Table 7.10: Total Borrowing per Borrower and per Student: Associate Degree Recipients, by Dependency Status and Race and Ethnicity: 2015–16

		% Who Borrowed	Average Amount Borrowed per Borrower	Average Amount Borrowed per Student
Dependent Students	All racial and ethnic groups	34.7%	\$12,087	\$4,197
	American Indian or Alaska Native	‡	‡	‡
	Asian	19.9%	\$12,542	\$2,502
	Black	48.7%	\$12,975	\$6,324
	Hispanic	28.5%	\$12,206	\$3,475
	Native Hawaiian or other Pacific Islander	‡	‡	‡
	More than on race	39.0%	\$13,175	\$5,179
	White	38.0%	\$11,628	\$4,415
Independent Students	All racial and ethnic groups	55.4%	\$20,728	\$11,490
	American Indian or Alaska Native	81.7%	\$18,540	\$15,156
	Asian	36.0%	\$19,250	\$6,921
	Black	72.8%	\$24,189	\$17,601
	Hispanic	42.4%	\$17,672	\$7,488
	Native Hawaiian or other Pacific Islander	‡	‡	‡
	More than on race	57.0%	\$24,930	\$14,251
	White	58.2%	\$20,050	\$11,669

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

Note: ‡ Estimate suppressed. Reporting standards not met.

- Independent associate degree recipients were more likely to borrow than dependent degree recipients (55.4 percent compared with 34.7 percent). They also, on average, borrow more (\$20,728 compared with \$12,087).
- Within both dependent and independent student groups, Black associate degree recipients were more likely than those from other racial and ethnic groups to borrow and they borrowed more.
- Asian dependent and independent associate degree recipients were least likely to borrow (19.9 percent and 36.0 percent) than other groups.
- Among dependent students who borrowed, White associate degree recipients had the lowest average debt level in 2015–16 at \$11,628. Among independent students who borrowed, Hispanic associate degree recipients had the lowest average debt level at \$17,672.

Although dependent Black students tended to have lower family incomes than those from other groups, even within income quartiles, Black associate degree recipients accrued more debt than did other student groups. Sample sizes permit comparisons across groups only within the lower two income quartiles.

Table 7.11: Total Borrowing: Associate Degree Recipients, by Family Income and Race and Ethnicity: 2015–16

		% Who Borrowed	Average Amount Borrowed per Borrower	Average Amount Borrowed per Student
Income Quartile 1 (Bottom)	Income Quartile 1 Total	33.2%	\$12,216	\$10,875
	American Indian or Alaska Native	‡	‡	‡
	Asian	23.2%	‡	‡
	Black	48.8%	\$13,178	\$9,500!
	Hispanic	18.8%	\$9,970	\$8,692!
	Native Hawaiian or other Pacific Islander	‡	‡	‡
	More than one race	‡	‡	‡
	White	43.3%	\$11,685	\$10,875
Income Quartile 2	Income Quartile 2 Total	33.1%	\$11,497	\$10,250
	American Indian or Alaska Native	‡	‡	‡
	Asian	‡	‡	‡
	Black	57.5%	\$11,654	\$9,500!
	Hispanic	28.3%	\$12,809	\$10,250
	Native Hawaiian or other Pacific Islander	‡	‡	‡
	More than one race	‡	‡	‡
	White	35.3%	\$10,404	\$9,000

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

Notes: Sample sizes permit comparisons across groups only within the lower two income quartiles. | ‡ Estimate suppressed. Reporting standards not met. | ! Interpret with caution. Ratio of standard error to estimate is >30% but <50%.

- Among students from the lowest income quartile, the share of 2015–16 associate degree recipients graduating with debt ranged from 18.8 percent of Hispanic students, who borrowed an average of \$9,970, to 48.8 percent of Black students, who borrowed an average of \$13,178.
- Among students from the lower-middle income quartile, the share of associate degree recipients graduating with debt ranged from 28.3 percent of Hispanic students, who borrowed an average of \$12,809, to 57.5 percent of Black students, who borrowed an average of \$11,654.

DEBT: BACHELOR'S DEGREE RECIPIENTS

The share of 2015–16 bachelor's degree recipients who borrowed for their undergraduate education ranged from 58.7 percent of Asian students to 86.4 percent of Black students and 89.6 percent of Native Hawaiian or other Pacific Islander students.

Table 7.12: Total Borrowing: Bachelor's Degree Recipients, by Race and Ethnicity: 2015–16

	Share of Total	% Who Borrowed	Average Amount Borrowed per Borrower	Median Amount Borrowed per Borrower	Average Amount Borrowed per Student	% Independent	% Completing at Public Four-Year	% Completing at Private Nonprofit Four-Year	% Completing at For-Profit
All racial and ethnic groups	100%	68.9%	\$29,669	\$27,000	\$20,432	45.6%	59.8%	27.9%	8.9%
American Indian or Alaska Native	0.7%	76.2%	\$26,380	\$24,000	\$20,103	63.3%	59.9%	14.5%!	11.7%!
Asian	6.6%	58.7%	\$25,510	\$22,307	\$14,968	40.8%	63.0%	28.8%	7.2%
Black	12.0%	86.4%	\$34,010	\$32,523	\$29,390	58.0%	53.7%	24.8%	18.3%
Hispanic	15.0%	67.3%	\$25,524	\$23,500	\$17,183	49.6%	61.2%	21.5%	12.4%
Native Hawaiian or other Pacific Islander	0.4%	89.6%	\$26,515	\$29,000	\$23,756	66.7%	53.6%	13.9%!	25.2%!
White	58.5%	70.3%	\$30,119	\$27,000	\$21,184	42.8%	60.3%	29.7%	6.6%
More than one race	3.0%	73.7%	\$29,906	\$27,958	\$22,053	43.0%	61.5%	27.3%	8.8%
International students	3.9%	‡	‡	‡	‡	‡	59.7%	37.3%	2.3%

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

Notes: Institutions were categorized into sectors based upon control of the institution and the length of the predominant award granted. ! ! Interpret with caution. Ratio of standard error to estimate is >30% but <50%. | ‡ Estimate suppressed. Reporting standards not met.

- The Black bachelor's degree recipients who borrowed had median debt of \$32,523 and average debt of \$34,010, the highest of any group. This compares with a median of \$22,307 and an average of \$25,510 for Asian students, the lowest of any group.
- Fifty-eight percent of Black bachelor's degree recipients were independent, compared with 40.8 percent of Asian students. Around 18 percent of Black students graduated from for-profit institutions, compared with 7.2 percent of Asian students.
- Debt levels for Hispanic bachelor's degree recipients were lower than those for White students.

Although some of the differences in the debt levels accrued by bachelor's degree recipients were associated with the sectors from which they earned their degrees, the debt levels of Black graduates stood out even within sectors.

Table 7.13: Total Borrowing upon Completion of a Bachelor's Degree, by Sector and Race and Ethnicity: 2015–16

		% Who Borrowed	Average Amount Borrowed per Borrower	Median Amount Borrowed per Borrower	Average Amount Borrowed per Student
Public Four-Year	All racial and ethnic groups	66.6%	\$27,079	\$25,703	\$18,041
	American Indian or Alaska Native	79.4%	\$24,367	\$22,168	\$19,353
	Asian	56.5%	\$20,658	\$20,020	\$11,664
	Black	83.7%	\$30,613	\$29,750	\$25,617
	Hispanic	63.4%	\$22,322	\$20,000	\$14,146
	Native Hawaiian or other Pacific Islander	84.8%	‡	‡	‡
	White	68.6%	\$28,079	\$26,020	\$19,259
	More than one race	74.6%	\$28,680	\$27,140	\$21,409
Private Nonprofit Four-Year	All racial and ethnic groups	68.7%	\$31,435	\$27,000	\$21,598
	American Indian or Alaska Native	72.9%	‡	‡	‡
	Asian	57.0%	\$29,145	\$25,250	\$16,626
	Black	88.6%	\$36,093	\$35,693	\$31,987
	Hispanic	74.5%	\$25,612	\$25,000	\$19,091
	Native Hawaiian or other Pacific Islander	‡	‡	‡	‡
	White	70.6%	\$31,925	\$27,000	\$22,551
	More than one race	67.0%	\$29,995	\$27,000	\$20,100
For-Profit	All racial and ethnic groups	86.1%	\$40,583	\$42,544	\$34,923
	American Indian or Alaska Native	87.2%	\$40,010	\$38,474	\$34,907
	Asian	88.9%	\$43,186	\$44,000	\$38,371
	Black	90.9%	\$42,046	\$45,000	\$38,216
	Hispanic	84.6%	\$37,962	\$39,812	\$32,107
	Native Hawaiian or other Pacific Islander	95.9%	\$27,039!	\$22,250!!	\$25,943!
	White	85.1%	\$41,134	\$42,650	\$34,990
	More than one race	89.5%	\$38,560	\$39,558	\$34,517

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

Notes: Institutions were categorized into sectors based upon control of the institution and the length of the predominant award granted. | ‡ Estimate suppressed. Reporting standards not met. | ! Interpret with caution. Ratio of standard error to estimate is >30% but <50%. | !! Interpret with caution. Ratio of standard error is > 50%.

- The share of students earning bachelor's degrees from public four-year colleges and universities who borrowed ranged from 56.5 percent of Asian students to 83.7 percent of Black students.
- Among bachelor's degree recipients at public four-year institutions, Black borrowers had debts averaging \$30,613; this compared with \$28,079 for the 68.6 percent of White students who borrowed, \$22,322 for the 63.4 percent of Hispanic students who borrowed, and \$20,658 for the 56.5 percent of Asian students who borrowed.
- Borrowing rates were higher and less varied in the for-profit sector. The average debt per bachelor's degree recipient ranged from \$32,107 for Hispanic students to \$38,216 for Black students and a slightly higher \$38,371 for Asian students.

Independent bachelor's degree recipients were more likely than dependent bachelor's degree recipients to have debt. The median debt levels for independent borrowers upon completion was \$32,014, compared with \$25,536 for dependent graduates in 2015–16. Average debt levels per student were \$17,472 for dependent bachelor's degree recipients and \$23,961 for independent bachelor's degree recipients.

Table 7.14: Total Borrowing: Bachelor's Degree Recipients, by Dependency Status and Race and Ethnicity: 2015–16

		% Who Borrowed	Average Amount Borrowed per Borrower	Median Amount Borrowed per Borrower	Average Amount Borrowed per Student
Dependent Students	Dependent Students Total	65.7%	\$26,585	\$25,536	\$17,472
	American Indian or Alaska Native	79.2%	\$19,345	\$20,292!	\$15,325
	Asian	55.1%	\$21,995	\$19,750	\$12,122
	Black	85.7%	\$29,661	\$28,850	\$25,418
	Hispanic	64.8%	\$22,142	\$20,250	\$14,358
	Native Hawaiian or other Pacific Islander	87.9%	\$20,445!	\$22,000!!	\$17,973
	White	67.6%	\$27,583	\$26,000	\$18,653
	More than one race	73.1%	\$27,072	\$26,188	\$19,798
Independent Students	Independent Students Total	72.6%	\$32,996	\$32,014	\$23,961
	American Indian or Alaska Native	74.5%	\$30,722	\$26,682!	\$22,875
	Asian	63.8%	\$29,913	\$26,510	\$19,094
	Black	86.9%	\$37,111	\$38,923	\$32,261
	Hispanic	69.8%	\$28,721	\$26,528	\$20,058
	Native Hawaiian or other Pacific Islander	90.4%	\$29,405	\$33,000	\$26,589
	White	74.0%	\$33,220	\$32,000	\$24,569
	More than one race	74.5%	\$33,598	\$33,649	\$25,047

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

Notes: ! Interpret with caution. Ratio of standard error to estimate is >30% but <50%. | !! Interpret with caution. Ratio of standard error is > 50%.

- Among both dependent and independent bachelor's degree recipients, Black students accrued the largest debts.
- Native Hawaiian or other Pacific Islander students borrowed at rates similar to those of Black students, but borrowed less.
- Average debt per Black graduate was \$25,418 among dependent students and \$32,261 among independent students.
- Asian and Hispanic debt levels, for both dependent and independent graduates, were lower than the overall averages.

Even within income quartiles, Black students had higher rates of borrowing and higher cumulative debt levels than other bachelor's degree recipients.

Table 7.15: Total Borrowing: Bachelor's Degree Recipients, by Income and Race and Ethnicity: 2015–16

		% Who Borrowed	Average Amount Borrowed per Borrower	Median Amount Borrowed per Borrower	Average Amount Borrowed per Student
Income Quartile 1 (Bottom)	Income Quartile 1 Total	74.1%	\$24,836	\$25,000	\$18,407
	American Indian or Alaska Native	‡	‡	‡	‡
	Asian	55.2%	\$18,976	\$17,781	\$10,467
	Black	93.5%	\$28,994	\$28,910	\$27,110
	Hispanic	62.5%	\$20,781	\$19,500	\$12,994
	Native Hawaiian or other Pacific Islander	‡	‡	‡	‡
	White	81.2%	\$25,490	\$26,000	\$20,694
	More than one race	84.8%	\$26,127	\$24,451	\$22,159
Income Quartile 2	Income Quartile 2 Total	69.5%	\$26,186	\$25,515	\$18,188
	American Indian or Alaska Native	‡	‡	‡	‡
	Asian	55.0%	\$20,601	\$19,000	\$11,329
	Black	82.8%	\$29,905	\$28,809	\$24,764
	Hispanic	67.2%	\$21,658	\$19,500	\$14,547
	Native Hawaiian or other Pacific Islander	‡	‡	‡	‡
	White	75.7%	\$27,314	\$26,000	\$20,669
	More than one race	76.7%	\$29,423	\$30,000	\$22,582
Income Quartile 3	Income Quartile 3 Total	68.2%	\$27,137	\$26,000	\$18,506
	American Indian or Alaska Native	‡	‡	‡	‡
	Asian	66.4%	\$21,705	\$22,242	\$14,421
	Black	77.6%	\$29,390	\$29,000	\$22,817
	Hispanic	69.2%	\$24,203	\$21,500	\$16,744
	Native Hawaiian or other Pacific Islander	‡	‡	‡	‡
	White	70.6%	\$28,167	\$26,400	\$19,885
	More than one race	72.1%	\$24,390	\$22,250	\$17,576
Income Quartile 4 (Top)	Income Quartile 4 Total	57.3%	\$27,515	\$25,106	\$15,774
	American Indian or Alaska Native	‡	‡	‡	‡
	Asian	44.3%	\$28,024	\$22,539	\$12,415
	Black	79.3%	\$31,871	\$28,000	\$25,278
	Hispanic	60.5%	\$23,073	\$20,311	\$13,961
	Native Hawaiian or other Pacific Islander	‡	‡	‡	‡
	White	59.1%	\$27,903	\$26,000	\$16,500
	More than one race	63.2%	\$28,909	\$27,000	\$18,275

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016
Note: ‡ Estimate suppressed. Reporting standards not met.

- Among bachelor's degree recipients in the second quartile of the household income distribution, 82.8 percent of Black graduates borrowed an average of \$29,905, yielding an average debt per student of \$24,764.
- Approximately 67 percent of Hispanic graduates in the second income quartile borrowed an average of \$21,658, yielding an average debt per student of \$14,547.
- Across each income quartile, Asian bachelor's degree recipients borrowed at the lowest rates and borrowed on average the least (with the exception of those in the highest income quartile).

It is possible to examine debt levels for bachelor's degree recipients in the larger racial and ethnic groups broken down by dependency status, sector of enrollment, and household income quartile. Focusing on dependent students in the second income quartile reveals that Black students consistently borrowed at the highest rates and borrowed more than other groups. By sector, the average and median amounts borrowed were highest at for-profit institutions.

Table 7.16: Total Borrowing upon Completion of a Bachelor's Degree for Dependent Students in the Second Income Quartile, by Sector and Race and Ethnicity: 2015–16

		% Who Borrowed	Average Amount Borrowed per Borrower	Median Amount Borrowed per Borrower
Public Four-Year	All racial and ethnic groups	65.8%	\$24,387	\$23,000
	American Indian or Alaska Native	‡	‡	‡
	Asian	51.4%	\$17,053	\$15,208
	Black	77.1%	\$27,534	\$27,000
	Hispanic	63.9%	\$19,567	\$17,800
	Native Hawaiian or other Pacific Islander	‡	‡	‡
	White	72.1%	\$26,216	\$25,000
	More than one race	73.8%	\$29,553	\$30,000
Private Nonprofit Four-Year	All racial and ethnic groups	78.1%	\$29,445	\$27,000
	American Indian or Alaska Native	‡	‡	‡
	Asian	59.3%	\$25,297	\$19,200
	Black	94.9%	\$33,951	\$31,000
	Hispanic	83.6%	\$26,217	\$25,500
	Native Hawaiian or other Pacific Islander	‡	‡	‡
	White	83.1%	\$29,429	\$27,000
	More than one race	‡	‡	‡
For-Profit	All racial and ethnic groups	81.4%	\$35,475	\$31,461
	American Indian or Alaska Native	‡	‡	‡
	Asian	94.5%	‡	‡
	Black	98.1%	\$41,409	\$38,065
	Hispanic	82.5%	\$32,947	\$29,999
	Native Hawaiian or other Pacific Islander	‡	‡	‡
	White	79.1%	\$34,538	\$31,000
	More than one race	‡	‡	‡

Source: U.S. Department of Education, National Postsecondary Student Aid Study, 2016

Notes: Institutions were categorized into sectors based upon control of the institution and the length of the predominant award granted. | ‡ Estimate suppressed. Reporting standards not met.

- Nearly all Black graduates at for-profit institutions borrowed (98.1 percent), compared with 77.1 percent having borrowed at public four-year institutions and 94.9 percent having borrowed at private nonprofit four-year institutions.
- The average amount borrowed upon completion of a bachelor's degree was \$27,534 for Black students at public four-year institutions, \$33,951 at private nonprofit four-year institutions, and \$41,409 at for-profit institutions.
- Relative to other groups, Asian bachelor's degree recipients who attended public four-year institutions borrowed at the lowest rates (51.4 percent) and on average borrowed the least (\$17,053).
- Hispanic and White graduates from private nonprofit four-year institutions borrowed at roughly the same rates—83.6 percent and 83.1 percent, respectively—with Hispanics borrowing a lower average amount than Whites (\$26,217 and \$29,429, respectively).

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