

POLICY RESEARCH BRIEF

Educational Debt at CUNY



With the price of college tuition rising across the nation, student indebtedness has become a topic of concern to students and their families, college administrators, and policymakers. Nationally, total student debt is approaching \$900 billion, the majority from federal sources, and approximately one in ten federal student loan borrowers are in default within 3 years of entering repayment.¹ In the context of these trends, we find that CUNY students are far less likely than their peers in the city, state, and region to take out loans to finance their education, and when they do borrow, they borrow less.

How much debt do CUNY students carry?

At CUNY's senior and comprehensive colleges only 14 percent of students enrolled in the fall term received federal loan disbursements during the 2010-11 academic year (Table 1.) Total loans amounted to over \$111 million, averaging just over \$5,750 per recipient. An even smaller proportion of students attending CUNY's community colleges received federal loans: only 7.1 percent of the over 90,000 students took out federal loans, borrowing a total of \$29.5 million, about \$4,570 per recipient.

Looking at longer-term trends, we see that the proportion of senior and comprehensive college students who borrowed dropped from 13.4 percent in 2006 to 12.6 percent in 2008, as the U.S. economic recession began, and rose slightly thereafter to 14.2 percent in fall 2010. At the community colleges, the pattern was similar; the borrowing rate edged downward between 2006 and 2007, and then increased, reaching 7.1 percent by 2010. Alt-

hough the percentage of students who took out loans fluctuated, the average amount borrowed rose consistently during this period. At the senior and comprehensive colleges, average loan amounts increased by almost 33 percent (a 23 percent increase when we account for inflation); at the community colleges the increase was 37 percent (26 percent adjusted for inflation). Tuition at CUNY remained constant (in nominal dollars) between 2006-2007 and 2010-2011. Interestingly, the increase in student loan disbursements (both in nominal and inflation adjusted terms) was smaller for 2009-10 — a year when tuition increased — than in any of the previous years reported in Table 1. This may indicate little or no short-term impacts on student loan disbursements as a result of that tuition increase. This is perhaps not surprising given that CUNY remains one of the lowest-cost public university systems in the United States.

Table 1
Trends in Federal Loan Recipients and Average Disbursements
for Fall-Enrolled Undergraduates at CUNY Colleges*

Academic Year	Total Students	Total Federal Loan Award Recipients		Total Federal Loan Awards	Average Loan Amount per Loan Recipient	Average Loan Amount per Loan Recipient (Inflation Adjusted)**
	N	N	%	Total	Mean	Mean
Senior & Comprehensive Colleges						
2006-2007	122,525	16,466	13.4	\$71,381,373	\$4,335	\$4,689
2007-2008	125,957	15,830	12.6	\$72,852,974	\$4,602	\$4,840
2008-2009	130,789	16,470	12.6	\$84,262,426	\$5,116	\$5,182
2009-2010	136,385	18,517	13.6	\$103,084,730	\$5,567	\$5,658
2010-2011	136,084	19,284	14.2	\$111,006,062	\$5,756	\$5,756
Community Colleges						
2006-2007	73,893	4,721	6.4	\$15,781,955	\$3,343	\$3,616
2007-2008	76,864	4,787	6.2	\$17,755,723	\$3,709	\$3,901
2008-2009	81,538	5,302	6.5	\$22,839,296	\$4,308	\$4,363
2009-2010	88,770	6,235	7.0	\$27,825,385	\$4,463	\$4,536
2010-2011	91,264	6,467	7.1	\$29,532,969	\$4,567	\$4,567

*Student counts reflect fall enrollees; Spring enrollees are excluded. Amounts reflect fall and spring disbursements of Stafford and Perkins loans; Summer loans are also excluded.

** Figures, in real 2010 dollars, are adjusted for inflation using the Consumer Price Index-Urban (Bureau of Labor Statistics)

Source: CUNY Office of Institutional Research.

How does CUNY undergraduate student debt compare to that in other public systems?

CUNY undergraduates at the four-year colleges are far less likely to take out federal student loans than their peers across the region and the nation (Table 2.) Indeed, although over one-half of undergraduates at the University of Connecticut and New Jersey's Rutgers University receive federal loans, only 15 percent of CUNY undergraduates receive them. The contrast between CUNY and the State University of New York (SUNY), where over 57 per-

cent of students receive federal loans, is also remarkable.

CUNY's undergraduates also tend to take out smaller federal loans than their peers: CUNY students who receive loans borrow an average of \$5,700, slightly below the average of about \$6,600 for the other university systems in our sample. In absolute dollar terms, CUNY undergraduates borrow about as much as their peers in the University of California sys-

Table 2
Percentage of Fall-Enrolled Undergraduate Students Receiving Student Loans and Average Loan Disbursement Amount: Public Four-Year University Systems (2010-2011)*

	Total Students	Total Federal Loan Award Recipients	Total Federal Loans	Average Loan Amount per Student	Average Loan Amount per Loan Recipient	
	N	N	%	Total	Mean	Mean
CUNY	136,084	20,372	15.0	\$116,006,351	\$852	\$5,694
SUNY	157,008	90,008	57.3	\$588,973,990	\$3,751	\$6,544
California State	349,188	126,192	36.1	\$810,750,475	\$2,322	\$6,425
Colorado State University System	28,491	13,643	47.9	\$91,973,734	\$3,228	\$6,741
Minnesota State Colleges and Universities	63,227	34,638	54.8	\$237,315,107	\$3,753	\$6,851
Rutgers University	42,327	23,257	54.9	\$162,933,970	\$3,849	\$7,006
Texas A&M University System	99,702	51,290	51.4	\$403,105,915	\$4,043	\$7,859
The University of Texas System	159,007	77,357	48.7	\$559,680,498	\$3,520	\$7,235
University of Minnesota	48,717	24,694	50.7	\$163,592,166	\$3,358	\$6,625
University of California	179,245	78,686	43.9	\$452,377,336	\$2,524	\$5,749
University of Virginia	15,595	3,806	24.4	\$25,037,833	\$1,606	\$6,579
University of Connecticut	17,345	9,075	52.3	\$60,165,961	\$3,469	\$6,630
University of Colorado	47,388	17,780	37.5	\$122,787,760	\$2,591	\$6,906
University of North Texas System	28,316	16,988	60.0	\$108,243,114	\$3,823	\$6,372
University of Wisconsin System	142,659	79,945	56.0	\$523,054,860	\$3,666	\$6,543
University System of Maryland	108,495	47,211	43.5	\$337,776,175	\$3,113	\$7,155

* Student counts reflect fall enrollees; Spring enrollees are excluded. Amounts reflect fall and Spring disbursements of Stafford and Perkins loans; Summer loans are also excluded.

Source: National Center for Education Statistics' Integrated Postsecondary Education Data System (IPEDS).

tem, but \$1,000 to \$1,300 less than students attending SUNY, Rutgers, or the University of Connecticut.

A story similar can be told about debt at CUNY's community colleges (Table 3.) Only one out of every thirteen CUNY community college students receive federal loans; this is in contrast to more than 40 percent at community colleges in the Midwest (Colorado and

Minnesota systems). Closer to home, about three in every ten of SUNY's community college students receive loans of this type. On average, a CUNY community college student in receipt of a federal loan borrowed a little under \$4,600 compared to approximately \$4,850 at SUNY and approximately \$5,600 and \$6,400 at Colorado and Minnesota systems, respectively.

Table 3
Percentage of Fall-Enrolled Undergraduate Students Receiving Student Loans and Average Loan Disbursement Amount: Public Community College Systems (2010-2011)*

	Total Students	Total Federal Loan Award Recipients	Total Federal Loan Disbursements	Average Loan Award per Student	Average Loan Award per Loan Recipient	
	N	N	%	Total	Mean	Mean
CUNY	91,264	6,856	7.5	\$31,448,756	\$345	\$4,587
SUNY	255,814	77,471	30.3	\$375,902,784	\$1,469	\$4,852
City Colleges of Chicago	62,895	1,912	3.0	\$7,968,945	\$127	\$4,168
Colorado Community College System	78,786	29,405	37.3	\$163,817,426	\$2,079	\$5,571
Connecticut Community College System	58,253	2,048	3.5	\$8,029,222	\$138	\$3,921
Maryland Community Colleges	147,180	19,540	13.3	\$97,529,740	\$663	\$4,991
Massachusetts Community Colleges	105,124	19,685	18.7	\$72,571,334	\$690	\$3,687
Minnesota State Colleges and Universities	138,241	61,256	44.3	\$392,070,531	\$2,836	\$6,401
University of Wisconsin System	14,385	5,242	36.4	\$26,051,270	\$1,811	\$4,970
University System of Georgia	49,386	16,664	33.7	\$73,775,647	\$1,494	\$4,427
Virginia Community College System	197,004	22,546	11.4	\$119,172,682	\$605	\$5,286

* Student counts reflect fall enrollees; Spring enrollees are excluded. Amounts reflect fall and Spring disbursements of Stafford and Perkins loans; Summer loans are also excluded.

Source: National Center for Education Statistics' Integrated Postsecondary Education Data System (IPEDS).

Comparisons within the New York City Metropolitan Area

These patterns of indebtedness continue when we compare fall enrolled undergraduates at CUNY to their peers at selected private universities in the New York City region: CUNY students are far less likely to take out federal loans, and when they do, they borrow less. For example, almost eight in ten fall 2010 undergraduates at Adelphi received federal loans, as did more than 50 percent of Hofstra, Fordham, St. John's and Pace University undergraduates, compared to only 15 percent of CUNY undergraduates at the system's four-year colleges. Indeed, with one-fifth of all undergraduates receiving federal loans, only

Columbia University comes close to this figure. But the similarity ends there; at over \$9,000 per loan recipient, Columbia students incur much larger loans on average than their peers, including those at CUNY. Undergraduates at The New School borrowed the highest amounts among our sample. At almost \$12,000, they borrowed more than twice the level at which CUNY senior and comprehensive undergraduates borrowed. Otherwise, average loans were approximately \$7,000 to \$8000, still considerably higher than students at CUNY.

Table 4
Percentage of Fall-Enrolled Undergraduate Students Receiving Student Loans and Average Loan Disbursement Amount:
New York Metropolitan Area Universities (2010-2011)*

Institution	Total Students	Total Federal Loan Recipients	Total Federal Loan Disbursements	Average Loan per Student	Average Loan per Loan Recipient	
	N	N	%	Total	Mean	Mean
Adelphi University	4,939	3,824	77.4	\$ 28,464,735	\$5,763	\$7,444
Columbia University	7,940	1,576	19.8	\$ 14,646,664	\$1,845	\$9,294
Fordham University	8,106	4,648	57.3	\$ 31,597,895	\$3,898	\$6,798
Hofstra University	7,389	4,109	55.6	\$ 29,104,988	\$3,939	\$7,083
New York University	22,097	9,621	43.5	\$ 71,408,077	\$3,232	\$7,422
Pace University	8,126	4,645	57.2	\$ 34,178,056	\$4,206	\$7,358
The College of New Rochelle	3,867	2,503	64.7	\$ 17,590,085	\$4,549	\$7,028
St John's University-New York	15,720	8,813	56.1	\$ 69,801,235	\$4,440	\$7,920
St. Francis College	2,590	1,278	49.3	\$ 8,621,549	\$3,329	\$6,746
The New School	6,970	3,230	46.3	\$ 38,575,089	\$5,534	\$11,943

* Student counts reflect fall enrollees; Spring enrollees are excluded. Amounts reflect fall and Spring disbursements of Stafford and Perkins loans; Summer loans are also excluded.

Source: National Center for Education Statistics' Integrated Postsecondary Education Data System (IPEDS).

Conclusion

Even with recent tuition increases, the CUNY system remains one of the most affordable higher education options in the New York region and the nation. Currently, CUNY's tuition rates are approximately 50 percent lower than tuition in public systems in Connecticut or California and about one-half the rate of those in New Jersey. CUNY tuition is also a fraction of that for private four-year colleges in New York City; approximately one-ninth the sticker price of tuition at Columbia, one-eighth for the equivalent at New York University and Fordham and one-seventh the cost of attending Pace University. In this context, it is not surprising that CUNY students incur relatively little debt.

CUNY's students may be, in some respects, "under-leveraged". CUNY students may be reducing their credit load or taking semesters off to earn tuition money. In 2010 just under one-third of CUNY undergraduates were working 20 or more hours per week.² It is possible that, for some students, the work-college balance may be skewed, allowing too little time to study and to become engaged in the academic community, which is a particular concern at commuter campuses. A lack of academic or social engagement may lead to lower retention rates, lower average GPAs, and ultimately to lower graduation rates.³ With this in mind, CUNY administrators should ensure

that newly enrolled and re-enrolling students are fully informed about their options for low cost student loans backed by the Federal government. It would also be desirable to conduct additional research in order to understand the extent to which CUNY's borrowing patterns can be explained in terms of a lack of information among students about the available options versus a reluctance on their part to borrow.

- ¹ Hillman, N.W. (2012) College on Credit: A multi-level analysis of student loan default. Paper presented at the 2012 meeting of the American Educational Research Association, Vancouver, April 13-17.
- ² The Chronicle of Higher Education, Tuition and Fees 2010-11 Dataset, accessed May 31st, 2012. <http://chronicle.com/premium/stats/tuition/results.php>. The College Board conducts an annual survey of tuition costs. At public four-year university systems, average in-state tuition and fees were approximately \$8,000 in 2010-11. At public two-year university systems average published tuition and fees were approximately \$2,800 in 2010-11: http://trends.collegeboard.org/college_pricing/ (accessed May 31st, 2012). In contrast, tuition and fees at CUNY four-year colleges was about \$5,000 in 2010-2011 while two-year colleges, the equivalent was \$3,500, slightly higher than the national average.
- ³ CUNY Student Experience Survey, 2010.

Visit us at OPR's new website: www.cuny.edu/opr

The screenshot shows the website for the Office of Policy Research at CUNY. The header includes the CUNY logo and navigation links such as 'Find It', 'College Websites', 'Text Version', and 'Make This Website Talk'. A secondary navigation bar lists 'Future Students', 'Current Students', 'Faculty/Staff', and 'Alumni'. The main navigation menu includes 'ABOUT', 'ACADEMICS', 'ADMISSIONS', 'RESEARCH', 'NEWS/EVENTS', 'LIBRARIES', and 'EMPLOYMENT'. The breadcrumb trail reads: 'Welcome >> About >> Administration >> Administrative Offices >> Institutional Research & Assessment >> Office of Policy Research'.

The main content area is titled 'Office of Policy Research' and includes a list of links: 'About Us', 'Seminar Series', 'Research Briefs', 'Working Papers', and 'Presentations'. To the right of this list is a graph showing 'Enrollment' with data points at 85%, 86%, and 88%. Below the graph, the text states: 'The Office of Policy Research (OPR) aims to improve retention and graduation rates at CUNY through research, evaluation, and decision support. To this end, OPR pursues issues of relevance across the CUNY system, including postsecondary racial, income, and gender gaps in access and performance; the role of college in economic development and workforce training; the educational experiences and choices of immigrant students; college readiness and the high school to college "pipeline", and the inter-relationships of housing and education. And with Gates Foundation support, OPR is working with the New York City Department of Education (DOE) to build a shared, student-level, longitudinal, tracking data system that both institutions use to improve their understanding of college readiness and the high school to college transitions. [read more >>](#)'

On the left side, there is a 'Contact Us' section with the address: '555 West 57th Street - Suite 1240, New York, New York 10019', telephone number '212-541-0372', and fax number '212-541-0392'. Below this is a 'Staff Directory >>' link. At the bottom left, there is a 'Quicklinks' section with links for 'Affiliated Researchers' and 'Staff Bios'.