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The Perception of the Value Added from Accruing Student Debt to Earn a Degree or Graduate Certificate from a Public Institution of Higher Education: A Descriptive Study

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THE PERCEPTION OF THE VALUE ADDED FROM ACCRUING STUDENT DEBT TO EARN A DEGREE OR GRADUATE CERTIFICATE FROM A PUBLIC INSTITUTION OF HIGHER EDUCATION: A DESCRIPTIVE STUDY

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ABSTRACT

THE PERCEPTION OF THE VALUE ADDED FROM ACCRUING STUDENT DEBT TO FINANCE A DEGREE OR CERTIFICATE FROM A PROPRIETARY INSTITUTION OF HIGHER EDUCATION: A DESCRIPTIVE STUDY

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Old Dominion University, 2016
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Student loan debt has had a tremendous impact on higher education over the past 45 years. Over that timeframe, federal student loan dollars have increased by more than 800%. This dissertation examines the perception of value that has been added to the lives of graduates by using student loans to finance their degree or graduate certificate. Literature on the subject has focused primarily on the rising costs associated with earning a college education, and the continuous increase in the average amount of student loan debt that graduates carry into their careers. A researcher-generated survey was administered to 6 years of completers from a mid-size public institution located in southeast Virginia in order to discover perceptions of the phenomenon. This research contributes to the literature in that it expands on the debt discussion by applying a behavioral economics perspective to the perception and decision-making processes involved with borrowing. The study also explores the changing public perception of higher education and how that perception may influence the future of higher education. It expands on the literature on the financial literacy of students involved with loans and offers suggestions for its improvement.

Keywords: student loans, perceptions, behavioral economics, aversion, financial literacy

This dissertation is dedicated to:

My wife of 14 years, Shannon Primm Nuckols. You have always been my first level of support and my greatest friend and ally. Your willingness to stand strong with me in our times of success, and ability to be even stronger in the face of our adversities has made anything possible in our lives. You have encouraged me in faith to always be willing to try. I love you. You are my first word each day, and my final thought each night. After all of our years, you are still the one.

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CHAPTER I

INTRODUCTION

In recent years, the subject of student debt has been the subject of many discussions relating to economics, higher education, employment, and politics. The increase in discussions about the costs associated with higher education are well founded. Over the past 45 years, the percentage of Americans between the ages of 18 and 24 who have attended some form of higher education has increased significantly (Cunningham & Santiago, 2008). During this time of increases in enrollment, the federal student loan volume has increased by over 800% (Cunningham & Santiago, 2008). This dramatic increase in the use of student loans has caused much discussion on the causes and effects of student debt and individual finances (Cunningham & Santiago, 2008).

The increase in accumulated student debt while attending college is an issue faced by most students and graduates of the higher education system (Burdman, 2005). While the traditional private and public nonprofit institutions' admission model is based on specific academic standards and criteria, many times the admitted student is prevented from attendance due to financial constraints (Gladieux, King, & Corrigan, 2005). The various forms of available financial aid make the possibility of financing a college education more accessible for such students (Gladieux, et al., 2005; Holtschneider, 2008). As costs continue to rise and life decisions and events interfere with the traditional college experience, the combination of available funds (loans) and a demand for greater convenience and accessibility has given rise to higher education market competition (Levine, 2001).

The student-driven demand for convenience in education delivery partially gave rise to the proprietary institution (Levine, 2001). The proprietary institution (or for-profit college) is a private institution owned by private individuals or corporations and operated as a business, for profit (Kinser, 2003; 2007). Some proprietary institutions are closely held businesses, with a small number of shareholders who participate heavily in the direction, management and operation of the corporation (Nagar, Petroni, & Wolfenzon, 2001; Kinser, 2007). Other for-profit institutions are owned by large corporations and publicly traded (Kinser, 2007). While the traditional universities often admit students on the basis of academic performance and credentials, at the for-profits, if the student qualifies for federal aid, they are admitted (Kinser, 2003). While this model gives instant higher education accessibility to all who want it, it has also been a driving force behind the operating cost models of institutions of higher education, student debt discussion, and the delivery model changes to most traditional institutions (Kimball, 2014; Levine, 2001).

In addition to the continued rising costs of higher education, a near systemic pattern of decreasing grants and scholarships has occurred, giving way to federally backed student loans (Gladieux, et al., 2005; Holtschneider, 2008). With the business models of many private and public institutions constantly focusing on growth (usually measured in enrollment and revenue), along with the model of increased accessibility to higher education, at for-profit institutions, the platform is set for students to borrow federal funds to finance their education.

As public, nonprofit, and proprietary institutions continually expand and compete with one another, revenues enhance the bottom-line of the institutions' balance sheets (Berg, 2005). Without some type of reform to the current student loan system, current and future generation students may be entering the workforce with a debt that may never be paid in full (Holtschneider, 2008). This study addresses some of the issues related to student debt among graduates who attend a public institution of higher education in the United States, and applies those graduate's perceptions of that debt to the existing literature on the topic.

Background of the Problem

Debt, demand, public funding, and the impact of the for-profit institution. Since the 1970s, a college degree has become more commonplace, more accessible, and more expensive (Carlson & McChesney, 2015; Combe, 2009; Kuzma, Kuzma, & Thiewes, 2010). Public sentiment toward higher education has shifted its funding model from scholarships and grants to loans and debt (Alexander, 2011; Baez, 2013; Gladieux et al., 2005; Holtschneider, 2008; Levine, 2001). With the rise in the debt model of higher education finance has come a greater demand to meet the student's wants regarding convenience and value (Levine, 2001).

With a change in the social value of a degree or graduate certificate shifting from a public good to a personal asset, the public funding model for higher education has constantly reduced each year (Alexander, 2011; Baez, 2013; Levine, 2001). With less public support, public institutions have been subjected to market sensitivity among one another (Baez, 2013). While competing with other public institutions for qualified students, there is also mounting competition with the nonprofit and for-profit sector (Baez, 2013; Kinser, 2003; 2006; Levine, 2001). The demand for distance education (partially created by the for-profit sector) has generated new personnel and technology costs for public institutions (Kinser, 2007; Rumble, 2012). The evolution of the higher education market and atmosphere has also led to a change in the students of higher learning.

Over the past 40 years, the college student has evolved from the traditional to the more non-traditional student (Levine, 2001). With that evolution, the demands of the students have changed as well, to better meet their needs. That market demand is driven by several issues, including: students' lifestyle, their perception of higher education, and the use and inclusion of technology in the growth of distance education (Levine, 2001).

Another shift in the higher education market occurred when the public institution funding model change from enrollment based, to incentive, or performance driven (Tandberg & Hillman, 2014). Performance-based funding (PBF) turned the state's focus from regulatory compliance and funding based on full-time enrollment in the 90s to measuring performance outcomes, namely degree completion from state institutions (Tandberg & Hillman, 2014). Some states adopted a PBF model for a short term, but later reverted back to an enrollment model when PBF proved ineffective (Tandberg & Hillman, 2014).

Although still used by several states, performance-based funding has been further challenged by a study of one of the longest consecutive performance-based funding models (Hillman, Tandberg, & Gross, 2014). In the Hillman, Tandberg, and Gross study, the Pennsylvania PBF system was analyzed based on whether its goals were being achieved. Funding institutions based on degree completion rather than enrollment numbers was not effective in increasing degree completion in that state over a long period of time (Hillman, Tandberg, & Gross, 2014). While public nonprofit institutions have been impacted by PBF measures set forth by government policy, competition for enrollment increased and student demand forced other operational changes.

The demands of the students created an opportunity for proprietary institutions to engage in the higher education market with the drive of business competition (Levine, 2001). For-profit institutions that offer some form of higher education degree program fall under several forms of business ownership (Kinser, 2003; 2007). While some have a tradition of family ownership and management, others are publicly traded corporations, with shares transferring daily on Wall

Street (Kinser, 2003). Regardless of the business model or size of the private for-profit institution, the for-profits all have one similar focus: to maintain profitability for the owners (Kinser, 2003).

The focus on the for-profit institution, the changing perceptions of higher education, and the rising student debt dilemma all tend to coincide with the increase in the for-profit institution's influence on higher education since the reauthorization of the *Higher Education Act in 1972* (Cunningham & Santiago, 2008; Higher Education Act, 1972; Levine, 2001). A publicly traded institution with a nearly concurrent existence and influence is the University of Phoenix (Kinser, 2006; 2007; Noone, 2004). That institution is worthy of discussion due to its large market share, market value, and massive student enrollment numbers (Kinser, 2006; 2007; Noone, 2004). Since Phoenix is the largest of its kind, it is often the subject of praise, controversy, and some occasional boasting (Noone, 2004). Phoenix's president takes great pride in the belief that students who have little chance of admission or survival in a traditional university system are proving to be successful graduates through a more flexible and less mainstream institution (Noone, 2004).

Sperling and Tucker (1997) created the University of Phoenix with a vocational mission, and by catering to the needs of its students the institution grew into the largest of its kind (Kinser, 2007; Levine, 2001; Sperling & Tucker, 1997). That growth and ability to meet the consumer demands of its students set the pattern that was followed by other for-profits, and traditional institutions (Kinser, 2007; Levine, 2001). A major desire of the students was for the delivery of the courses to be convenient for their work schedules (Kinser, 2007).

The primary tool for rapid growth and convenience is through distance education (Kinser, 2007). While distance education is not a new phenomenon in higher education, it is paramount in discussions of accessibility. With the movement toward electronic education comes higher student enrollment and exceptional growth in profitability (Kinser, 2006). For instance, between 1996 and 2003, the University of Phoenix added 39,000 new students by expanding its physical campuses into communities nationwide. During that same timeframe, it added 70,000 new students through its online division (Kinser, 2006). Distance education allows the institution to reach students virtually anywhere that has a phone line (Sperling & Tucker, 1997). The increase in access to higher education has been accompanied by a similar pattern of increase in student debt (Cunningham & Santiago, 2008).

The utilization of distance learning models for increased access and student enrollment has not been reserved to the for-profit sector. The private and public nonprofit institutions moved into the distance education sector on varying levels. For the public institutions, the long-term benefits were realized with lower labor costs and greater access for more students (Meyer, 2010). However, the obstacle that nonprofit public institutions must overcome is the initial investment to start a distance program (Meyer, 2010). With the constant funding pressures that public institutions face annually, Meyer (2010) emphasized the importance of potential grants to serve as start-up capital to begin distance and/or online programs.

The private nonprofit sector has experienced enormous growth in a similar distance model of higher education. While there is little literature on their business model, Liberty University, a private nonprofit institution of higher education located in Lynchburg, VA has seen incredible increases in its enrollment over the last 15 years (NCES, 2015). With an online enrollment of nearly 62,000 Liberty gained the attention of Virginia regulators and the national media, with more than 20,000 more online enrolled students than the public institution, University of Maryland, University College (Anderson, 2013; SCHEV, 2014).

Financial literacy and the public perception of higher education. The public perception of higher education has shifted from the image of a public good to one of a private good (Hensley, Galilee-Belfer, & Lee, 2013). While both terms indicate a positive impact, the differing approaches are significant. The public good is viewed in terms of its positive "spill over effects," in that college graduates tend to earn more, and pay more taxes (Hensley et al., 2013; Shaw, 2010). The theory that higher education is a private good is easier to measure, and simply links personal economic advantage to the completion of a degree (Dennison, 2003; Hensley, et al., 2013; Marginson, 2007). While the latter theory has been considered oversimplified, the modern focus on economic measurement has become the more influential approach (Hensley et al., 2013).

Neo-liberal ideology considers a "good" only in financial terms (Hensley et al., 2013). This view is gaining momentum socially and is changing the 'private versus public' discussion into a more popular consideration of economic benefit. Since the neo-liberal approach does not differentiate between private and public (only measuring positive economic effects), the result has been the systemic reduction of public funds to higher education, and a greater burden on individuals to self -fund their higher education costs (Dennison, 2003; Hensley et al. 2013).

As the shift in the perception of higher education has occurred, some educators, administrators, students entering college are beginning to focus on financial literacy (Greenfield, 2015). Financial literacy relates to the information or knowledge that a student may have of the costs involved with college attendance at the time they enter their higher education experience (Greenfield, 2015). The financial knowledge that is valuable during the college application period is as vital throughout the student's years of enrollment (Greenfield, 2015). Good financial literacy tends to begin with information traditionally stemming from family discussion or high school counseling received while in K-12 (Greenfield, 2015).

As more students from a diversity of backgrounds enroll in college, disparities in financial literacy of college students have emerged in a wide spectrum (Greenfield, 2015; Smith & Barboza, 2014). With indications that debt-related issues among college students and recent graduates are rooted in their financial knowledge, many students enter their college career with loans beyond their understanding (Greenfield, 2015; Smith & Barboza, 2014). Students who come from low Socio-Economic Status (SES) situations, and first generation college attending students are often at a disadvantage since financial literacy education is still mostly taught in the home (Greenfield, 2015; Kirst & Venezia, 2004). The lack of financial literacy in the early years of college can create difficult financial situations after leaving the institution, and the debt enters repayment (Smith & Barboza, 2014).

Theories of behavioral economics. Within the discussion of a student's financial knowledge and decision-making, lies the greater discussion of behavioral economics theory. Generally, the study of behavioral economics attempts to apply a psychological basis to conventional economics and personal financial decision-making processes (Camerer & Loewenstein, 2004; Smith & Barboza, 2014). While many of the concepts and theories are not new, when discussing the students' willingness and likelihood to borrow for educational costs, some of the basic topics of behavioral economics offer greater insight.

The principles of aversion, both loss aversion and debt (or loan) aversion, offer a psychological foundation to the students' willingness (or unwillingness) to accrue debt to finance educational costs. For the purpose of this study, *loss aversion* refers to the subject's *dislike* of losing an asset or commodity outweighing the same subject's *like* of gaining assets or commodities (Camerer & Lowenstein, 2004; Knetsch, 1992; Tversky & Kahneman, 1991). Debt aversion refers to the students' refusal to borrow to finance educational costs, even though they know that the investment will bring a long-term positive return (Boatman, Evans, & Soliz, 2014; Burdman, 2005; Cunningham & Santiago, 2008; Palameta & Voyer, 2010;).

The introduction of the return that a debt can bring over time introduces other models of time discounting and Samuelson's discount utility model (1937). In that model, the concepts of exponential and hyperbolic discounting address the issue of a subject's future benefit having less value than having that benefit realized presently (Boatman, Evans, & Soliz, 2014). When applying that theory to the financing of a college degree, some students may not perceive all of the benefits of higher education at some point in the future. Others may not see the benefit of a low debt lifestyle at some point in the future, and opt to borrow all that they can in the present (Boatman, Evans, & Soliz, 2014; Smith & Barboza, 2014). Through the exploration of discounting and aversion principles of behavioral economics, a greater theoretical foundation may be offered to the study of a student's use of financial aid and debt accumulation to cover educational costs.

Public policy. The public policy debate as it relates to the discussion of student debt from higher education, revolves around the *Higher Education Act* (1965), and its many reauthorizations. In an attempt to increase accessibility to higher education, the *Act* allowed for students to receive federal financial aid under Title IV (Higher Education Act, 1965).

When Congress reauthorized the *Act* in 1972, they gave students at proprietary institutions access to federal financial aid under Title IV, subject to regulatory compliance by the institution (Floyd, 2005; Higher Education Act, 1972). In order for an institution of higher education to be eligible for student aid, the school must carry a valid accreditation, either national or regional (Floyd, 2005).

Once an institution (public or private) is accredited and able to offer financial aid, the Department of Education performs periodic audits of the college's financial aid records to insure accuracy and reduce fraud (Floyd, 2005). The ability to offer students federal financial aid is imperative to student access and to the success of most institutions. While most traditional institutions of higher education maintain regional accreditation, national accreditation often has fewer requirements, conducts less stringent audits, and approves changes to the curriculum more easily (Floyd, 2005). A difficulty often attributed to national accreditation is the lack of credit transferability to a regionally accredited institution (Floyd, 2005).

For-profits have historically chosen national accreditation for speed in the introduction of new programs. National accreditation allows for quicker approval of new curriculum than regional accrediting bodies. These national agencies demand fewer general educational requirements for degree completion and lower credentials of faculty (Floyd, 2005). Due to the stringent educational standards of the regional accrediting bodies, only about 10 percent of the proprietary institutions hold regional accreditation (Kelly, 2001). The lack of regional accreditation by the proprietary schools makes degree recognition by a state or private university difficult (Floyd, 2005; Kelly, 2001). Further, national accreditation makes credit transfers to a traditional public or private nonprofit college virtually impossible (Floyd, 2005).

More recent Federal policies related to student debt seem to focus on debt that has been accrued at for-profit institutions (Johnson, 2011; Miller, 2005). These policies generally place higher reporting requirements, greater restrictions, and outcome-based justifications on the proprietary sector (Johnson, 2011; Miller, 2005; Student Assistance General Provisions, 2010). Some of these policies have been successfully challenged and overturned in court (Serna, 2014).

The 1970s also saw the passage of a national policy related to student loans and their survivability in bankruptcy (Thayn, 2005; 20 U.S.C. § 1087-3). The *Education Amendments of 1976* outlined a stringent test that a borrower must meet in order to be able to discharge student loans in bankruptcy (Thayn, 2005; 20 U.S.C. § 1087-3). Known as the "undue hardship test," it has made a discharge nearly impossible since 1976 (Thayn, 2005). With few consumer protections, overall pattern of rising costs, loans readily available to students at nearly all accredited institutions of higher education, and a public perception that a degree is a personal good, a pattern of increasing student debt warrants this research (Hensley, Galilee-Belfer, & Lee, 2013; Thayn, 2005).

Purpose of the Study

The purpose of this research is to investigate the relationship between accumulated student debt and the perception of the value that the earned degree or graduate certificate has added to the overall life of the borrowing student. By determining whether there is a perception of value added from accruing student debt in order to earn a degree or graduate certificate from an institution of higher education, the researcher seeks to determine which variables contribute to that perception.

Professional Significance of the Study

This study focuses on whether the graduates of an institution of higher education who borrow to finance some or all of the costs associated with their education perceive value in the debt that they accumulated in order to finance their degree or certificate. The data generated by this study will be of value to administrators of proprietary, nonprofit, and public institutions of higher education, members of accrediting boards, financial institutions involved in student loan origination, and government agencies overseeing various aspects of higher education. This study addressed aspects of personal finance theory, and portions of behavioral economics theory as it pertains to decision analysis and perceptions of student debt.

This study sought to discover the perceptions of higher education degree/certificate completion as associated with debt accumulated as a result of the process. Additionally, it explored the behavioral issues related to the decision-making processes related to economic issues faced by college students. By uncovering possible debt-avoidance strategies by students, or their future expectations when taking on student loans, this study offers insights into existing theories of behavioral economics and public perceptions toward higher education.

Under *Title IV* of the *Higher Education Act* (1965), federal student aid was initially created to assist those who may not otherwise be able to attend college due to financial constraints (Gladieux, King, & Corrigan, 2005). Since then, the evolution of student aid has gone from assistance to the less fortunate, to relieving a cost burden for those students who would have attended college without the government assistance (Gladieux et al., 2005). Add to this the suggestion by some authors that in the name of monetary gain, some institutions steer prospective students into the federal loan system, enroll them into educational programs that are often not transferable to other colleges and programs, fail the students in the academic arena, and leave them with below average job placement potential and possibly no diploma as well (Johnson, 2011). Further, some accumulated debt loads may cause unrealized long-term harm to the student (Johnson, 2011).

Research Questions

This study will seek to examine the perceptions of the value added of student debt accrued by graduates of a public nonprofit institution. This investigation seeks to answer the following research questions:

1. What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?
2. What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?
3. What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?
4. What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?
5. What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?

Overview of Methodology

This non-experimental descriptive study employed a cross-sectional survey design to identify a large population's perceptions of the value added to their lives by accruing some form of student debt to complete their degree or graduate certificate. A cross-sectional survey was appropriate in this case because it allowed for the collection of survey data at one time (Creswell, 2003; McMillan, 2008). The survey used in this study was a researcher created instrument that was issued to a large population electronically. The survey was administered through the Qualtrics web-based survey program, and allowed the researcher to determine basic demographic information about the respondents, and to gain insight into their perceptions about their education and the debt accumulated from the educational process.

This study surveyed December 2008 – August 2014 graduates from a mid-size regionally accredited public research institution located in southeastern Virginia. The survey sought to uncover the perceptions of the value of the graduates' accrued student debt. In an attempt to reduce sampling bias, selection for this study was full population versus random (Hewitt, 1977; Hughes, 1997; Stack, 1979). The researcher received institutional permission to administer the survey to graduates during the prescribed time frame prior to sending the initial invitation to the population.

To eliminate the potential for sampling bias, every graduate/ "completer" on record within the time frame was invited to participate in the survey's completion (McMillan, 2008). Each individual was assigned an institutional email address upon enrollment. These email addresses remain available to the graduates/completers following graduation. The institution's office of alumni affairs provided the list of current email addresses.

The population was surveyed to gather information related to their perceptions of the value of student debt. The dependent variable in this survey was the perception of value added to the respondents' lives by accruing some level of student debt in order to earn a degree or graduate certificate from a large public institution. The independent variables of each research question were related to common issues faced by graduates, including time since completion (which covered an economic recession), debt load, type of degree/certificate earned, and employment related issues. The data collected were used to compare the perceptions between recent graduates (within six months) and graduates from nearly five years before the survey.

Participants. The population for this study was graduates/completers who accumulated some level of debt in order to finance some or all of the costs associated with earning a degree or graduate certificate at a large doctoral granting public institution of higher education. The subject institution was physically located in the Mid-Atlantic region of the United States in southeastern Virginia, with a total enrollment of nearly 25,000 (NCES, 2015).

The sample for this study was derived from the graduates and completers of a degree or graduate certificate program from the subject institution. As previously mentioned, the institution's office of Alumni Affairs provided a list of the most recent email addresses for all completers from December 2008, through August of 2014, the subject years of the study. The total email addresses in the provided population was n = 22,496.

The statistical analysis of the data was performed using SPSS statistical analysis software, version 22. For the analysis of the five research questions, the researcher used the independent t-test where the research questions called for comparison of two groups, and the one-way analysis of variance, where more than two groups were being compared. Demographic data collected and examined include: Age range, income level, debt-load, and other sources of income received during the educational process.

Limitations to the Study

Since the invitation to participate in the study was sent to all completers or graduates from the institution during the prescribed timeframe, the first limitation was the use of electronic mail to notify the former students of the study and to invite survey participation. It was unknown how "up-to-date" the email bank was, or whether the email address used was the student email account that was still maintained by the institution. Additionally, it was not known if the email was still monitored by the graduates of the institution, and if so, how often it was checked.

Another limitation is that this study was dependent on voluntary participation. The researcher offered no incentive for participation, but used the email bank that was traditionally used by the institution's office of alumni affairs for institution-related surveys. The researcher had no say in the items included in the email bank. The access was provided with the permission of, and by, the staff of that office. Finally, no incentive was offered for participation in the survey.

Delimitations of the Study

This study was delimited to the graduates or completers from one regionally accredited, large, doctoral granting public university, located in the southeastern portion of the Commonwealth of Virginia. That institution was selected for convenience and due to the large number of graduates over the prescribed timeframe. The defined timeframe spanned from December 2008 through August 2014. Rather than invite all former students (including those not completing a degree or certificate, or transferring to other institutions), those email addresses were not sought to avoid potential bias due to non-completion.

Since this study sought to uncover the graduates' perceptions of student-related debt, there were several attempts to define "student debt" for the purposes of the survey. Other relevant definitions were offered at the outset of the survey to prevent any confusion. Additionally, qualitative response boxes were used (to allow for further explanation by the respondent if necessary) in an attempt to fully uncover their perceptions to the relevant questions.

Assumptions

This study was made with some basic assumptions at the outset. In order for the responses to be credible, it was assumed that the respondents were honest in their answers. Qualitative response boxes were used to attempt to increase this assumption. It was also assumed that the sample used was representative of the population. The survey and all accompanying emails attempted to define student debt, so there was an assumption that the respondents knew the definitions and parameters of the survey.

Definition of Key Terms

For the purpose of this study, the following terms were defined:

Student debt: Student debt is defined as loans obtained under *Title* IV of the *Higher Education Act* (1965), or from private lenders, in order to finance educational expenses, to include: tuition, books, room and board, and other expenses that evolve as a result of attending an institution of higher education.

Proprietary institution of higher education: A proprietary institution of higher education is a private college or trade school that operates for profit. These institutions can be owned by individuals, closely held corporations, or publicly traded assets of corporate conglomerates. They typically hold national or regional accreditation by one of the many accrediting boards. They are also referred to as "for-profit colleges" (Kinser, 2003; 2006; 2007).

Public Institution of higher education: Institution of higher education that receives most of its funding from public means.

Private nonprofit institution of higher education: Institution of higher education that is not primarily funded by public means and operates in accordance with

§501 of the Internal Revenue Code.

Title IV: Title IV refers to *Title IV* of the *Higher Education Act* (1972), or its reauthorization

Recession: A time period of a large-scale economic downturn, in 2008-2009 impacting much of the global economy, including the region where the subject institution is located.

Behavioral Economics: The application of the various psychological bases to the conventional subject of economics, including the aversion principles related to risk, debt, and decision analysis (Camerer & Loewenstein, 2004).

Financial Literacy: The familiarity and understanding of various terms and concepts of finance, and the ability to obtain and effectively communicate them as they relate to college attendance (Greenfield, 2015). For the purposes of this study, this also includes the student lending system (both private and public), the impact of debt, and the procedural requirements related to student debt and its repayment.

CHAPTER II

LITERATURE REVIEW

Perceptions of Student Debt

With the collapse of the residential mortgage industry in August 2007, which led to the Recession of 2008-2009, consumer lending of any form has become the center of many discussions. The federal student loan program, as well as private entities lending to students are a major part of these discussions. With so many searching for a method to finance their higher education costs, the student loan industry has been compared to the “wild west” (Holtschneider, 2008). While student loans are designed to allow students to wisely invest in their futures, many student borrowers lack the financial knowledge to adequately manage the obligation.

The general concerns over rising debt obligations led some students to seek alternatives to borrowing. Some students viewed the debt accumulated during their college years as a deterrent to using the student loan process (Cunningham & Santiago, 2008). Students who decided not to borrow enrolled in less expensive colleges, or worked and attended school part-time. Current research shows that such debt-avoiding strategies place students at a greater risk of non-completion or at least, compromising their school performance due to a division between work and studies (Burdman, 2005).

Marriott (2007) conducted research in order to gain better perspective on students’ attitude toward debt accumulation. The instrument used in this research included the Callender attitude-to-debt measure, featuring ten statements on student debt. A Likert-type scale was utilized featuring a 1-5 measure with strong debt aversion at one end of the spectrum, and a tolerant attitude to debt on the other (Callender, 2003; Marriott, 2007). While the Mariott study was limited in that it only concerns itself with first-year business students in the United Kingdom, the results showed an aversion to debt, even if the students must work during the semester to off-set the need for borrowing.

Other tests have been conducted to gain insight into the college student attitude toward debt. Another older study revealed that attitudes toward debt grew negative as debt-load increases (Davies & Lea, 1995). Students with significant debt who displayed a relatively high debt tolerance were from a low Socio-Economic Status background, were older, and were male (Davies & Lea, 1995). It is important to note that in this study, the high debtors had debt from multiple sources. The study also revealed a pattern of increased debt-per-head in the sample, which indicated an overall likelihood of debt accumulation (Davies & Lea, 1995).

Of the students who do choose to borrow to pay some or all of their higher education expenses, the amount borrowed or placed on credit is increasing. In 2009, the average annual cost for tuition, room, and board at a public four-year institution was $14,333 (Kuzma, Kuzma, & Thiewes, 2010). That same year, the total amount borrowed by students and paid to institutions of higher education increased by 25 percent (Kuzma, et al., 2010). From 1999 to 2009, debt levels for graduating seniors in the United States (upon the completion of their degrees) increased from $9,250 to over $20,000 (Combe, 2009). By 2013, the total debt load for a graduate with a bachelor's degree reached an average of $28,400 (Reed & Cochrane, 2014). In spite of these rapidly increasing numbers, some still suggest that college is highly affordable for many at a majority of the available institutions (Gladieux, King, & Corrigan, 2005).

The problem of rising student debt may not be as simple as helping to pay for drastic increases in tuition and other costs of higher education. Some think that the issue lies partially with the aggressive business practices of the private student loan lending companies and institutions that push federal student loans as an easy means to afford college (Greiner, 2007). Additionally, the Iowa College Student Aid Commission suggests that a major portion of the problem lies in the discrepancy between the rate of growth of tuition and fees and the growth of scholarships and grants (Greiner, 2007). That pattern is confirmed in several studies that show a pattern of reduction in grant and scholarship opportunities for students, yielding to federally backed student loans that tend to leave graduates with debt (Gladieux et al., 2005; Holtschneider, 2008; Levine, 2001).

As more graduates (and non-completers) face increased debt loads from their education experiences, many of the loans are in or are heading for default (Cunningham & Santiago, 2008). As a result of the rising debts and costs of higher education, many are looking to the higher education lending industry with scrutiny, and higher education institutions and elected officials for solutions (Greiner, 2007). In a policy paper, Cunningham and Santiago (2008) explored the phenomenon of student debt increases since the 1970s.

Since the reauthorization of the *Higher Education Act of 1965* (1972), college attendance among traditional college aged Americans has increased by nearly 12% (Cunningham & Santiago, 2008). Throughout the same timeframe, the federally backed student loan volume has doubled four times (Cunningham & Santiago, 2008). This increase in student borrowing in order to finance a post-secondary education has alarmed scholars and legislators alike (Yeoman, 2011).

Student Loans and the Rise of Proprietary Institutions

The increase in accumulated student debt while attending college is an issue faced by most students and graduates of the higher education system (Cunningham & Santiago, 2008; Yeoman, 2011). While admission to traditional colleges is based on specific academic criteria, sometimes the admitted student may be prevented from attendance due to financial constraints

(Cunningham & Santiago, 2008). The various forms of available financial aid make the possibility of financing a college education more accessible for such students (Cunningham & Santiago, 2008). As costs continue to rise and life events interfere with the traditional college experience, the combination of available funds and accessibility has created a niche in the higher education system for proprietary institutions (Kinser, 2007; Levine, 2001; Yeoman, 2011).

As the private for-profit institutions were generating revenues from increased enrollment, nonprofit public institutions were struggling to operate within a shrinking state funding model (Kinser, 2007; Klein, 2015). Policymakers tried to address educational outcomes while dealing with funding issues by changing the public higher education funding model (Tandberg & Hillman, 2014). The public institutional funding model changed from enrollment based, to incentive, for achieved outcomes, namely degree completion (Tandberg & Hillman, 2014).

The performance-based funding model (PBF) shifted the states' efforts from educational regulatory compliance and funding based on full-time enrollment in the 1990s to measuring success by degree completions from state institutions (Tandberg & Hillman, 2014). That measurable result, not enrollment numbers (on some level) determined the public institutions' state funding (Tandberg & Hillman, 2014). While somewhat different between states, many states adopted a PBF model for a short term, but later reverted back to a model that included enrollment when PBF models often proved ineffective (Tandberg & Hillman, 2014).

Many states still utilize some level of performance-based funding, even though at least one study challenged the model's ability to achieve an increase in degree completion (Hillman, Tandberg, & Gross, 2014). One of the longest consecutive performance-based funding models was maintained in Pennsylvania (Hillman, Tandberg, & Gross, 2014). In the Hillman, Tandberg, and Gross study, the Pennsylvania PBF system was analyzed based on whether its measurable goals (degree completion) were being achieved. That study found that funding institutions based on degree completion rather than enrollment was ineffective in improving degree completion rates in that state over a long period of time (Hillman, Tandberg, & Gross, 2014).

In state political rhetoric, Klein (2015) has identified a common hypocrisy regarding nonprofit public higher education funding. In recent years, the majority of governors in the United States have delivered speeches that include high goals and priorities on higher education. Citing Harnisch and Parker (2013), Klein (2015) noted that despite the spoken priority on higher education in the states, there was a repeated pattern of fiscal cuts to public higher education.

The reduction in state public higher education funding came as the result of reallocation of funds to cover rising Medicaid costs, increases in K-12 spending, and/or a reduction in state tax revenues collected (Klein, 2015). Regardless of the particular formula for state allocation of revenue, legislators were forced to selectively fund, with the losing recipient usually being public higher education (Klein, 2015). While there were disagreements about the cause of the reduction in public higher educational funding, in the face of the legislative debates, public nonprofit institutions have been adapting to meet student, community, and legislative demands stemming from revenue pressure.

The gamut of issues facing higher education begins with revenue pressure (Berg, 2005). The pressures most institutions face are linked to a changing public perception of higher education (Hensley et al., 2013; Levine, 2001). Berg (2005) claims that the perception change is partially linked to the slow-moving governance structure of the public institutions, and its failure to address rising costs. While many institutions attempt to raise private funds by altering the institutional mission, the demand for low cost college education continues to rise (Berg, 2005; Kinser, 2007).

The push for less expensive alternatives to higher education built the demand for the for-profit sector of higher education (Kinser, 2003; 2006; Levine, 2001). With their corporate culture compared to the traditional institutions' collegial culture, the administrators of the leading proprietary institutions contain a sheer determination to provide an accessible education (Berg, 2005; Kinser, 2003; Sperling & Tucker, 1997). Along with that determination, members of for-profit institutions are often highly loyal to their organization (Berg, 2005). A sample of students and staff from the University of Phoenix is quick to point out that the institution has an informal side that has a greater understanding of the importance of family and personal time, than traditional institutions (Berg, 2005).

While Berg (2005) refers to the business model of for-profits as "successful," they are often attacked by traditional universities and "besieged" by accrediting agencies. Since many of the large-scale proprietary institutions are now publicly traded, they are also operating under the watchful eye of the Securities Exchange Commission, the New York Stock Exchange, and other government business regulating agencies (Berg, 2005). The heavy regulation creates a need to focus on education of the students as well as business principles and rules.

The management of the corporate schools is often dividing loyalties between education and business principles (Berg, 2005; Kinser, 2007). The efforts to improve on existing techniques of teaching and institutional administration are being observed by the traditional institutions. Successful models created by the for-profits are being incorporated into the traditional colleges. The reality of this phenomenon is that proprietary institutions are creating their own competition in the marketplace (Berg, 2005; Kinser, 2003; Levine, 2001).

To help to address the growth in the for-profit sector of higher education, a greater need exists for classification of the institutions (Kinser, 2003). Classification of the colleges will help to avoid bunching all for-profits into the same category as the mega-corporation proprietaries. In addition to a needed differentiation based on business models and size, the differences should be recognized between privately held corporations and those that are publicly traded, as well as single location or single state schools from multi-state, multi-location institutions (Kinser 2003; 2007).

The business model of the for-profit institution seeks to include more adjunct faculty, rather than full time faculty to insure more flexibility in course scheduling (Kinser, 2007). Currently, Phoenix has approximately 98% part-time faculty (Kinser, 2006). In addition to the adjunct faculty model, that institution deems distance education a necessity for an institution's success (Kinser, 2007). Regionally accredited for profit institutions, such as Phoenix can compete on a greater scale with traditional institutions, and can sometimes "cherry pick" students with the promise of flexibility, fewer general education requirements, and shorter time-to-graduation (Kinser, 2007). That model has allowed the proprietary institutions to impact the path of higher education.

The University of Phoenix's growth can largely be attributed to its online education. From 1999-2003, the school added 70,000 students online, compared to 39,000 new students learning at physical locations (Kinser, 2006). By 2010, Phoenix's online enrollment was nearing 308,000 (USDOE, 2012). With the focus on distance education and part-time faculty, Phoenix is often more harmful to other proprietary institutions with similar business models, than to traditional public or nonprofit institutions (Kinser, 2006).

The University of Phoenix business model stemmed from the belief that working men and women must have higher education in order to gain entry into professional tracks, or to advance in their current positions (Sperling & Tucker, 1997). By creating an educational model that is “adult-centered,” the University of Phoenix model boasts a mission of educating America’s workforce, rather than a typical liberal arts education found at most state colleges (Sperling & Tucker, 1997). The curriculum is designed to remain as flexible as the business world to allow for a better ability to meet student demands (Sperling & Tucker, 1997).

Through its flexibility and profitability, Phoenix is able to meet its students’ needs and continually expand (Noone, 2004). Its mission to maintain profitability, and cater to the demands of the students allowed Phoenix to graduate nearly 300,000 students, with an additional 201,000 attending courses in 2004 (Noone, 2004). By 2009, Phoenix’s parent company The Apollo Group, reported an enrollment nearing 400,000 and a 21% market share among proprietary institutions (Bennett, Lucchesi, & Vedder, 2010). The administrational model assists the institution in this success. With its mission and educational approach, Phoenix has allowed students with little chance of survival in the traditional colleges to become successful graduates of their programs (Berg, 2005; Kinser, 2006; Noone, 2004).

With the reauthorization of the *Higher Education Act* (1972), Congress gave students at proprietary institutions access to federal financial aid under *Title IV* (Floyd, 2007; Student Assistance General Provisions, 2010). If any institution desires to grant degrees in a state, it must be regulated by that state (Floyd, 2005). This regulation is designed to ensure basic educational principles, and business standards. Ordinarily, for-profit degree granting institutions are regulated separately from non-degree granting for-profits (Floyd, 2005). For degree granting proprietaries, the states grant licenses based on minimum standards, adopted standards from an accrediting agency, or through inspections verifying that promises made to students are kept (Floyd, 2005).

With the recognized success in the for-profit sector from the distance learning models, the public and private nonprofit institutions also designed distance models that increased access and enrollment. The extended reach of an institution and the rise in enrollment came with higher up-front costs, but Meyer (2010) submits that those costs can be offset by the reduction in long-term costs. For the nonprofit public institutions, the long-term benefits were realized by using online instructional design with lower labor costs than tenured faculty in a classroom setting. The online course modules also created greater access for more students (Meyer, 2010). However, the obstacle that nonprofit public institutions must overcome is the initial investment to start a distance program (Meyer, 2010). Considering the continuous public funding issues that state institutions are forced to address each year, Meyer (2010) offered insight into the value of seeking grants to cover the start-up of distance programs.

One of the models for program redesign (from physical classroom setting to online) utilized the up-front capital to replace high-priced labor (Meyer, 2010). This model most often redefines the duties of faculty, not replace them. Time that may have been spent lecturing, grading, and planning lessons was spent on program evaluation, improvement, and other focuses on student success (Meyer, 2010).

Online learning often allowed the institutions to offset the up-front course development and infrastructure costs with the reduction of, or redesigned use of physical classroom space. In one example, the University of Central Florida was able to schedule up to three sections of a course in the same room by offering portions of it online (Meyer, 2010). In other examples, institutions were able to reduce leased space, originally used for distance learning in a classroom setting, in lieu of online course delivery (Meyer, 2010). The long-term reduction in operating costs has been realized by nonprofit public and private institutions.

The for-profit growth model has also been used successfully by the private nonprofit sector, allowing it to experience rapid increases in enrollment. While there is sparse literature on their proprietary business model, Liberty University has experienced large increases in its enrollment in recent years (NCES, 2015). With over a decade of increasing online enrollment, their registered 3,800 online students in 2005 recently reached nearly 62,000, Liberty gained notice from Virginia regulators and the national news media (Anderson, 2013; SCHEV, 2014). The institution has a lower than average default rate among their borrowing students, indicating possible efforts to avoid the for-profit problem of loan default (Anderson, 2013).

College attendance is accessible to students by the institutions' offering of a method to finance the education. In order for an institution to be eligible for federal student aid under Title IV, it must be accredited (Floyd, 2005). A licensed proprietary or nonprofit institution can become accredited through regional accrediting boards (similar to traditional colleges and universities) or through a national accrediting agency. The two most popular national accrediting agencies are the Accrediting Commission of Career Schools and Colleges of Technology (ACCSCT), and the Accrediting Council for Independent Colleges and Schools (ACICS) (Floyd, 2005). The advantages of national accreditation is that new programs can be rapidly introduced into the curriculum, fewer courses are necessary for general education requirements, less emphasis on faculty pedigree, and simpler decision-making (Floyd, 2005; Kinser, 2003).

Along with advantages, come several difficulties associated with national accreditation. The primary disadvantages of national accreditation are severe difficulty transferring credits to another institution, and many employers' refusal to reimburse tuition for nationally accredited institutions (Floyd, 2005). Only about 10% of the for-profit colleges in operation are regionally accredited by one of six regional accrediting boards (Floyd, 2005; Kinser, 2007). Many states waive license renewal requirements for the proprietary institutions carrying regional accreditation (Kelly, 2001). As the for-profit institutions become more prominent in higher education, many accrediting agencies are becoming better equipped to handle the various issues related to those schools that are not as apparent in the traditional institutions (Floyd, 2005).

While the accrediting boards have learned methods to better deal with issues from the proprietary institutions, other issues have grown over the last four decades that have created the need for government intervention. With accessibility to Title IV financial aid, many students find their accumulated debt-load to be a major burden. Across the higher education arena, student debt is often blamed on a severe rise in costs of attendance (Burdman, 2005; Yeoman, 2011).

Burdman (2005) suggests that a major reason for the rise in debt per graduate is the shift in college funding from need-based scholarships/grants to student guaranteed loans. Levine (2001) adds to that sentiment with a theory that the "industry" of higher education is no longer socially viewed as a growth industry, but rather a mature industry. Society is reluctant to direct revenue to industries that are not growth industries (Levine, 2001). Kinser (2007) adds that the shift in public perception toward higher education has created a competitive market for institutions and a greater consumer demand from students. The rise in debt-load for college students possibly due to the change in public perception warrants a greater discussion on those perceptions and how they impact the student.

Changing Public Perception of Higher Education

As part of the student debt discussion, the changing public perception of higher education places many students in the position of a debtor at a relatively early stage of their adult lives (Greenfield, 2015; Hensley, Galilee-Belfer, & Lee, 2013). As the literature on student debt discusses, there are questions as to the value that is currently placed on higher education. The continual pattern of loan financing as a common means for college affordability creates a greater need for individual financial knowledge, and a necessity to explore whether higher education is still a public good, or whether it has shifted to a personal good.

A private return from a defined investment is more easily measured (Marginson, 2007). Social, or public good, is difficult to gauge, and even more difficult to work into a discussion with the public or elected officials when justifying budget proposals (Hensley et al., 2013). The difficult conversation about funding has led to the neo-liberal approach, a third option. That theory considers that the discussion should not pivot on public versus private good, but assess the economic benefits of the expenditure and limit any concern for any other good that education may provide (Hensley et al., 2013).

In their study, Hensley et al., (2013) utilized a discourse analysis on a group of speeches to try to determine whether the public good of higher education was still being considered in cost/benefit discussions. Their research considered the responses to a set list of questions presented to a panel of higher education and government officials in the authors' region who were involved in funding efforts related to higher education (Hensley et al., 2013). The responses from the panel nearly all included the sentiment that education has, and will, yield economic security (Hensley et al., 2013).

In many cases, even when trying to explain the public good of higher education, the wording of the responses was economic in nature, and even echoed the sentiment of University of Phoenix founders, Sperling and Tucker (1997), that higher education's purpose was to perform as an economic resource by producing an educated workforce (Hensley et al., 2013). In accordance with this sentiment, the study found that the neo-liberal approach allowed for the panel to move beyond the private/public discussion and agree on economic terms when communicating with those who invest in education, while including some social benefit terminology to emphasize that when an individual benefits from higher education, the state also benefits (Hensley et al., 2013).

In addition to the benefit analysis of higher education spending, the study points out a greater need to educate the public on the necessity of public spending to support public education (Hensley et al., 2013). Citing Newfield (2011) from a *Chronicle of Higher Education* article, the authors noted that voters do not understand why a public institution requires some public monetary support. They describe a current focus on economic growth, with optimism that it may evolve in time (Hensley et al., 2013). Others may not be as optimistic, but are fast to point out that it may be a mistake to readily apply market-based values from the business world to higher education (Glater, 2016). That logic holds (as others have) that because the student gains the immediate benefit of the student debt, the student should have the risk of financing the degree (Glater, 2016). Glater (2016) agrees with Greenfield (2015) by calling for heightened efforts to inform the public of the greater social good of higher education.

The evolution of the value of higher education may be settling on a synthesis of the theories involved. Some authors attempt to respond in the affirmative on all accounts to whether education is a private or public good, backed with measurable economic indicators (Hensley et al., 2013; Shaw, 2010). Citing Shaw (2010), Baum and McPherson (2011), and McMahon (2009), Hensley et al. (2013) explain that there is a positive spillover effect from a college education that includes higher income levels (private good) that generate more tax revenue (public good), increased local job creation (both), better health (both since with a healthy community, health insurance rates tend to be lower), all of which are measurable on an economic scale (neo-liberal). As some evolution of theory continues, the focus on measurable outcomes and the individual being accountable for at least some financing of their higher education, there is much discussion about the financial literacy of the college student.

Financial Literacy

Measuring the perception of value added to one's life by utilizing student loans to finance a degree or certificate considers the financial literacy of the respondent. Lee and Mueller (2014) considered the student loan debt literacy of first generation undergraduate students at a mid-sized public institution. In their study, they surveyed a random sample of undergraduate students about their student loan debt literacy. The purpose was to examine whether generational status (first generation or continuing generation) had an effect on financial literacy as it pertains to student debt, defining "first generation" as coming "…from a family where no parent or guardian has earned a baccalaureate degree" (Lee & Mueller, 2014, p. 714). Of the 156 respondents, 90% were White and 18 or 19 years of age, 68% were female. Of the respondents, it was nearly an even split between first and continuing generation status (Lee & Mueller, 2014).

Citing Engle and Tinto (2008) and Dumais (2007), most first generation students entering college from a low SES background, tend to rely more on loans than available need-based grants, and may lack various forms of social capital (Lee & Mueller, 2014). In this case, students were not receiving information explaining the long-term ramifications of their student loans, including penalties for default on the debt payments once in the repayment phase (Lee & Mueller, 2014). There were significant differences between first generation and continuing generation students in that first generation students rely significantly on loans for college access, believe that their only method of paying for their higher education is through the use of student loans, and have a higher propensity to scrutinize their incurrence of student debt. Both groups believed that they were not equipped to effectively handle student loan debt (Lee & Mueller, 2014).

Lee and Mueller (2014) recommend the inclusion of financial literacy education in standard secondary education programs, and revisiting the concepts each year during the undergraduate experience. These suggestions are similar to the recommendations from the Greenfield (2015) study. In that study, Greenfield performed a one-year ethnographic study on inner-city secondary education students in New York City (Greenfield, 2015). The study examined the students' beliefs about the costs involved with earning a college degree, their knowledge of financial aid that was available to them, and how their high school supported them through the financial aid process (Greenfield, 2015).

To illustrate how little information secondary education students seem to have about college finance, Greenfield (2015) cited Perna and Steele's (2011) study of high school students from five states in reference to college finance perceptions. In that case, students from low resource, middle resource, and high resource backgrounds were all misinformed on some level about college finance issues (Perna & Steele, 2011). The study revealed that half of the students examined were unaware that different institutions charged different prices for attendance (Perna & Steele, 2011).

In line with the findings of Perna and Steele (2011), Greenfield (2015) discovered that the high school students in the study had incomplete and inaccurate perceptions about college finance, even those who were continuing generation students. The students reported hearing nothing about college finance prior to their senior year of high school (Greenfield, 2015). Within the studied school systems, the researcher noted that there was no real pressure on the faculty or advisors to delve into the subject of financial literacy (Greenfield, 2015). In addition to recommending more financial literacy programs and partnerships in the secondary level, Greenfield (2015) recommends efforts to include parents/guardians since their financial information is sometimes necessary for financial aid applications.

Another study examined trans-generational financial literacy as it applies to overall debt accumulation as a college student. Smith and Barboza (2014) explored several topics in the research, including financial literacy between generations, how student debt affects student decision-making, and behavioral finance issues. The study was approached with the assumption that a student with a good financial decision-making process would practice good financial management, and most likely learned these concepts at an early age (Smith & Barboza, 2014). Citing Lewin (2011), the researchers emphasize that there is a significant disconnect in formal and informal means of financial training which results in an increasing average debt burden on college graduates (Smith & Barboza, 2014).

In this study, Smith and Barboza surveyed 380 undergraduate business students attending a public, mid-sized institution (2014). The survey asked not only about student loan issues, but also credit card balances, and other debts (Smith & Barboza, 2014). Seventy-eight percent (78%) reported holding other debts, seventy-nine percent (79%) had student loans, and forty-five percent (45%) had credit card debt. The study also examined behavioral categories, including frequency of credit card use and payment behavior on credit card balances (Smith & Barboza, 2014).

The results of the study show no statistical difference between male and female borrowing practices (Smith & Barboza, 2014). The research concluded that where a history of discussing financial issues with parents existed, there was less likelihood of the student holding large amounts of debt (Smith & Barboza, 2014). The financial education that the student received early in life prevented over-borrowing once the student enrolled in college. Also, students with good management of credit cards, such as paying balances in full at the end of each billing cycle, were also less likely to hold large amounts of credit card and student loan debt (Smith & Barboza, 2014). Finally, the research failed to determine whether trans-generational effects equaled greater financial literacy for the student. Based on the results, the researchers recommended (as the other articles herein have concluded) more financial literacy education for students enrolled in higher education institutions is needed in order to encourage more enlightened financial behavior (Smith & Barboza, 2014).

Behavioral Economics

The application of psychological principles to economic decision-making is relevant when considering patterns of student borrowing and debt accumulation in certificate or degree completion. Behavioral economics adds a human element to the study of economics by applying psychological foundations to conventional economics and the personal financial decision-making processes (Camerer & Loewenstein, 2004; Smith & Barboza, 2014). Decision considerations of time, probability, risk, and gain are all relevant to the subject (Camerer & Loewenstein, 2004).

A person's decision to incur some level of risk, such as applying for student loans with the unknown variables of academic success, graduation, gainful employment, and the future ability to satisfy the debt can be analyzed through a series of theories. The expected utility theory makes an assumption that a risky gamble is valued by the weight of the potential outcome

(Camerer & Loewenstein, 2004). This theory is deemed to be the foundation of theories linked to personal investment in education (Camerer, 1999). That theory, however, has proven ineffective over time because it fails to recognize that people can adapt, and value future benefits on many levels (Camerer & Loewenstein, 2004; Camerer, 1999).

Prospect theory recognizes the adaptation of people in their decision process, moving away from a measure of utility, to one of value (Camerer, 1999). That value function focuses on an outcome not measuring wealth, but simply whether the outcome is expected to be a gain or a loss (Camerer & Lowenstein, 2004). The theory also makes an assumption that people have a natural aversion to loss (Camerer & Lowenstein, 2004). As a key factor of risk aversion, *loss aversion* refers to a person's *dislike* of losing an asset or commodity having a greater weight than the same person's *like* of gaining assets or commodities (Camerer & Lowenstein, 2004; Knetsch, 1992; Tversky & Kahneman, 1991).

Boatman, Evans, and Soliz (2014) indicate that a primary point in the discussion of student loan debt is the natural tendency for people to avoid risk, and that debt aversion is a form of risk aversion in the study of behavioral economic theory. In their report, Boatman et al., (2014) utilize a definition of loan aversion from Cunningham and Santiago (2008) as "an unwillingness to take a loan to pay for college, even when that loan would likely offer a positive long-term return" (p. 10). Due to tendencies of loan aversion, some students may make substandard time choices about work/academic time dedications, potentially causing studies to suffer, an extension of the time to graduation, or jeopardizing persistence (Boatman et al., 2014). In some instances, the perceived high cost of college coupled with a reluctance to borrow to finance the costs may deter enrollment completely (Boatman et al., 2014; Burdman, 2005; Cunningham & Santiago, 2008; Palameta & Voyer, 2010).

A final theory that impacts the student debt discussion is that of *Time Discounting*, which began with Samuelson's discount utility model (present utility with discounted sums), and carries through to hyperbolic time discounting (people will make long-term decisions if the costs will be realized in the future, but if costs are realized presently, decisions are short-term) (Boatman et al., 2014; Camerer & Lowenstein, 2004). Additionally, a benefit occurring in the future is not as valuable as a presently realized benefit (Boatman et al., 2014). When applying these theories to college cost financing, some students may not recognize the future benefits of a degree, while others may not see the long-term benefit of a presently low debt lifestyle, and decide to borrow all that they can in the present (Boatman et al., 2014; Smith & Barboza, 2014).

Public Policy

The discussion of public policy as it relates to student debt from higher education is rooted in the *Higher Education Act* (1965), and its reauthorizations. Title IV of the *Act* allowed students to apply for federal financial aid in the form of grants, scholarships, and loans to increase college accessibility (Floyd, 2005; Gross, 2015; Higher Education Act, 1965). The HEA has seen several reauthorizations including 1972, which Floyd (2007) most noted because of its granting Title IV fund access to the for-profit sector (Higher Education Act, 1972).

While several later reauthorizations focused on the climbing cohort default rates from the proprietary sector, Congress continued to place higher reporting requirements, greater requirements on the source of funds to a for-profit, and attempted to address employment rates of proprietary school graduates (Johnson, 2011; Miller, 2005; Student Assistance General Provisions, 2010). At least one of these policies has been successfully challenged and overturned in court (Serna, 2014).

Gross (2015) argues that the next reauthorization efforts may allow important changes to an antiquated system. The concern that while the U.S. Constitution delegates responsibility for higher education to the states, more funding is actually provided by the federal government (Gross, 2015). Add to the change in funding sources, the fact that 47 states spent less on higher education in 2014 than in 2008, colleges are striving to meet the increased requirements, with fewer resources (Inge, Fowler, & Gross, 2015; Mitchell & Leachman, 2015). With a continuous focus on institutional regulations, college affordability, and rising student debt-load, now may be the time to move for effective change (Gross, 2015).

The next reauthorization may include some changes that will make the student borrowing requirements simpler (Inge, Fowler, & Gross, 2015). The *Financial Aid Simplification and Transparency Act* may alleviate some of the concerns with college student financial literacy, by reducing the application to two questions (H.R. 22- FAST ACT, 2015). The *Act* also reduces the number of repayment plans for student loans (Inge, Fowler, & Gross, 2015). Some have argued that greater consideration should be made for consumer protective measures as they relate to the borrowing student (Collinge, 2009).

An issue that has been the subject of many recent discussions is the near total restriction placed on the consumer protective measure of bankruptcy (Thayn, 2005). The *Education Amendments* (1976) placed restrictions on the discharge of student loans in bankruptcy court, which are still in place (Thayn, 2005; 20 U.S.C. § 1087-3). That restriction, the *undue hardship test*, has made a full discharge nearly impossible since 1976 (Thayn, 2005).

Thayn (2005) discusses how the undue hardship test has been applied with a strict approach by the federal bankruptcy courts. That approach has been deemed necessary due to the total discharge as an end result of the proceedings (Thayn, 2005). There is a population of marginal individuals who could benefit from a partial discharge. Amending the clause could allow the courts more leeway in the proceedings, and possibly realign the Act with the legislative intent (Thayn, 2005; 11 U.S.C. § 523(a)(8), 2004).

CHAPTER III

METHODOLOGY

Introduction

The primary objective of this study was to explore recent graduates' perceptions of the value added to their lives by accruing student debt to earn a degree or graduate certificate from a large public institution of higher education. While there have been many studies of the various aspects of university attendance, completion issues, costs, and student debt, the research exploring recent graduates' perceptions of debt associated with degree completion at a major public research institution is limited (Dowd, 2008; Lillis, 2008; Manton & English, 2002; Millora, 2010; Ortmann, 2001). The perception of value added to the lives of the respondents can determine whether, in the face of increasing costs of attendance and student debt, there is still value associated with the debt accrued as a result of the pursuit of higher education.

Research Design

This non-experimental descriptive study employed a cross-sectional survey design which identified a large population's perceptions of the value added to their lives by accruing some form of student debt to complete their degree or graduate certificate. A cross-sectional survey was appropriate in this case because it allowed for the collection of survey data at one time (Creswell, 2003; McMillan, 2008). The survey employed in this study was a researcher-created instrument that was issued to a large population electronically. The survey was administered through the Qualtrics web-based survey program, and allowed the researcher to determine basic demographic information about the respondents, and to gain insight into their perceptions about their education and the debt accumulated from the educational process.

Research Methodology

This study surveyed December 2008 – August 2014 graduates from a large regionally accredited public research institution located in southeastern Virginia. The survey sought to uncover the perceptions of the value of the graduates' accrued student debt. In an attempt to reduce sampling bias, selection for this study was full population versus random sample (Hewitt, 1977; Hughes, 1997; Stack, 1979). The researcher received institutional permission to administer the survey to the graduates during the prescribed time frame prior to sending the initial invitation to the population.

To eliminate the potential for sampling bias, every graduate/"completer" on record within the time frame was invited to participate in the survey's completion (McMillan, 2008). Each individual was assigned an institutional email address upon enrollment. These email addresses remain available to the graduates/completers following graduation. Additionally, the institution's office of alumni affairs keeps current email records of all completers, and ultimately, was responsible for providing the full list of current email addresses of all completers within the prescribed timeframe. Those email addresses are the addresses to which invitations to participate in the survey were sent.

The population was surveyed to gather information related to their perceptions of the value of student debt. The dependent variable in this survey is the perception of value added to the respondents' lives by accruing some level of student debt in order to earn a degree or certificate from a large public institution. The independent variables of each research question are related to common issues faced by graduates, including time since completion (which covered an economic recession), debt load, type of degree/graduate certificate earned, and employment related issues. The data collected were used to compare the perceptions between recent graduates (within six months) and graduates from up to five years from the date of the survey.

Research Questions

This study sought to examine the perceptions of the value added to the students' lives by accruing some form of student debt in order to earn a degree or graduate certificate from a public institution of higher education. This investigation focused on the following research questions:

1. What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?
2. What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?
3. What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?
4. What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?
5. What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?

Instrumentation

The instrument used in this study was researcher-created; designed to specifically address the research questions. The questions went through several drafts and were placed through a pilot study to insure clarity and flow. In order to properly design a survey instrument, terms must be defined, the researcher's needs should be clearly outlined, and the questions must relate to the information sought (Fink, 2006).

The instrument used for this study is a 45-question survey developed for online completion. Various question forms were utilized to encourage participation, from closed ended questions for basic information, to open-ended qualitative response box options where participants might want to elaborate with personal details (Fink, 2006). The web-based survey was selected in order to reach a large population in a relatively short period of time. The survey software (Qualtrics) allowed for rapid organization of data and ease of data analysis. The final survey instrument is available in Appendix B. A survey blueprint was also created to display the relationship between each of the questions on the survey and the relevant research questions presented in Appendix A.

Validity of the instrument. The instrument was checked for criterion validity with a survey blueprint (Appendix A) (Field, 2013). Once the survey blueprint confirmed the instrument's validity, the survey instrument was submitted for expert review. The final stage was to determine content validity through the administration of a pilot test. A pilot test was conducted via peer review to confirm content validity of the instrument. The participants of the pilot totaled 37 peers from various professions in higher education, and areas of academic expertise, representing six institutions, located in the United States and Europe. Each participant was selected because they had similar characteristics of the population that would ultimately receive the survey request (Fink, 2006).

The pilot test took place in the summer of 2014. The participants of the peer review pilot were encouraged to complete the survey, submit comments, questions, and other input to insure that the instrument was clear, and would yield responses that are relevant to the outcome of the study. The reliability of the instrument was perfected partially as a result of the pilot's focus on general format and clarity (Fink, 2006). Criterion and content validity refers to the appropriateness of the measures used for specific interpretations, not to the procedure or measure itself (Field, 2013; McMillan, 2008).

Dependent Variable

The dependent variable for this study was "perception of value added to the respondents' lives by accruing some level of student debt in order to earn a degree or graduate certificate from a large public institution." The researcher created ten key questions that contained a Likert-type rating scale for responses. This method of question formation was utilized because when measuring perceptions, behavior, or attitude, a rating scale is preferred when measuring on a continuum (Lavrakas, 2008; Leedy & Ormrod, 2010).

The ten closed-ended questions to capture the respondents' perceptions had five response options that were numbered 1-5 to create meaningful verbal labels with similar intervals, which helps respondents, and allows for quantification of each response (Lavarakas, 2008). The Likert scale was based on the following response options:

Table 3.1

Likert Scale Responses: Dependent Variable Questions

1	Strongly Disagree
2	Disagree
3	Neither Agree nor Disagree
4	Agree
5	Strongly Agree

Table 3.2 illustrates the 10 perceptions questions that were the focus of the Likert responses, and allowed for the creation of the dependent variable for this study.

Table 3.2

Dependent Variable Indicators: Measuring the Perceptions of Participants

My education was well worth the costs involved with earning it.
My education prepared me to earn enough to repay my student loans.
If I had to do it over again, I would have studied something different.
My education will pay off in the long-run.
I regret the education that I have earned.
My degree/certificate has added value to my life.
I intend to continue my studies in the future.
I am better off with my degree/certificate than I was prior to entering my studies.
My degree/certificate is worth the accumulated student debt.
I would recommend using student loans to cover the costs of a degree/certificate.

The responses to the ten Likert-type questions were used to create a scaled score (referred to as the “debt value score”, explained further in the Data Analysis section of this chapter.

Data Collection Procedure

Graduates/completers of a public institution in the southeastern region of Virginia completed the online survey instrument. The population was identified by the institution's alumni affairs administrative office, which provided a full list of current email addresses (n = 22,496) to the researcher. The email list, introductory letter, instructions, relevant definitions, and the survey instrument were input by the researcher into the Qualtrics data collection program.

While commonplace today, online survey administration is not only convenient (especially where large populations are involved), the results have been determined to be superior to those obtained through paper mail services (Kraut et al., 2004). The online process was used here to allow for a reduced cost in survey administration, convenience in analysis once the results are obtained, and in an attempt to obtain greater participation.

The researcher emailed the survey introduction and instructions, along with the relevant link to the survey to the population on the same date in the Fall of 2014, beginning the data collection process. The researcher monitored the responses daily to insure an effective collection process, fielding some procedural questions from participants in the process. On days 7, 14, and 21, a reminder email notice was sent to the population to encourage a continued participation. A final reminder notice, complete with the deadline was sent on day 26. The researcher closed the survey on day 28.

Population. The population for this study is graduates/completers who accumulated some level of debt in order to finance some or all of the costs associated with earning a degree or graduate certificate at a large doctoral granting public institution of higher education. The subject institution is physically located in the Mid-Atlantic region of the United States in southeastern Virginia.

Sample. The sample for this study was derived from the graduates and completers of a degree or graduate certificate program from the subject institution. As previously mentioned, the institution's office of alumni affairs provided a list of the most recent email addresses for all completers from December 2008 through August 2014, the subject years of the study. The total email addresses in the provided population was n = 22,496.

A total of 1,075 responded to the survey (4.8%). Of the 1,075 responses, 191 started but did not complete the survey, requiring their removal from the viable respondents. The remaining 884 contained 100 who did not complete the dependent variable questions, so they were eliminated from analysis, leaving 784 valid cases and a response rate of 3.5%. While this response rate is considered low, it does not indicate nonresponse error (Dey, 1997; Dillman, Smyth, & Christian, 2014; Merkle, & Edelman, 2002).

The responses to survey question number 6, "How long has it been since the completion of you most recent degree or certificate?" showed 6% completed in 0-6 months prior to the survey; 9% completed 7-12 months prior; 14% completed 13-18 months prior; 11% completed 19-24 months prior; and 60% completed more than 24 months prior to the survey's administration. The sample reported a split of 35% male, 65% female. Other relevant demographic data show the sample reported 68% as "Caucasian/White," 20% "African American," 4% "Asian/Pacific Islander," 3% "Latino/ Hispanic," 1% "Native American/Alaskan," and the remaining respondents reported as "Other," or preferred not to disclose their ethnicity. Marital status was nearly evenly split between married (46%) and single (45%), with an additional 5% who were divorced, 3% who reported being in a domestic partnership, and 1% widowed. The dominant age range of the sample was 23-27 years old (40%). The remaining age breakdown was as follows: 35% were age 28-35, 14% age 36-45, 10% 46 and over, and 1% reported in the 18-22 age range (Appendix D).

Data Analysis

The statistical analysis of the data was performed using SPSS statistical analysis software, version 22. For the analysis of the five research questions, the researcher used the independent t-test where the research question called for comparison of two groups, and the one-way analysis of variance (ANOVA), where more than two groups were being compared.

In preparation for analysis, the researcher created a scaled score for the dependent variable, called the *debt value score*. That score enabled the perception of the value added to be quantified based on the respondents' answers to the ten Likert-type questions in the survey (questions 29-38, Appendix B). The debt value score serves as the dependent variable for all research questions for this study. Out of 884 responses to the perceptions questions, 100 had missing values. Respondents with missing values on the 10 "perceptions" questions were not included in the debt value score, leaving a final sample size of 784.

In Table 3.2, questions 31 and 33 have been recoded (reverse coded) for consistency, due to the order of the possible responses in the initial instrument from (positive to negative) being opposite to the other questions with the same potential responses. The reverse coded responses were then used in the calculation of the debt value score. The reverse coding process consisted of recoding possible response (1) as (5), (2) as (4), and (3) remained as (3). The recoding process allowed all responses used in the debt value score to consistently range from 1 being the most negative choice in the 10 questions, while 5 was the most positive. The score was then calculated by dividing the sum of each respondent's answers to the ten statements by 10, the number of statements.

Reliability. Reliability of the debt value score was measured using a Cronbach's Alpha, which is the most common measure of scale reliability (Field, 2013). Frequencies of the responses to the ten questions were considered reliable with a strong Cronbach Alpha score (α = .87). Table 3.3 illustrates those results.

Table 3.3

Reliability Statistics: Frequencies of Dependent Variable with Cronbach's Alpha

Cronbach's Alpha	*Cronbach's Alpha based on Standardized Items*	*N of Items*
.866	.872	10

Analytic approach. When using the ANOVA and the t-test, the four assumptions of parametric data are the same for each (Field, 2013). Those assumptions are that the dependent variable contains interval/ratio data, independence between responses, homogeneity of variance, and ormality (Field, 2013).

The first assumption of parametric data analysis addresses whether data were measured on an interval level (Field, 2013). This assumption is usually addressed on a "common-sense" basis (Field, 2013). For the purpose of this study, the survey instrumentation used the "perceptions" questions with Likert-type responses. Table 3.4 indicates a range of 4.00. The use of the Likert-Type response anchors allow for measurable numeric interval responses, thus allowing for an inference that this assumption was met (Vagias, 2006; Field, 2013).

The next assumption for parametric data analysis is whether there was independence of the responses (Field, 2013). This assumption indicates that any errors in the model used are not related to one another (Field, 2013). The instrument used here was administered electronically allowing participants' responses to illustrate personal perceptions and experiences, and not reliant on the responses of other participants. The electronic access to the survey by each participant does not allow for any one respondent to see the results of another respondent's survey. Additionally, the closed ended questions used in the survey (e.g.: did you use some form of student debt, "yes," or "no") work to insure independence so this assumption is met (Fink, 2006).

The third assumption of parametric data analysis is the assumption of homogeneity of variance (Field, 2013). The most common method to test that this assumption is met is Levene's test (Levene, 1960). That test challenges a null hypothesis of equal group variances. Levene's test is significant at $p \leq .05$, and the null hypothesis is not correct; the test is not significant at $p > .05$, indicating a correct null hypothesis (Field, 2013). If the homogeneity of variances is violated in accordance with Levene's test, the Welch's *F* method for overcoming unequal variances adjusts the variance of the sample size and the degrees of freedom (Field, 2013). SPSS offers the results in the output in the format of "equal variances assumed" and equal variances not assumed" (Field, 2013).

The goal is to achieve a "not significant" output in Levene's test, but if the result "is significant," and the study has a large sample size ($N > 30$) the analysis can still move forward under Central Limit Theorem (Field, 2013). That rule states that as the sample size increases, the sampling distribution has a normal distribution where the mean equals the population mean, and the population standard deviation is divided by the square root of the sample size to achieve the standard deviation (Field, 2013). In this study, where Levene's test is significant and homogeneity of variance is violated, the sample size (n = 784) allows for the assumption to be met.

The applicable Levene's values for this study showed significance with Research Questions 1 [F(1, 284.71) = 7.01, p = .008] and 5 [F(1, 639.16) = 17.65, p = .00]. The remaining values for research questions 2(a) [F(1, 523) = .86, p = .35], 2(b) [F(4, 779) = .850, p = .494], 3 [F(2, 758) = 1.159, p = .314], 4(a) [F(1, 686) = .252, p = .616], and 4(b) [F(2, 781) = .842, p = .431] were not significant. These results will be addressed in accordance with each result.

The fourth (and final) assumption of parametric data analysis is normality (Field, 2013). That assumption addresses three situations in data analysis. The first states that the confidence interval parameter estimates must result from a normally distributed population (Field, 2013). The second states that the relevant sample distribution must be normal to insure correct significance tests (Field, 2013). Finally, when estimating model parameters, there must be normal distribution of population residuals (Field, 2013).

To determine whether the dependent variable as created for use in this study is suitable, the data were analyzed to address the assumption of normality (Field, 2013). Here, the assumption of normality determines whether the data are normally distributed and whether they can be deemed suitable for use in this type of data analysis (Field, 2013).

In order to determine if the distribution of scores are normal, the values of the data were checked for skewness and kurtosis (Field, 2013). Table 3.4 illustrates a negative skew, and positive kurtosis, with a range of 4 (due to the possible responses of 1-5), with a skewness score of -.51, and kurtosis of .13.

Table 3.4

Descriptive Statistics: Mean Perception Value Added

Mean	3.54
Std. Deviation	.76
Skewness	-.51
Std. Error of Skewness	.09
Kurtosis	.13
Std. Error of Kurtosis	.17
Range	4.00

When considering these results, the dependent variable is considered suitable with skewness and kurtosis scores within the acceptable range of +/-1 (Field, 2013). Additionally, the Kolmogorov-Smirnov test reveals that the range is significant $p = .000 < .05$, and a low probability exists of type I error, and is not within the expected of normal value (Field, 2013). These results are depicted in Table 3.5:

Table 3.5

Descriptive Statistics: Normality of Dependent Variable with Perception of Debt

Tests of Normality

	Kolmogorov- Smirnov		
	Statistic	df	Sig.
Mean Perception Value Added	.068	627	.000

When applying the Kolmogorov-Smirnov test to the respondents with no perception of debt, the range is also significant $p = .028 < .05$, and a low probability exists of type I error, and is not within the expected of normal value (Field, 2013). These results are depicted in Table 3.6:

Table 3.6

Descriptive Statistics: Normality of Dependent Variable with Perception of No Debt

Tests of Normality

	Kolmogorov- Smirnov		
	Statistic	df	Sig.
Mean Perception Value Added	.076	155	.028

When addressing the assumption of normality, especially when the tests conflict, the Central Limit Theorem, (where normality can be implied in samples of 30 or more) allows for the assumption to be met with a large population (Field, 2013). A violation of the assumption of normality where the sample contains hundreds of observations, allow the researcher to often be able to ignore the distribution of the data (Field, 2013; Ghasemi & Zahediasl, 2012). For the current research, the four assumptions of parametric data were met, in part due to the number of respondents in the study. Therefore, the dependent variable, "mean perception of the value added," is suitable for this analysis.

With each analysis, the effect size was calculated based on the type of analysis performed. For the independent t-tests, the acceptable formula for calculating effect size is:

$$r = \sqrt{\frac{t^2}{t^2 + df}}$$

For the calculation of effect size in an ANOVA, the formula used herein is the omega squared (ω^2), utilizing the sums of squares, and the mean squared error from the output. That formula is:

$$\omega^2 = \frac{SS_M - (df_M)MS_R}{SS_T + MS_R}$$

Both of these formulas are acceptable for the calculation of effect size for each of the analyses performed in this study (Field, 2013).

In the analyses where an ANOVA was performed [Research Questions 2(b), 3, and 4(b)], the researcher addressed any unbalanced groups with a post hoc analysis (Field, 2013). While there are several post hoc procedures designed to perform multiple comparison procedures when data are not normally distributed, the Games-Howell performs well with unequal sample sizes and is powerful with larger sample sizes (Field, 2013). In this study, the Games-Howell post hoc procedure accompanied ANOVA analyses since the groups were unequal as indicated in Table 4.5, Table 4.7, and Table 4.9.

Informed Consent

Informed consent was obtained by the participants' willingness to complete the confidential, anonymous online survey. The confidentiality assurance was included in the introductory page of the survey and by completing the survey, the participant acknowledged content and participant confidentiality. The survey and consent items were submitted in application number: 201501054, and were approved by the Institutional Review Board, Human Subjects Committee on 15 October 2014 (Appendix C). Obtaining electronic consent is a common practice, and the method for gaining consent in this study is consistent with ethical guidelines used in online research data collection (Anderson & Kanuka, 2003; Norton et.al, 2009). Both of these items were delivered electronically along with the survey.

Limitations

This research project presented some identifiable limitations. Since this study is limited to respondents from the subject institution within the completion years described herein, the results cannot be generalized to other completion years, or to other members of the completion years who did not respond to the survey instrument. Further, the results are not generalized to completers from other institutions, or to other regions.

As the responses to the survey were analyzed as a part of a research question, it was determined that any completed response was deemed to be a valid response for the relevant research question. This is important when considering the respondents' perception of debt usage, since qualitative responses (Appendix D) indicate that some may have used financial aid, but have since paid off the debt, causing responses of no debt.

DeBowes (2014) citing Alreck and Settle (2004) indicated that the largest threat to a project's internal validity is low participation to a survey. With a response rate of 3.5%, the survey data are considered. Merkle and Edelman (2002) found little evidence that low response rate leads to survey bias. A low response rate does not mean that the survey results are less accurate than higher rates (Merkle & Edelman, 2002). In this case, the responses to many of the questions in the survey used demographics, which is a post-stratification strategy that reduces nonresponse bias (Merkle & Edelman, 2002). While the response rate was lower than desired at only 3.5%, the 784 responses were offered with no incentive for participation from the researcher.

Conclusions

This chapter outlined the design and procedures utilized in this study. A non-experimental, descriptive study was explained, using a cross-sectional survey design to allow for a thorough analysis of a large population's perceptions of the value added to their lives by accruing some form of student debt to complete their degree or certificate. The instrumentation described herein has been checked for validity. The study's purpose, relevance, research questions, participants to the study, and methods of data analysis are included.

CHAPTER IV

RESULTS

The purpose of this study was to gain a greater understanding of the relationship between accumulated student debt and the perception of the value that the degree or graduate certificate obtained as a result of that debt, added to the overall life of the graduate. The researcher also examined current employment factors and the impact that these factors had on the perception of value added to the respondents' lives when considering student debt. The participants in this study earned a degree or graduate certificate between December 2008 and August 2014, from a public institution with multiple physical campus locations in southeastern Virginia, as well as a large distance and online delivery presence.

Data analysis of five research questions was performed using the Statistical Package for Social Sciences (SPSS) version 22. The research questions addressed in this study are:

1. What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?
2. What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?
3. What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?
4. What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?

5. What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?

Research Question 1: What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?

Research Question 1 was addressed using an independent samples t-test. The dependent variable of "the perception of value added" was quantified by taking the scaled score of ten Likert-type questions. The independent variable of "student debt" was divided into two categorical groups by a "yes" or "no" response to the question "did you use some form of financial aid to finance your most recent degree/certificate program?". As illustrated in Table 4.1, from a total of 782 valid responses (respondents who answered both the "student debt" question and all ten "perceptions" questions), 627 (80.2%) answered "yes," and 155 (19.8%) answered "no."

Table 4.1

Descriptive Statistics: Mean Financial Aid Utilization and Current Student Debt

Student Debt	N	Mean	Std. Deviation
Yes	627 (80.2%)	3.47	.78
No	155 (19.8%)	3.83	.62

In the analysis of Research Question 1, the assumption of homogeneity of variances was violated, as assessed by Levene's test for equality of variances $F(1, 284.71) = 7.01$, $p = .008$. Since the test was significant, the researcher looked at the line of the SPSS 22 output where equality of variances was not assumed. Generally, the respondents who did not accrue some form of student debt had a higher perception of the value added (*M* = 3.83, *SE* = .05) than those who have student debt (*M* = 3.47, *SE* = .03). The difference was significant, as illustrated in Table 4.2, t(284.71) = -6.12, *p* = .00. This finding represents a medium effect size, *r* = .34 (Cohen, 1992; Field 2013).

Table 4.2

Research Question 1, Independent Samples t-test: Mean Perception Value Added

	Levene's Test for Equality of Variances		t-test for Equality of Means				
Equal Variance	F	Sig.	t	df	Sig (2-tailed)	Mean Difference	Std. Error Difference
Not Assumed	7.01	0.008	-6.12	284.71	.00	-.36	.06

Research Question 2: What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?

Research Question 2 was addressed using an independent samples t-test and a one-way analysis of variance. As a result of the dual analyses, they will be addressed as parts 2(a), for the independent samples t-test, and 2(b), for the one-way ANOVA.

Research Question 2(a): The dependent variable of "the perception of value added" was quantified by taking the scaled score of ten Likert-type questions. The independent variable of time since completion first was used to examine whether the respondent graduated during a recession, or post-recession. That analysis was conducted by coding the qualitative responses to the question "list all institutions attended since high school, year completed, and degree/ certificate earned." For the purpose of the independent t-test, "Graduated during a recession" was defined as having a completion date of 2008- 2009, and "graduated post-recession" was defined as 2010-2013 completion dates. Table 4.3 shows that from a total of 525 valid responses, 140 (26.7%) completed their degree or certificate during a recession, and 385 (73.3%) completed post-recession.

Table 4.3

Descriptive Statistics: Completion Timeframe

Recession	N	Mean	Std. Deviation
Recession	140 (26.7%)	3.57	.73
Post-Recession	385 (73.3%)	3.60	.75

In the analysis of Research Question 2, the assumption of homogeneity of variances was not violated, as assessed by Levene's test for equality of variances $F(1, 523) = .86$, $p = .35$. Since the test was not significant, the researcher looked at the line of the SPSS 22 output where equality of variances was assumed. Generally, the respondents who completed during a recession ($M = 3.57$, $SE = .06$) had a similar perception of value added as respondents who completed post-recession ($M = 3.60$, $SE = .04$). The difference was not significant, $t(523) = -.37$, $p = .72$. This finding represents a small effect size, $r = .02$ (Cohen, 1992; Field, 2013).

Table 4.4

Research Question 2(a), Independent Samples t-test: Perception Affected by Recession

	Levene's Test for Equality of Variances		t-test for Equality of Means				
Equal Variances	F	Sig.	t	df	Sig (2-tailed)	Mean Difference	Std. Error Difference
Assumed	.86	.354	-.365	523	.72	-.03	.07

Research Question 2(b): The dependent variable of "the perception of value added" was quantified by taking the scaled score of ten Likert-type questions. The independent variable of "time since completion" further analyzed using categorical responses to the question "how long has it been since the completion of your most recent degree/ certificate?" In that question, the respondent chose from the following responses: 0-6 months, 7-12 months, 13-18 months, 19-24 months, greater than 24 months. From a total of 784 valid responses, 48 (6.1%) completed their degree or certificate within the last six months, 76 (9.7%) completed their degree or certificate in the past 7-12 months, 108 (13.8%) completed their degree or certificate 13 to 18 months ago, 85 (10.8%) completed their degree or certificate 19-24 months ago, and 467 (59.6%) completed their degree or certificate over 24 months ago.

Table 4.5

Descriptive Statistics: Time since Completion

Time Since Completion	N	Mean	Std. Deviation
0-6 months	48	3.66	.62
7-12 months	76	3.50	.85
13-18 months	108	3.56	.74
19-24 months	85	3.33	.78
Greater than 24 months	467	3.56	.76

In the analysis of Research Question 2(b), the assumption of homogeneity of variances was not violated**,** as assessed by Levene's test for equality of variances $F(4, 779) = .850$, p = .494. Since the test is not significant, the researcher looked at the line of the SPSS 22 output where equality of variances was assumed. Table 4.6 illustrates that there was no significant difference in the mean perception of value added based on the respondent's time since completion, $F(4,779) = 2.063$, $p = .08$. This finding represents a medium effect size, $\omega = .07$ (Cohen, 1992; Field, 2013).

Since the responses indicated unequal groups, a Games-Howell post hoc test was determined to be effective when addressing unequal groups (Field, 2013). When addressing the mean perception of value added, the respondents' perception was not significantly affected by the amount of time since completion.

Table 4.6

ANOVA Perception based on Time since Completion

Mean perception value added based on time since completion

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4.78	4	1.20	2.063	.084
Within Groups	451.43	779	.58		
Total	456.21	783			

Research Question 3: What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?

Research Question 3 was addressed using a one-way analysis of variance. The dependent variable of "the perception of value added" was quantified by taking the scaled score of ten Likert-type questions. The independent variable of "level of degree or certificate earned" was addressed through the question "What level of education did you achieve from your most recent program?" The responses were divided into categories of certificate, Associate's degree, Bachelor's degree, and graduate degree (including Master's and Doctorate), and not completed/in progress. A small number of respondents (2) chose "associate's degree." Since the subject institution does not offer any associates degrees, those responses were coded as "missing." The responses of "not completed/in progress," (20) were also coded as "missing" since the study is concerned with degree completion. From a total of 761 valid responses, 11

(1.4%) earned a certificate, 456 (59.9%) earned a Bachelor's degree, and 294 (38.6%) earned a graduate degree.

Table 4.7

Descriptive Statistics: Level of Education

Level of Education Achieved	N	Mean	Std. Deviation
Certificate	11	4.04	.60
Bachelor's	456	3.45	.79
Graduate	294	3.67	.72

In the analysis of Research Question 3, the assumption of homogeneity of variances was not violated, as assessed by Levene's test for equality of variances $F(2, 758) = 1.159$, $p = .314$. Since the test was not significant, the researcher looked at the line of the SPSS 22 output where equality of variances was assumed. There was a significant difference in the mean perception of value added based on level of education achieved, $F(2,758) = 9.56$, $p < .05$, $\omega = .14$. This finding represents a large effect size, $\omega = .15$ (Cohen, 1992; Fields, 2013).

Since the responses indicated unequal groups, a Games-Howell post hoc test was determined to be effective when addressing unequal groups (Field, 2013). When addressing the mean perception of value added, respondents with a certificate had a significantly higher mean perception value added than respondents with a Bachelor's degree, and respondents with a graduate degree had a significantly higher mean perception value added than respondents with a Bachelor's degree.

Table 4.8

ANOVA Perception based on Level of Education

Mean perception value added based on level of education achieved

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	11.03	2	5.514	9.558	.000
Within Groups	437.25	758	.577		
Total	448.28	760			

The results from the post hoc test were confirmed in a pairwise analysis, as illustrated in Table 4.9:

Table 4.9

Descriptive Statistics: Pairwise Comparison of Level of Degree Earned

Tests of Normality

	Kolmogorov- Smirnov		
	Statistic	df	Sig.
Certificate	.244	11	.067
Bachelor's Degree	.070	456	.000
Graduate (Master's/ Doctorate)	.074	294	.001

Research Question 4: What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?

Research Question 4 was addressed using an independent samples t-test and a one-way analysis of variance. As a result of the dual analyses, they will be addressed as parts 4(a), for the independent samples t-test, and 4(b), for the one-way ANOVA.

Research Question 4(a): The dependent variable of "the perception of value added" was quantified by taking the scaled score of ten Likert-type questions. The independent variable of current employment status was addressed by examining the responses to the question "If you are currently employed, choose the option that best fits your situation." The respondents chose between "full-time within my field of study," "full-time outside of my field of study," "part-time within my field of study," "part-time outside of my field of study," and "not currently employed." The researcher first examined whether the respondent worked part-time or full-time. The responses "part-time within my field of study," and "part-time outside of my field of study," were coded into the variable "part-time." Employed "full-time within my field of study" and "full-time outside of my field of study" were coded as "full-time." The response "not currently employed" was coded as missing for the t-test analysis. From a total of 688 valid responses, 273 (39.7%) worked full-time and 415 (60.3%) worked part-time.

Table 4.10

Descriptive Statistics: Employment Status, Basic

Employment Status	N	Mean	Std. Deviation
Full-time	273	3.57	.75
Part-time	415	3.50	.75

In the analysis of Research Question 4(a), the assumption of homogeneity of variances was not violated, as assessed by Levene's test for equality of variances $F(1, 686) = .252$, $p = .616$. Since the test was not significant, the researcher looked at the line of the SPSS 22 output where equality of variances was assumed. Generally, the respondents who worked full-time ($M = 3.57$, $SE = .05$) had a similar perception of value added as respondents who worked part-time ($M = 3.50$, $SE = .04$). The difference was not significant, $t(686) = 1.120$, $p = .26$. This finding represents a small effect size, $r = .04$ (Cohen, 1992; Field, 2013).

Table 4.11

Research Question 4(a), Independent Samples t-test: Perception Affected by Employment

	Levene's Test for Equality of Variances		t-test for Equality of Means				
Equal Variance	F	Sig.	t	df	Sig (2-tailed)	Mean Difference	Std. Error Difference
Assumed	.252	.616	1.12	686	.263	.07	.06

Research Question 4(b): The dependent variable of "the perception of value added" was quantified by taking the scaled score of ten Likert-type questions. The independent variable of current employment status was addressed by examining the responses to the question "If you are currently employed, choose the option that best fits your situation." The respondents chose between "full-time within my field of study," "full-time outside of my field of study," "part-time within my field of study," "part-time outside of my field of study," and "not currently employed." The independent variable of "employment status" was divided into three categorical groups: "part-time," full-time," and "unemployed."

Table 4.12

Descriptive Statistics: Employment Status, Complete

Employment Status	N	Mean	Std. Deviation
Full-time	273	3.57	.75
Part-time	415	3.50	.75
Unemployed	96	3.62	.83

From a total of 784 valid responses, 273 (34.8%) are currently employed full-time, 415 (52.9%) are currently employed part-time, and 96 (12.2%) are currently unemployed.

In the analysis of Research Question 4(b), the assumption of homogeneity of variances was not violated, as assessed by Levene's test for equality of variances $F(2, 781) = .842$, $p = .431$. Since the test was not significant, the researcher looked at the line of the SPSS 22 output where equality of variances was assumed. Generally, the respondents who worked full-time (M =3.59, SE = .03) had a similar perception of value added as respondents who worked part-time (M = 3.40, SE = .07). There was no significant difference in the mean perception value added based on current employment status, $F(2,781) = 1.29$, $p = .277$, $\omega = .15$. This finding represents a small effect size, $\omega = .03$ (Cohen, 1992; Fields, 2013).

Since the responses indicated unequal groups, a Games-Howell post hoc test was determined to be effective when addressing unequal groups (Field, 2013). When addressing the mean perception of value added, respondents who were currently employed full-time had a higher mean perception value added than respondents who were currently unemployed, although not statistically significant.

Table 4.13

ANOVA Perception based on Employment Status

Mean perception value added based on current employment status

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.50	2	.748	1.29	.277
Within Groups	454.71	781	.58		
Total	456.21	783			

Research Question 5: What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?

Research Question 5 was addressed using an independent samples t-test. The dependent variable of "the perception of value added" was quantified by taking the scaled score of ten Likert-type questions. The independent variable of "current earnings" was divided into two categorical groups, "in line with the education I possess," and "less than what I expected to make with my level of education," by responses to the statement "My current earnings are." The remaining two responses to this statement, "more than others with my level of education" and "I currently have no earnings," were labeled as missing for this analysis.

From a total of 654 valid responses, 306 (46.79%) answered "in line with the education I possess," and 348(53.21%) answered "less than what I expected to make with my level of education."

Table 4.14

Descriptive Statistics: Current Earnings

Current Earnings	N	Mean	Std. Deviation
In line with the education I possess	306	3.91	.57
Less than what I expected to make	348	3.21	.75

In the analysis of Research Question 5, the assumption of homogeneity of variances was violated, as assessed by Levene's test for equality of variances $F(1, 639.16) = 17.65$, $p = .00$. Since the test was significant, the researcher looked at the line of the SPSS 22 output where equality of variances was not assumed. Generally, the respondents whose earnings were in line with their education had a higher perception of the value added ($M = 3.91$, $SE = .03$) than those who were earning less than what they expected to make ($M = 3.21$, $SE = .04$). The difference was significant, $t(639.16) = 13.75$, $p = .00$. This finding represents a medium effect size, $r = .48$ (Cohen, 1992).

Table 4.15

Research Question 5, Independent Samples t-test: Perception Affected by Earnings

	Levene's Test for Equality of Variances		t-test for Equality of Means				
Equal Variance	F	Sig.	t	df	Sig (2-tailed)	Mean Difference	Std. Error Difference
Not Assumed	17.65	0.000	13.75	639.159	.00	.71	.05

Major Findings

This study explored the association between student debt and the perceived value of the education received. Several major findings of significance were discovered as a result of this research. The first finding is that respondents who did not have some form of student debt had a higher perception of the value added than those who had some level of debt. The next finding was that there is no significant difference between respondents who completed their degrees or certificates during a recession, and those who finished post-recession.

The next major finding is that respondents with a graduate level education (whether degree or certificate) had a significantly higher mean perception value added than respondents with a Bachelor's degree. There was also a significantly higher mean perception value added from respondents who were currently employed full-time over respondents who were currently unemployed. Of those respondents who were currently employed, there was a higher perception of the value added among those whose earnings were in line with their education than those who were earning less than what they expected to make with the earned degree or certificate.

Summary

The purpose of this study was to explore the relationship between accumulated student debt and the borrowing students' perception of the value that the degree or certificate added to the overall life of the graduate. The study also sought to determine whether the perceptions were effected by: The level of degree or certificate earned, the graduates' employment status, the graduates' earnings, and the time since the graduates completed their course of study (as measured by completing during the economic recession of 2008-2009, or post-recession). Independent Samples T-Tests and One-Way Analysis of Variance Tests were utilized to address the research questions presented.

CHAPTER V

CONCLUSION AND DISCUSSION

This study was conducted to determine the relationship between accumulated student debt and the perception of the value that the degree or graduate certificate added to the overall life of the graduate. The researcher also examined some current employment factors and the impact that these factors had on the perception of value added to the respondents' life when considering student debt. The participants in this study earned a Bachelors' degree, graduate degree, or graduate certificate between December 2008 and August 2014, from a public institution with multiple physical campus locations in southeastern Virginia, as well as a large distance and online delivery presence.

This quantitative research project was conducted using a researcher created survey administered electronically (online) via the Qualtrics program. Analyses were performed through the application of independent t-tests, and analysis of variances where applicable. For the purposes of measuring significant differences between groups, a significance level was set at $p = .05$. A significance level $p = .05$ is considered acceptable in this type of study (Field, 2013).

In order to assess the participants' perceptions of value added to their lives by accruing some form of debt while completing a degree or graduate certificate, five research questions were utilized. These five questions were identified to uncover debt and higher education perceptions, as well as other contributing factors that may impact those perceptions. The research questions that served as the focus of this study were:

1. What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?

2. What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?
3. What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?
4. What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?
5. What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?

By addressing the perceptions of value of education when considering the debt accumulated to earn the degree, along with the other relevant factors (time, level of degree, employment status, and income), the study was able to more accurately measure the overall perception and the factors that may contribute to it.

Discussion of Major Findings

The results from this study indicate that among the respondents with less (or no) student debt, there is a higher perception of value added to their lives by their earned education than those with student debt. The perception of the value added to their lives was not affected by the length of time since the completion of their degree or graduate certificate, nor was perception impacted by the participants' program completion during the great recession vs. completion post-recession. The perception of value added was higher amongst certificate and graduate degree earners than those earning a bachelor's degree. Stated another way, graduates who utilized student loans to earn a bachelor's degree had a lower perception of value added to their lives than graduates with a Master's, Doctorate, or Certificate, who also utilized student loans.

When questioned about employment and income related issues, there were some factors that correlated with the perceptions. No difference was observed in the perception of those participants currently working part-time vs. those employed in a full-time capacity. There was a higher perception of value added among those employed full-time than those who were unemployed. Finally, the perception of the value added to graduate/completers' lives was greater among those respondents whose income was within the expected range for the education level earned, than among those who were earning less than the expected amount.

Student debt is the subject of many social, economic, labor, higher education, and political discussions. The significant rise in the number of students utilizing some form of financial aid to obtain their degree or certificate over the past 40 years has risen by more than 800% (Cunningham & Santiago, 2008). Most students facing the rising costs of higher education accrue some level of debt to finance their educations (Burdman, 2005). This phenomenon has led to a greater financial consideration in the college application process. In addition to the academic performance considerations, today's prospective students now must often address whether they can afford the costs of attendance if admitted, with the understanding that that cost includes a debt payment upon graduation (Gladieux, King, & Corrigan, 2005).

There are many reasons for the significant increases in the costs to the student associated with attending college. As the social value of a college degree has shifted from a good for all of society, to an individual asset and investment, the state and federal funding of colleges and universities has drastically decreased (Alexander, 2011; Baez, 2013; Levine, 2001). The reduction of government support to public higher education has forced public institutions to become market sensitive and seek alternative sources of funding, including tuition increases, while competing with private for-profit and nonprofit private institutions in the marketplace (Baez, 2013; Kinser, 2003; 2006; Levine, 2001).

The increase in market competition and rise in consumer costs have also impacted the demand curve on the economic scale. Institutions of higher education have steadily increased the services and amenities on a physical campus to attract and retain traditional students (Archibald & Feldman, 2011). Additionally, the rise in demand for distance and online instructional delivery has created a rise in up-front personnel and technology costs to build and maintain the necessary infrastructure and course development (Meyer, 2010; Rumble, 2012).

The trend of rising tuition, fees, and the overall sticker price of higher education, paralleling the trend of marked reduction in grant and scholarship opportunities, leads prospective students into the vast arena of federally backed student loans (Greiner, 2007). Many students utilizing the student loan system often borrow without the full knowledge of the ramifications of the debt (Gladieux et al., 2005). With as many as 65% of the students in a recent study stating that they misunderstood their debt, and were surprised by some aspect of the process, questions of financial literacy and behavioral economics show some level of debt aversion (Whitsett, 2012). With varying levels of debt aversion, other borrowing students have chosen to attend institutions with a lower sticker price, allowed the possible debt burden to play a large role in program selection, or extended themselves with employment, often to the detriment of their academic performance (Burdman, 2005).

Behavioral economics seeks to explore the decision-making processes that individuals and organizations go through on a regular basis. Those processes generally fall under probability judgment, and the choice process among actions (Camerer & Lowenstein, 2004). Judgment of probability in reference to a student debt load may include questions such as: Will I be able to pay the loan payments once I graduate and begin my career? Are the sticker price and the related interest and fees from the loan worth the education that I will receive? Will the projected job-market upon graduation allow for employment that will support a lifestyle that includes the loans repayment? Based on varying degrees of judgments like these, the student makes the choice to borrow, or not to borrow, in addition to the choice of institution, program of study, etc. The decision-making process of behavioral economics is affected by the individual's aversion to risk and loss (Bell, 2007; Camerer & Lowenstein, 2004).

The behavioral economic principles of aversion apply a psychological basis to economic decision-making (Camerer & Lowenstein, 2004). In this study, loss aversion applies when a borrowing student's dislike of losing assets or commodities outweigh their like of gaining assets or commodities (Camerer & Lowenstein, 2004; Knetsch, 1992; Tversky & Kahneman, 1991). Accordingly, this study viewed accumulated debt as a loss, while the earned degree or certificate as a gain. Debt aversion does not necessarily consider the loss/gain principle, but a simple refusal or reluctance to borrow even though the degree or certificate can bring a long-term positive return (Boatman et al., 2014; Burdman, 2005; Cunningham & Santiago, 2008; Palameta & Voyer, 2010). Therefore, the behavioral economics principles are impacted by other individual variables including the borrowing student's financial literacy (Boatman et al., 2014).

When considering the concepts of behavioral economics as they may generally apply to the student debt phenomenon, the discussion that must come into play relates to the financial literacy of the borrowing student. The financial literacy of a student is subjective, based on several variables (Greenfield, 2015). A primary variable affecting the financial literacy of a college student is the access that students have had to information regarding the costs involved with higher education prior to entering their college years (Greenfield, 2015). Since many first generation students have received limited or varying information, their real understanding of costs and the benefits of attendance may be reduced due to poor financial literacy (Greenfield, 2015). Lack of financial literacy may contribute to an increased debt aversion (Camerer & Lowenstein, 2004; Greenfield, 2015).

The public policy surrounding the discussion of the student lending system pivots around the *Higher Education Act* (1965). Through its many reauthorizations, it has been able to change to meet the necessity of the times, while addressing the future needs of higher education. One of the main purposes of the Act was to provide federal financial aid under Title IV. As the Act was reauthorized in 1972, it allowed any accredited institution to provide Title IV funds, including the for-profit institutions of higher education.

Throughout the 1970s and beyond, other additions to public policy emerged to address various issues impacting higher education and the borrowing student. In 1976, Congress enacted the *Education Amendments* (20 U.S.C. § 1087-3), which removed the borrowing students' ability to discharge student loans in bankruptcy (Birdwell, 1978; Thayn, 2005). While this rule has seen some changes to further define its parameters since its inception, the "undue hardship test" has been a feature that has prevented student loan bankruptcy discharge since its 1976 enactment (Thayn, 2005; 11 U.S.C. § 523, 2004).

In the case of six years of completers/graduates surveyed from the subject institution, as compared with that institutions reported data, the researcher found that the respondents reported the use of student loan aid (debt) at a higher rate (80.2%) than the overall reports of the institution (65%) (NCES, 2015). The institution's reported percentage of student loan aid usage is slightly below the national average (Reed & Cochrane, 2014). With the national average at 69%, the respondents here utilized student loan aid at a much higher rate of 80.2%.

When applying these data to the question of the borrowing students' perception of value added, the graduates who did not utilize some form of financial aid had a higher perception of value added to their lives than those who did borrow. However, the perceptions of both groups leaned in favor of a positive perception of the value added (graduates who did not use financial aid to complete their degree/ certificate, $M = 3.83$, $SE = .05$; graduates who did use financial aid to complete their degree/ certificate, $M = 3.47$, $SE = .03$, of a 1-5 Likert-type scale with 5 being the highest positive perception).

The first research question explored the borrowing students' perception of the value added to their lives by their earned education when considering student debt. The expectation for this portion of the study was that the perception of the value added reduces as the level of accumulated debt increases. For the purpose of this research question, the study partially confirmed the notion that graduates who currently have no debt have a higher perception of the value added than those who still have some level of debt.

The structure of Research Question 1 only addressed whether the respondent used some form of loans to pay for some or all of the costs incurred while earning their degree or graduate certificate, as indicated in their "yes" or "no" response to question 4 (Appendix B). The student whose response was "no" overall carried a higher perception of the value added. As a stand-alone question, the researcher cannot determine how those not borrowing afforded the costs associated with their education. Whether through family or employer assistance, or due to the non-borrowing students' utilization of personal resources such as savings, or labor (see Appendix D, question 17; 36% of respondents worked full-time while completing their degree or certificate, and another 25% worked more than 20 hours per week), the lack of standing post-completion debt gives the completer a higher perception of value added.

The behavioral economics theories of loss and debt aversion are supported by these findings. Aversion theories offer a psychological foundation to the students' willingness (or unwillingness) to accrue debt to finance educational costs. In this study, *loss aversion* refers to the subject's *dislike* of losing an asset or commodity outweighing the same subject's *like* of gaining assets or commodities (Camerer & Lowenstein, 2004; Knetsch, 1992; Tversky & Kahneman, 1991). In other words, the dislike of the risk of losing something looms larger than the like of gaining something (Camerer & Lowenstein, 2004). Debt aversion refers to the students' refusal or reluctance to borrow (or utilize debt) to finance educational costs, even though they know that the investment will bring a long-term positive return (Boatman et al., 2014; Burdman, 2005; Cunningham & Santiago, 2008; Palameta & Voyer, 2010).

Since 61% of the respondents in this study reported that their average hours worked per week while earning their degree or certificate were in excess of 20, and 80% reported using some form of financial aid or debt to cover a portion of the costs associated with their higher education, there may be signs of debt aversion. The debt-averse tend to choose not to borrow, enroll in less expensive (often less prestigious) colleges, or work and attend school part-time. That trend appears to be the case here, raising questions about performance, since debt-avoiding strategies put completing students at risk of compromising their academic performance due to a division between work and studies (Burdman, 2005).

The second research question attempted to address how the graduates' perception of the value added to their lives by their earned education when considering accumulated student debt is impacted by the length of time since their degree/ certificate completion. The expectation for this portion of the study was that the perception of value would increase as the time since completion increased. However, since the population of this study included graduates during the recession of 2008-2009, the first focus was on those who graduated during the recession as measured against those who graduated post-recession. For this part, the idea was that those completing during a recession would have a lower perception of value added than those completing post-recession. This statement was negated in this study in that there was no significant difference between graduates during the recession and graduates post-recession. One possible reason for this is that the subject region was not as adversely during the recession as other areas due to government spending in the region (Koch, 2015).

The second part of this research question addressed the expectation that as time since completion increased, the perception of value added would also increase. The study found that the time accrued since graduation had no significance on the perception. Again, a theory of behavioral economics seems to be confirmed here.

Samuelson's utility model of hyperbolic discounting reports that a future benefit has less value than a present benefit (Boatman et al., 2014). The results of this study indicate that the employment market, per se, had less of an impact on the perception of value added. While there may be a possibility that not enough time has passed since completion, hyperbolic discounting may indicate that the perception of value added may not change significantly until the respondent has paid off his or her student debt.

While Holtschneider (2008) compared the student loan industry during the great recession to the "wild west," this study seems to indicate that there is no correlation between the recession, time since completion, and the graduates' perception of value added. Much of the lack of correlation may be illustrated by the fact that nearly 80% of the respondents reported current full-time employment (either within, or outside of their field of study) (Appendix D, question 28), with 48% reporting earnings that are in-line with, or exceeding their educational expectations (Appendix D, question 19).

Another possibility for the lack of correlation between time since completion, the recession, and perception is that by at least one account the economy in the subject region has been slow to recover (Koch, 2015). That may indicate that the respondents have been working and living in a stagnant economy and may not know of better economic times in the region. With 43% reporting that they are either in deferment or repayment of their student loans are not yet required, the impact of "time since completion" may not be fully felt by many of the respondents who have yet to make a student loan payment (Appendix D, question 22).

The third research question sought to explore the relationship between the graduates' perception of the value added, and the level of degree or graduate certificate earned. The initial thought was that there is a greater perception of value among those receiving a bachelor's degree than those receiving all other degrees or certificates. This expectation stems from the reports from the Bureau of Labor (2012) that indicate a widening wealth gap between those earning a bachelor's degree, and those with a high school diploma (Carlson & McChesney, 2015). In a 2012 report, graduates with a Bachelor's degree earned nearly $400 more per week, or nearly double the income of a worker with only a high school diploma (Carlson & McChesney, 2015).

By comparing each degree and graduate certificate level, the analysis resulted in a significantly higher perception among respondents earning a graduate certificate over those earning a Bachelor's degree; and a significantly higher perception of respondents earning a graduate degree (Masters and Doctorate) over those earning a Bachelor's degree, disproving the hypothesis. These results allow the researcher to potentially look beyond simple dollar earning figures toward the buying power allowed by those earnings. Carlson and McChesney (2015) considered buying power from 1991 through 2010 based on educational attainability which showed the actual buying power of a Bachelor's degree over the nearly 20 year timeframe was nearly stagnant. The buying power of what this study describes as a graduate degree (Master's, Doctorate, Graduate certificate) has increased from 2.4% (male earning a Master's degree) to as much as 14% (female earning a Doctorate) (Carlson & McChesney, 2015).

These results illustrate the economic value of earnings of the degree or certificate. With 56% of the respondents to this study reporting that their most recent degree was a Bachelor's degree (Appendix D, question 7), and 80% of the respondents reporting that they are better off with their degree or certificate than they were prior to earning it (Appendix D, question 36), the Bachelor's degree is still considered valuable, even if it is merely a gateway into post graduate studies (60% reported that they intend to continue their studies in the future) (Appendix D, question 35).

The fourth research question attempted to address the relationship between the graduates' current employment status, and the perception of the value added to their lives by their earned education when considering accumulated student debt. By analyzing this relationship in two parts, the researcher was first able to examine full-time versus part-time employment. The expected outcome regarding this portion of the study was that the perception among full-time employed respondents would be greater that the perception of part-time employed. The results of the independent t-test show that there is no significant difference between the two. The second part of the analysis added in the unemployed graduates responses with the expectation that there would be a greater perception of value added by employed respondents than the unemployed respondents. The study showed that there was a statistically significant increased perception of value added among full-time employees over those who are unemployed.

Employment status was utilized in an attempt to measure the value added in the neo-liberal sense. The neo-liberal ideology of defining higher education value deviates from the social good versus personal good discussion, and leans more toward defining "good" primarily in financial terms (Ayers, 2005; Hensley et al., 2013). In the situation where respondents are analyzed based on current employment status, the perception of the value added to their lives revealed the possibility that some economic benefit may be enough to yield a positive perception of accrued student debt.

Not all respondents exhibited a positive outlook or perception that fell in line with the neo-liberalism approach. One respondent who recently earned a Master's degree stated that the degree made him or her over qualified for part-time entry-level work, and under qualified for full-time professional-level work within his or her field (Appendix D, question 45). Another respondent leaves the neoliberal approach behind by pointing out that "…the cost of a graduate degree is greater than the potential earnings…" seemingly applying an investor's logic to higher education (Appendix D, 45). With other personal costs involved, much value may not be measurable through employment data. However, where employment status is concerned, the respondents with full-time or part-time employment had a more positive perception of the value added to their lives by accruing some form of student debt to earn a degree or certificate than their unemployed counterparts.

The final research question of this study sought to address the association between the graduates' current earnings and the graduates' perception of the value added to their lives by their earned education when considering accumulated student debt. The expectation regarding this question was that as earnings increased, so too would the perception of the value added. This study showed that respondents who believed that their current earnings were in-line with their earned education had a higher perception than those who believed their earnings to be less than what they expected to make with their level of education. The results of this research question lend credibility to the "education as a private good" theory (Hensley et al., 2013). Marginson (2007) indicated that the private returns are easier to measure than any social good generated by higher education, and based on the responses herein, many respondents seem to apply that logic to their perceptions of higher education.

The respondents who earned what they thought they should be earning had a higher perception than those who earned less than what they thought they should earn. The lower perceptions depicted in this study were primarily economic in nature. The repeated financial emphasis of the responses indicates a possibility that the respondents are following the increasing public perception of higher education as vocational or professional preparation (Hensley et al., 2013; Shaw, 2010).

The approach that higher education is primarily a gateway into a specified workforce is best stated by one respondent who said "…I do wonder what benefits my education has provided. Since graduating in 2010, I've struggled to find employment in my field. I've been a contractor…and have been offered pay far less than I deserve…". Statements like this make the researcher wonder if institutions of higher education are over promising, and the social perception of higher education should reemphasize its social value.

Limitations

Throughout the performance of this research, some limitations surfaced that are worthy of mention. While the survey thoroughly explored the debt-load of recent graduates, it should be updated to include a response for borrowing students who have successfully paid off all student loans. With a six-year window of participants, there is a significant possibility that graduates from the first year who borrowed have paid their student loans in full. Another limitation relates to the classification of a certificate. The subject institution only issues post-baccalaureate certificates, which lends attributes to a graduate degree. This detail of certificate was not clearly discovered until the completion of the survey. Finally, there is a limitation related to the issue of time since completion. The survey does not allow for descriptive responses for a graduate who went on to earn another degree or certificate from another institution, since the population was selected via email list of graduates of the institution. So, the graduate with a humanities degree who borrowed to earn that degree, and then went on to earn a vocational or professional certificate was not given proper response choices to make that determination.

Recommendations for Further Study

While this research discovered several worthy associations, there is room for significant future research. As a foundation for future studies, the researcher should approach the association between the perception of the value added and student debt from a linear regression analysis perspective. As this study shows, respondents who did not have some form of student debt had a higher perception of the value added than those who had some level of debt. This finding can be potentially more significant if research explores whether as student debt increases, the perception of value added decreases. With that analysis performed, then further studies can be conducted to determine the reasons for a higher perception of value added among graduate-level respondents than those earning an undergraduate degree.

Further research should be conducted to explore the association between employment status while enrolled as a student and the measured perceptions herein. The results of the survey indicate that most of the respondents were employed to some extent, to assist with the costs involved with their education. By expanding on this discussion, there is an opportunity to discover if the model of the "traditional student" is shrinking at the subject institutions (and other institutions).

More research is needed to determine how the perceptions would be further defined by analyzing graduates with STEMH degrees or certificates, as compared with those with degrees in the liberal arts/humanities. The implied question would seek to discover whether the economic, or vocational focus of higher education is greater among one population over another. This research would contribute further to the discussion of education as a social good versus education as a private good.

In line with the recommended focus on the liberal arts degree holders, perhaps a greater time since completion is needed to determine if the perceived value is impacted by the potential recognition of the life-long learning that is often attributed to the humanities. The increased time window may also be necessary since there is the possibility that the region surrounding the subject institution has been slow to recover from the recession of 2008-2009 (Koch, 2015).

Further research needs to be conducted to explore the reduced perceptions of the value added by student debt accumulated to earn a bachelor's degree as compared to graduate-level diplomas. Is there a question with perceived expectations and/or financial literacy of that population? How are these expectations different between first-generation students and other students?

Finally, the survey should be administered to other populations for comparative study. Within the subject region, a population of proprietary institution graduates and non-profit institution graduates should be surveyed. This survey should also be administered to other regions of the country (geographic and economic) to gain insight into the perceptions of graduates in regions that may have been more or less affected by the recession, as well as with different economic drivers for higher education.

Recommendations for the Profession

Financial literacy: Instill a program in the K-12 ranks that fully explains higher education (including adult and continuing education) and the various factors affecting the overall costs involved. By increasing the financial literacy of admitted students, their perceptions of debt and the student loan industry can be improved over the current situation. Maintain financial literacy initiatives during the college experience to ensure that students are not borrowing unnecessarily, and are fully aware of ramifications of the debt. Continue to increase the financial literacy of the student through graduation with some level of exit-counseling that includes some form of satisfaction assessment upon completion of degree requirements. Increase efforts to conduct market studies (geographic and economic) showing the social good that higher education provides, and attempt to move away from the easily measured private good and neo-liberal approach that is so widely accepted by policy-makers and society in general.

Conclusions

In the case of the respondents who completed a degree or graduate certificate from the subject institution from December 2008 through August 2014, there is a perception that the degree or certificate earned has added to value to their lives despite accruing some level of student debt to finance it. The perception of their education's value is greater among respondents with no debt than those with standing debt, and that perception is greater among those receiving degrees and certificates on the graduate level than those receiving a bachelor's degree. While there is evidence from the literature that, nationally, the value added from the Bachelor's degree has reduced over the past 20 years, there is still the perception here that there is value added in spite of debt incurred to earn it.

The perception has not been significantly affected by the amount of time elapsed since the completion of the degree or certificate, within the window of time selected for this research, and this study shows that the recession had no significant impact on the perception. The respondents' current employment situation had some relevant effect on the perception, in that those who were employed full-time and part-time had a greater perception of the value added than those who were unemployed. In line with the employment discussion, those who were earning what they believed they should be with their level of earned education had a greater perception of the value added than those who were not.

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APPENDIX A

SURVEY BLUEPRINT

RESEARCH QUESTION	1. Did you complete a degree program?	2. Did you complete a certificate program?	3. List all institutions attended since high school, year completed, and degree/ certificate earned.
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?	X	X	
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?			
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
demographics	X	X	X

RESEARCH QUESTION	4. Did you use some form of student financial aid to finance your most recent degree/ certificate program?	5. From what institution is your most recent degree/ certificate?	6. How long has it been since the completion of your most recent degree/ certificate?
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?	X		
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?			X
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?			
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
demographics	X	X	

RESEARCH QUESTION	7. What level of education did you achieve from your most recent program?	8. What was your major/ area of study?	9. I completed my certificate in 2 years or less.
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?	X		X
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
demographics		X	X

RESEARCH QUESTION	10. I completed my Associate's Degree in 4 years or less.	11. I completed my Bachelor's Degree in 6 years or less.	12. I completed my Master's Degree in 3 years or less.
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?	X	X	X
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
demographics	X	X	X

RESEARCH QUESTION	13. I completed my doctorate in 6 years or less.	14. Of the financial aid that you utilized to finance your course of study, select any/ all that apply:	15. I received grants and/or scholarships to cover tuition expenses.
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?		X	X
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?	X		
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
demographics	X	X	X

RESEARCH QUESTION	16. I worked while completing my degree/ certificate:	17. I utilized the G.I. Bill to cover the costs related to my education.	18. My current earnings are:
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?	X		
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?			
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			X
demographics	X	X	

RESEARCH QUESTION	19. From my most recent degree/certificate program, my student debt load is:	20. My total student loan debt (including other degrees/certificates) is:	21. Are you currently in the repayment phase of your loans?
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?	X	X	
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?			X
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?			
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
demographics	X	X	X

RESEARCH QUESTION	22. If you are in the repayment phase, how long have you been in repayment?	23. If you are in deferment, how long have you been deferring?	24. If you are in default of a student loan, choose all that apply:
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?	X	X	X
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?			
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?		X	X
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
demographics	X	X	X

RESEARCH QUESTION	25. If you are in default, what are the primary reasons that you would attribute the current default status?	26. Are you currently employed?	27. If unemployed, are you actively seeking employment?
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?	X		
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?			
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?	X	X	X
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?	X		
demographics	X		

RESEARCH QUESTION	28. If you are currently employed, choose the option that best fits your situation:	29. My education was well worth the costs involved with earning it.	30. My education prepared me to earn enough to repay my student loans.
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?		X	X
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?			
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?	X		
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			X
demographics			

RESEARCH QUESTION	31. If I had to do it over again, I would have studied something different.	32. My education will pay off in the long-run.	33. I regret the education that I have earned.
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?	X	X	X
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?			
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
demographics			

RESEARCH QUESTION	34. My degree has added value to my life.	35. I intend to continue my studies in the future.	36. I am better off with my degree/certificate than I was prior to entering my studies.
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?	X	X	X
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?			
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
demographics			

RESEARCH QUESTION	37. My degree/certificate is worth the accumulated student debt.	38. I would recommend using student loans to cover the costs of a degree/ certificate.	39. Please indicate your age range:
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?	X	X	
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?			
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
demographics			X

RESEARCH QUESTION	40. Please indicate your current income level.	41. Are you the first generation of your family to attend college?	42. My marital status can most accurately be described as:
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?			
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?	X		
demographics	X	X	X

RESEARCH QUESTION	43. My gender is:	44. I primarily identify with the following race/ ethnicity:	45. Based on your experiences, are there any other relevant details that you would like to add in reference to your thoughts on debt accrual in order to pay for higher education?
What are borrowing students' perceptions of the value added to their lives by their earned education, when considering accumulated student debt?			X
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the length of time since completion?			
What is the relationship between the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt, and the level of degree or certificate earned?			
What is the association between the graduate's current employment status, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
What is the association between the graduate's current earnings, and the graduates' perceptions of the value added to their lives by their earned education when considering accumulated student debt?			
demographics	X	X	X

APPENDIX B

SURVEY ITEMS FOR DISSERTATION: THE PERCEPTION OF THE VALUE ADDED FROM BORROWING STUDENT LOANS TO FINANCE A DEGREE OR CERTIFICATE FROM AN INSTITUTION OF HIGHER EDUCATION

Dear Participant:

My name is William Nuckols and I am a doctoral candidate at Old Dominion University. For my dissertation, I am studying the value added to the student by incurring student loan debt to earn a degree or certificate. Because you are a graduate from ODU and Bryant and Stratton College, I am inviting you to participate in this research study by completing the attached survey.

The following survey will require approximately 10-15 minutes to complete. There is no compensation for responding, nor is there any known risk. In order to ensure that all information will remain confidential, please do not include your name. Copies of the project will be provided to my dissertation committee members at Old Dominion University. If you choose to participate in this study, please completely answer all questions as honestly as possible. Participation is strictly voluntary and you may refuse to participate at any time.

Thank you for taking the time to assist me in my dissertation research. The data collected will provide useful information regarding the perceptions of student debt at a public and private for-profit institution. If you would like a summary copy of this study, or if you require additional information, please contact me using the contact information below. Completion of the survey will indicate your willingness to participate in the study.

If you are not satisfied with the manner in which this study is being conducted, you may report (anonymously if you so choose) any complaints to Dr. Dennis Gregory, dissertation chair, at dgregory@odu.edu, or Dr. Ed Gomez, human subjects committee chair, at egomez@odu.edu.

Sincerely,

William Nuckols,

wnuckols@odu.edu

Instructions and Definitions:

Thank you again for agreeing to complete this important anonymous survey. Please answer each question based on your experience and perception about the subject matter. As you complete the questions, several words and phrases are used that require some definition. For the basis of this survey, please consider the following terms and their definitions:

Student Loans: Money borrowed to pay for some or all of your higher education costs. This money *must be paid back* to either a private lender, or the United States Department of Education at some time, either currently, or in the future.

Grants and Scholarships: Money that was given to cover some or all of your higher education costs. This money *does not have to be paid back.*

Costs: The amount of money that a student must pay in order to receive the degree or certificate. This may include tuition, books, student fees, housing, and other expenses incurred during your studies. Consider this to be the *full price of the diploma*, minus any grants or scholarships.

1. Did you complete a degree program?
   A. Yes
   B. No

2. Did you complete a certificate program?
   A. Yes

   B. No

3. List all institutions attended since high school, year completed, and degree/ certificate earned (Qualitative response box)

4. Did you use some form of student financial aid to finance your most recent degree/ certificate program?
   A. Yes
   B. No

5. From what institution is your most recent degree/ certificate?
   A. Old Dominion University
   B. Bryant and Stratton

6. How long has it been since the completion of your most recent degree/ certificate?

   A. 0 - 6 months

   B. 7 - 12 months

   C. 13 - 18 months

   D. 19 - 24 months

   E. Greater than 24 month

7. What level of education did you achieve from your most recent program?
   A. Certificate
   B. Associates Degree

C. Baccalaureate (Bachelors)
D. Graduate (Masters/ Doctorate)
E. Not completed/ in progress

8. What was your major/ area of study? (Qualitative response box)

9. I completed my certificate in 2 years or less.

A. Yes
B. No
C. Not Applicable

10. I completed my Associate's Degree in 4 years or less.

A. Yes
B. No

C. Not Applicable

11. I completed my Bachelor's Degree in 6 years or less.

A. Yes
B. No
C. Not Applicable

12. I completed my Master's Degree in 3 years or less.
A. Yes
B. No
C. Not Applicable

13. I completed my doctorate in 6 years or less.
A. Yes
B. No
C. Not Applicable

14. Of the financial aid that you utilized to finance your course of study, select any/ all that apply:

A. I borrowed all of the costs involved to complete my degree/ certificate.
B. I borrowed enough to cover the costs of tuition and books.
C. I borrowed enough to cover living expenses.
D. I only borrowed enough to cover minor incidental expenses.
E. I did not borrow any part of the costs of my higher education experience.

15. I received grants and/or scholarships to cover tuition expenses

A. Yes
B. No

16. I worked while completing my degree/ certificate:

A. Part-time, 1-10 hours per week.
B. Part-time 11-20 hours per week.
C. Part-time 21-36 hours per week.
D. I worked 37 hours or more per week.
E. I did not work while completing my degree/ certificate.

17. I utilized the G.I. Bill to cover the costs related to my education

A. Yes
B. No

18. My current earnings are:

A. In line with the education that I possess

B. More than others with my level of education

C. Less than what I expected to make with my level of education

D. I currently have no earnings.

19. From my most recent degree/certificate program, my student debt load is:

A. Less than $10,000
B. $ 10,001 - $20,000
C. $ 20,001 - $35,000
D. $ 35,001 - $50,000
E. Greater than $50,000

F. I prefer not to answer.

20. My total student loan debt (including other degrees/certificates) is:
    A. Less than $15,000
    B. $ 15,001 - $30,000
    C. $ 30,001 - $45,000
    D. $ 45,001 - $70,000
    E. Greater than $70,000
    F. I prefer not to answer.

21. Are you currently in the repayment phase of your loans?
    A. Yes
    B. No, In some form of deferment
    C. No, in default
    D. No, repayment not yet required

22. If you are in the repayment phase, how long have you been in repayment?
    A. 0-2 years
    B. 3-5 years
    C. 6-8 years
    D. More than 8 years
    E. Not in repayment

23. If you are in deferment, how long have you been deferring?
    A. Less than 1 year
    B. 1-2 years
    C. 3-4 years
    D. More than 4 years
    E. Not in deferment

24. If you are in default of a student loan, choose all that apply:
    A. I am currently unemployed
    B. I am currently underemployed
    C. Military deployment/ call to active duty
    D. Administrative error by institution or lender
    E. Medical issue
    F. Family issue
    G. Other reason beyond my control: (Qualitative response box)
    H. Not in default

25. If you are in default, what are the primary reasons that you would attribute the current default status?
    A. The job that I obtained related to my field of study does not pay enough to cover the loan payment.
    B. I was not aware that my monthly payment would be the amount that I am required to pay.
    C. The current job market has not allowed me to find a job within my field of study.
    D. Other: (Qualitative response box)
    E. I am not in default.

26. Are you currently employed?
    A. Yes
    B. No

27. If unemployed, are you actively seeking employment?
    A. Yes
    B. No

28. If you are currently employed, choose the option that best fits your situation:
    A. Full-time within my field of study.
    B. Full-time outside of my field of study.
    C. Part-time within my field of study.
    D. Part-time outside of my field of study.
    E. Not currently employed.

29. My education was well worth the costs involved with earning it.
    A. Strongly Disagree
    B. Disagree
    C. Neither Agree nor Disagree
    D. Agree
    E. Strongly Agree

30. My education prepared me to earn enough to repay my student loans.
    A. Strongly Disagree
    B. Disagree
    C. Neither Agree nor Disagree
    D. Agree
    E. Strongly Agree

31. If I had to do it over again, I would have studied something different.

A. Strongly Disagree
B. Disagree
C. Neither Agree nor Disagree
D. Agree
E. Strongly Agree

32. My education will pay off in the long-run.
    A. Strongly Disagree
    B. Disagree
    C. Neither Agree nor Disagree
    D. Agree
    E. Strongly Agree

33. I regret the education that I have earned.
    A. Strongly Disagree
    B. Disagree
    C. Neither Agree nor Disagree
    D. Agree
    E. Strongly Agree

34. My degree has added value to my life.
    A. Strongly Disagree
    B. Disagree
    C. Neither Agree nor Disagree
    D. Agree
    E. Strongly Agree

35. I intend to continue my studies in the future.
    A. Strongly Disagree
    B. Disagree
    C. Neither Agree nor Disagree
    D. Agree
    E. Strongly Agree

36. I am better off with my degree/certificate than I was prior to entering my studies.
    A. Strongly Disagree
    B. Disagree
    C. Neither Agree nor Disagree
    D. Agree
    E. Strongly Agree

37. My degree/certificate is worth the accumulated student debt.
    A. Strongly Disagree
    B. Disagree
    C. Neither Agree nor Disagree
    D. Agree
    E. Strongly Agree

38. I would recommend using student loans to cover the costs of a degree/ certificate.
    A. Strongly Disagree
    B. Disagree
    C. Neither Agree nor Disagree
    D. Agree
    E. Strongly Agree

39. Please indicate your age range:

    A. 18-22
    B. 23-27
    C. 28-35
    D. 36-45
    E. 46 and over

40. Please indicate your current income level.

    A. $ 0 – 10,000 annually
    B. $ 10,001 – 25,000 annually
    C. $ 25,001 – 50,000 annually
    D. $ 50,001 – 75,000 annually

1. Are you the first generation of your family to attend college?
    A. Yes
    B. No

2. My marital status can most accurately be described as:
    a. Married
    b. Domestic Partnership
    c. Widowed
    d. Divorced

e. Single

3. My gender is:
   a. Male
   b. Female
   c. Transgender

4. I primarily identify with the following race/ ethnicity:
   a. African American
   b. Caucasian/ White
   c. Latino/ Hispanic
   d. Asian/ Pacific Islander
   e. Native American/ Alaskan
   f. Other (Qualitative response box)
   g. Prefer not to answer

45. Based on your experiences, are there any other relevant details that you would like to add in reference to your thoughts on debt accrual in order to pay for higher education? (Qualitative response box)

Thank You!

Your anonymous responses based on your experiences are very valuable to this research. Your time is greatly appreciated.

APPENDIX C

HUMAN SUBJECTS REVIEW APPROVAL

OLD DOMINION UNIVERSITY
DARDEN COLLEGE OF EDUCATION
IDEA FUSION

DARDEN COLLEGE OF EDUCATION
Human Subject Committee
Norfolk, Virginia 23529-0156
Phone: (757) 683-6695
Fax: (757) 683-5756

October 15th, 2014 Approved Application Number: 201501054

Dr. Denis Gregory
Department of Educational Foundations and Leadership

Dear Dr. Gregory:

Your Application for Exempt Research with William Nuckols entitled "The Perception of the Value Added from Accruing Student Debt to Finance a Degree or Certificate from a Proprietary Institution of Higher Education: A Descriptive Study" has been found to be EXEMPT under Category 6.2 from IRB review by the Human Subjects Review Committee of the Darden College of Education.

The determination that this study is EXEMPT from IRB review is for an indefinite period of time provided no significant changes are made to your study. If any significant changes occur, notify me or the chair of this committee at that time and provide complete information regarding such changes. In the future, if this research project is funded externally, you must submit an application to the University IRB for approval to continue the study.

Best wishes in completing your study.

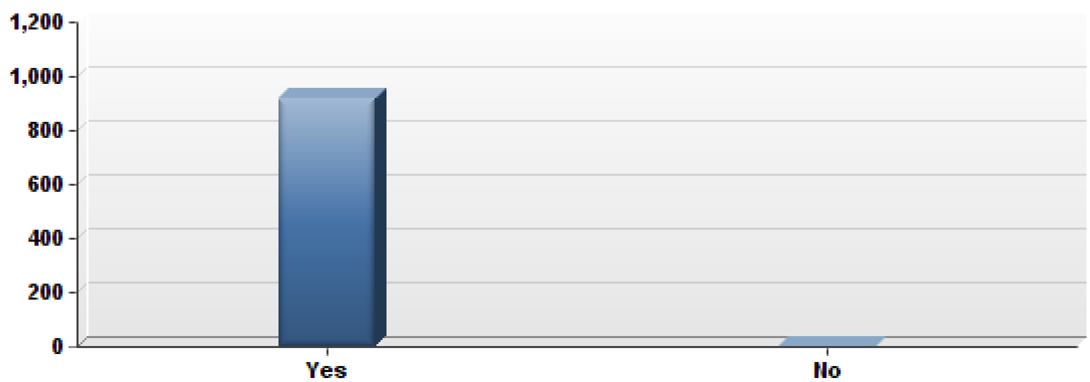
Sincerely,

Edwin Gómez, Ph.D., CPRP
Chair, Human Subjects Review, DCOE
Associate Professor and Coordinator of PRTS Program
Human Movement Sciences Department
Darden College of Education
Old Dominion University egomez@odu.edu

APPENDIX D

SURVEY RESPONSE INITIAL REPORT

1. Did you complete a degree program?



#	Answer		Response	%
1	Yes		921	100%
2	No		1	0%
	Total		922	100%

Statistic	Value
Min Value	1
Max Value	2
Mean	1.00
Variance	0.00
Standard Deviation	0.03
Total Responses	922

2. Did you complete a certificate program?

#	Answer		Response	%
1	Yes		110	12%
2	No		801	88%
	Total		911	100%

Statistic	Value
Min Value	1
Max Value	2
Mean	1.88
Variance	0.11
Standard Deviation	0.33
Total Responses	911

3. List all institutions attended since high school, year completed, and degree/ certificate earned.Text Response
Bryant & Stratton College 2010 Associate of Applied Science in Criminal Justice.
Cox High School Kent State University Tidewater Community College Old Dominion University
Old Dominion University - BS Criminal Justice and Master of Public Administration
Odu 2009. Bachelor of Science criminal justice
Old Dominion University, B.S. Mechanical Engineering confered 2010 San Jose State University, M.S. Mechanical Engineering confered 2012
Old Dominion University, 2008, Major: International Studies, Minor: Middle Eastern Studies
George Mason University - Bachelor of Arts 2005 ODU Master of Science 2008
Clover hill Tidewater community college Norfolk state university Old dominion university Richmond university
University of Kansas - no degree University of Colorado at Denver - no degree Old Dominion - Bachelor of Interdisciplinary Studies
Paul D. Camp CC --AS ODU -- BSBA ODU --MBA
Randolph-Macon College, 2006 Old Dominion University, 2008
Tidewater Community College, Associate of Arts, 2011 Old Dominion University, Bachelor of Arts, 2013
Odu 09-13, brooks inst. 02-03.
Old Dominion University 2013 Bachelor of Science in Communications
Churchland High School - 2007 Old Dominion UNiversity - 2011 - BS Chemistry
Old Dominion University, Bachelor of Science in Computer Science (minor in Applied Mathematics), 2010.
Old Dominion University - BS - International PoliSci 1992 Old Dominion University - BS - Intercultural Comm 1994 Grand Valley State University - MSEd - College Student Affairs and Leadership 1997 Old Dominion University - PhD - Higher Education Administration 2013

James Madison University - completed 2 years - 2006 Tidewater Community College - Associates Degree in Business Administration - 2009 Old Dominion University - Bachelors Degree in Business Administration - Finance/Accounting - 2011
Tidewater Community College- fall 2005-spring 2008- Associates in Social Science ODU- Fall 2008-Fall 2010- Bachelors of Science in Psychology
University of Virginia, 2007, Bachelor of Arts Old Dominion University, 2011, Master of Science - Education
Hiwassee College AA University of Tennessee BS Old Dominion U. MS Old Dominion U. Ed. S Hampton U. Ph.D canadate
Tidewater Community College, Old Dominion University
ODU 2006 BA in English ODU 2010 MA in English
Blue Ridge Community College-Transferred Old Dominion University-2013, Bachelor of Science Southern New Hampshire University-2016, MBA
Northern Virginia Community College 2005 Louisiana State University 1995 Tidewater Community College 2010 Old Dominion University 2011 BS in Geography, Minor in Oceanography, Certificate in GIS
Coastal Carolina University 2007-2008 Old Dominion University 2009- 2011, Bachelor of Arts Communications, Minor Psychology
DRMC School of Nursing RN 2002 DCC-pre-requisites ODU BSN 2011 MSN 2012
West Virginia University 2007-2008 Northern Virginia Community College 2008-2010, AA Liberal Arts Old Dominion University 2010-2013, BA History and BA International Studies
Rappahannock Community College, Associates of Applied Science, 2009 Old Dominion university, BS Civil Engineering Technology, 2013
Old Dominion University, 2012, BS Criminal Justice and BS Women's Studies
Ubc 2008 odu 2010 bachelor's of science

Tidewater community Old dominion
Old Dominion University: BS in Electrical Engineering, 2009 Old Dominion University: MS in Electrical Engineering, 2012
Germanna Community College Associates Degree in Accounting ODU Bachelors Degree in Finance
Old Dominion University 2009 BS Criminal Justice and Sociology
ODU- BS in Medical Technology (2009) ODU - MBA (2009-Present), Intended graduation date: 12/2014
Virginia Wesleyan College, 2009, Bachelor's Old Dominion University, 2011, Master's
Old Dominion University 2013 Bachelor of Science in Business Admin
BRYANT & STRATTON
ODU, 2012, Bachelor of Arts ODU, 2014, Master of Arts
Odu 2009 bsba
Lake Taylor High - Diploma ECPI - Certificate in Computer Technology Tiderwater Community College Old Dominion University - BS Degree in Education
Old Dominion University
Old Dominion University, B.Sc. in Business and Public Administration 2011
Tidewater Community College 2009 Liberal Arts Degree Old Dominion University 2011 Communication Degree American Hotel and Lodging Certificate
Old Dominion University 2011 BS in Recreation & Tourism Studies -emphasis in Therapeutic Recreation
Old dominion university bachelor of science and an MPA
College of William and Mary, 2004, BA Theatre Old Dominion University, 2011, BS Civil Engineering
Old Dominion University 2013 Bachelors of Science
Old Dominion University - Class of 2013 - B.S. Civil Engineering

Prince George High School, Old Dominion University
Tidewater Community College, 2009, A.S. Business Administration Old Dominion University, 2012, B.S. Business Administration
Shenandoah University-1990-Associate of Science Degree in Nursing Old Dominion University 2005-Bachelors Degree in Nursing & 2008 Masters Degree in Nursing
old dominion-B.A. university of the district of columbia david a. clarke school of law- J.D.
Bachelor of Science at Old Dominion University
Tidewater Community College, 2008, Associate's degree Old Dominion University, 2010, Bachelor's degree Old Dominion University, 2012, Master's degree
VT 2008, BS ODU, 2011, DPT
ODU 2008 BS ODU 2010 MA UMD 2014 PhD
ODU - Bachelor Science 2006 ODU - Master Public Administration 2009
Alma College, 2008, BS Old Dominion University, 2010, MSEd
Central Texas College Tidewater Community College Old Dominion University
Tidewater Community College - No degree earned, general ed courses taken Old Dominion University - Year Completed: 2011, Bachelor of Arts
Center for Financial Training 2000-2003 - Cosumer Lending; General Banking; Commercial Lending; Banking and Finance (4 Diplomas) Tidewater Tech 2004 Registered medical assistant (certificate)
Tidewater Community College 2009 Associate of Science Old Dominion University 2012 Bachelors of Science
ODU, Pompeu Fabra Universkty
Wytheville Community College, 1976, Associate Degree in Science/Nursing
Old Dominion University, 2009, Bachelor of Science, Communication
Old Dominion University

Old Dominion University, BS, Environmental Engineering Old Dominion University, MS, Environmental Engineering
Old Dominion University B.S. 2013 Salus University class of 2018. Au.D
ODU BS Arts & Letter 2012
University of Iowa, 2006, BA Psychology, minor Business, International Business Certificate Old Dominion University, 2008, MA International Studies
ODU, B.S- Civil Engineering, Dec. 2013 Longwood University, B.S- Physics, June. 2012
Blue ridge community college 2007 college transfer associate Odu 2009 bachelor of science in human services, minor in psych
College of William & Mary, 1984-1986 Paul D. Camp Community College, A.A.S. Police Science 2003 Paul D. Camp Community College, A.A.S. Corrections Science 2004 Old Dominion University, B.S. Criminal Justice 2009
Tidewater Community College - Associates of Social Sciences Old Dominion University - Bachelor of Science in Communication
Old Dominion University
Odu 2011 Bs comm
BSME from ODU, Dec 2013
American Broadcasting School, 2002, Diploma - Broadcasting J. Sargeant Reynolds Community College, 2008 - A.S. Science Old Dominion University, 2010 - B.S. Criminal Justice Strayer University, 2012 - MBA - Finance I have NEVER attended Bryant and Stratton College - my MBA was completed at Strayer University.
Lake Forest College, 2006 BA in Psychology Old Dominion University, 2010 MS Ed in Counseling
Ohio State University, 1977, Bachelor of Music Education Virginia Apprenticeship Council via Tidewater Community College, 1989, Journeyman Inside Machinist Old Dominion University, 2012, Master of Public Administration

Denbigh High School-diploma Thomas Nelson Community College- Associate of Science Old Dominion University- Bachelor of Science
Woodbridge Senior High School (2004-2008) ---> Advanced Diploma Old Dominion University (2008-2013) ---> B.S. in Biology
Russell Sage College - BS Old Dominion University - MA and PhD
Thomas Nelson Commuinty College Old Dominion University
George Mason university - did not complete, 1999 Northern Virginia community college - AA Liberal arts, 2007 Virginia Wesleyan college - BA English, 2010 Old Dominion university - MFA Creative writing (English), 2013
Old Dominion University, 2002-2006, BS Ocean, Earth, and Atmospheric Sciences Old Dominion UNiversity, 2009-2012, MSEd Higher Education Leadership
Virginia Tech- B.S. in Political Science, Class of 2010 Old Dominion University- M.A. in International Studies, Class of 2010 Old Dominion University- Graduate Certificate in Women's Studies, Received in 2010
Thomas Nelson Community College (AS) Social Sciences, Old Dominion University (BA) History/Secondary Education and Virginia Union University (M. Div) Pastoral Studies.
Old Dominion University Tidewater Community College for some elective classes
Massachusetts Maritime Academy, 2003-2004, none (transfer) George Mason Univ, 2004-2005, none (transfer) Old Dominion Univ, 2005-2010, BSME
Tidewater Communtiy College, 2008, Associates of Science, General Studies. Old Dominion University, 2011, Bachelor of Arts in History.
Tidewater Community College 2009 Associates of Science Old Dominion University 2012 Bacherlor's of Education Old Dominion University Dec 2014 Master's of Communication Science Disorders
Old dominion university, 2013, B.S. Human Services

Hampton University 2007 BS Marketing Old Dominion University 2011 Masters in Business Administration
ODU BSEET ODU MEngM
ODU, TCC, GWU
ODU
Old Dominion University, completed 2009, degree in mechanical engineering technology.
Old Dominion University, 2013, Bachelor's of Science
Liberty University- 2006/2007- none ODU- 2009-2013- Bachelor of Arts

Statistic	Value
Total Responses	859

4. Did you use some form of student financial aid to finance your most recent degree/ certificate program?

#	Answer		Response	%
1	Yes		725	79%
2	No		196	21%
	Total		921	100%

Statistic	Value
Min Value	1
Max Value	2
Mean	1.21
Variance	0.17
Standard Deviation	0.41
Total Responses	921

5. From what institution is your most recent degree/certificate?

#	Answer		Response	%
4	Old Dominion University		866	96%
5	Bryant and Stratton College		33	4%
	Total		899	100%

Statistic	Value
Min Value	4
Max Value	5
Mean	4.04
Variance	0.04
Standard Deviation	0.19
Total Responses	899

6. How long has it been since the completion of your most recent degree/ certificate?

#	Answer		Response	%
1	0 - 6 months		54	6%
2	7 - 12 months		86	9%
3	13 - 18 months		126	14%
4	19 - 24 months		102	11%
5	Greater than 24 months		545	60%
	Total		913	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	4.09
Variance	1.64
Standard Deviation	1.28
Total Responses	913

7. What level of education did you achieve from your most recent program?

#	Answer		Response	%
1	Certificate		12	1%
2	Associates Degree		23	3%
3	Bachelors Degree		515	56%
4	Graduate (Masters/ Doctorate)		341	37%
5	Not completed/ in progress		21	2%
	Total		912	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	3.37
Variance	0.41
Standard Deviation	0.64
Total Responses	912

8. What was your major area of study?Text Response
Criminal Justice
Business Management
Public Administration
Criminal justice
Mechanical Engineering with concentration in Thermodynamics and Heat Transfer
International Studies
Occupational and Technical Studies
Paralegal studies
Interdisciplinary Studies with a concentration in Business and Professional Writing
International Business
Education - Counseling
History / Foreign Languages and Literatures
History
Chemistry
Computer Science
Higher Education Leadership
Psychology
Higher Education
Educational Leadership
Psychology
English/Rhetoric and Composition
Psychology
Geography/GIS
Communications

Nursing
History, and International Studies
Psych
Civil Engineering Technology
Criminal Justice and Women's Studies
Criminal justice
Criminal Justice
Political science
Electrical Engineering
Finance
Criminal Justice
Health Sciences: Medical Technology
Higher Education
Business Management
CRIMINAL JUSTICE
Applied Linguistics
Business it
Education
Psychology
International Business
Communication
Recreation & Tourism Studies
public administration
Civil Engineering
Corporate Communication

Civil Engineering
Professional Communication
International Business
Women's Health Nurse Practitioner
political science, history and law
Biology
Psychology
Physical therapy
criminology
Public Administration
Human Movement Science
English education
History
Marine biology
Communications with a double minor in Spanish and Marketing
Community Health and minor in Management
Communication
Political science
Environmental Engineering
Speech Pathology and Audiology
Women's studies
International Studies
Civil Engineering
Human services
Criminal Justice

Communication
Political Science
Comm marketing pr
Mechanical Engineering
Business Administration with a concentration in Finance
Counseling
Public Administration
Human Services
Biology (Pre-Vet concentration)
Public administration/urban policy
Ocean and Earth Science Geology GIS
Creative writing / English
Higher Education Leadership
International Studies
Theology
Mechanical Engineering Technology
Mechanical Engineering
History
Speech Language Pathology and Sociology
Human services
Business Adminstration
Engineering Management
Engineering Management
Electrical Engg.
Marketing

Mechanical Engineering
Interdisciplinary Studies

Statistic	Value
Total Responses	877

9. I completed my certificate in 2 years or less.

#	Answer		Response	%
1	Yes		79	9%
2	No		107	12%
3	Not Applicable		718	79%
	Total		904	100%

Statistic	Value
Min Value	1
Max Value	3
Mean	2.71
Variance	0.38
Standard Deviation	0.62
Total Responses	904

10. I completed my Associate's Degree in 3 years or less.

#	Answer		Response	%
1	Yes		198	22%
2	No		96	11%
3	Not Applicable		609	67%
	Total		903	100%

Statistic	Value
Min Value	1
Max Value	3
Mean	2.46
Variance	0.69
Standard Deviation	0.83
Total Responses	903

11. I completed my Bachelor's Degree in 6 years or less.

#	Answer		Response	%
1	Yes		787	88%
2	No		75	8%
3	Not Applicable		37	4%
	Total		899	100%

Statistic	Value
Min Value	1
Max Value	3
Mean	1.17
Variance	0.22
Standard Deviation	0.47
Total Responses	899

12. I completed my Master's Degree in 3 years or less.

#	Answer		Response	%
1	Yes		306	34%
2	No		54	6%
3	Not Applicable		537	60%
	Total		897	100%

Statistic	Value
Min Value	1
Max Value	3
Mean	2.26
Variance	0.87
Standard Deviation	0.94
Total Responses	897

13. I completed my Doctorate degree in 6 years or less.

#	Answer		Response	%
4	Yes		59	7%
5	No		13	1%
6	Not Applicable		827	92%
	Total		899	100%

Statistic	Value
Min Value	4
Max Value	6
Mean	5.85
Variance	0.26
Standard Deviation	0.51
Total Responses	899

14. Of the financial aid that you utilized to finance your most recent degree or certificate, select any / all that apply.#	Answer		Response	%
1	I borrowed ALL of the costs involved to complete my degree/ certificate.		293	33%
2	I borrowed enough to cover the costs of tuition and books.		334	38%

3	I borrowed enough to cover living expenses.		134	15%
4	I only borrowed enough to cover minor incidental expenses.		52	6%
5	I did not borrow any part of the costs of my higher education experience.		230	26%

Statistic	Value
Min Value	1
Max Value	5
Total Responses	887

15. I received grants and/ or scholarships to cover tuition expenses and/ or costs.

#	Answer		Response	%
1	Yes		499	56%
2	No		391	44%
	Total		890	100%

Statistic	Value
Min Value	1
Max Value	2
Mean	1.44
Variance	0.25
Standard Deviation	0.50
Total Responses	890

16. If you are in default, what are the primary reasons that you would attribute the current default status? (select all that apply)#	Answer		Response	%
1	The job that I obtained related to my field of study does not pay enough to cover the loan payment.		22	3%

2	I was not aware that my monthly payment would be the amount that I am required to pay.		7	1%
3	The current job market has not allowed me to find a job within my field of study.		28	3%
4	Other:		11	1%
5	I am not in default.		781	94%

Other:
The military is making payments on my loans as I qualified for up to $25,000 of loan repayment. I am only responsible for the interest that has built up on the loan
Other life financial obligations.
I am not in default, however, sometimes i have to make arragements for reduced payments b/c I do not make enough to cover all of the expenses. I was not aware of how high the payment would be.
just too much in conjunction with other bills
Employer paid for expense of earning Master degree.
My S*** Is Paid Off!!!!!!!
Im switching careers
I make more with my HVAC-R apprenticeship being a mechanic than an entry level job in my Degree field.
not yet employed because still in school
I am having to work part-time because it is hard in the current job market to find a full-time job in my field
I can not find a full time position. Only part time.

Statistic	Value
Min Value	1
Max Value	5
Total Responses	833

17. I worked while completing my degree/ certificate:

#	Answer		Response	%
1	Part-time, 1-10 hours per week		55	6%
2	Part-time, 11-20 hours per week		190	21%
3	Part-time, 21-36 hours per week		222	25%
4	I worked 37 hours or more per week.		318	36%
5	I did not work while completing my degree/ certificate.		109	12%
	Total		894	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	3.26
Variance	1.23
Standard Deviation	1.11
Total Responses	894

18. I utilized the G.I. Bill to cover the costs related to my education.

#	Answer		Response	%
1	Yes		82	9%
2	No		807	91%
	Total		889	100%

Statistic	Value
Min Value	1
Max Value	2
Mean	1.91
Variance	0.08
Standard Deviation	0.29
Total Responses	889

19. My current earnings are:

#	Answer		Response	%
1	In line with the education that I possess		338	38%
2	More than others with my level of education		91	10%
3	Less than what I expected to make with my level of education		400	45%
4	I currently have no earnings.		62	7%
	Total		891	100%

Statistic	Value
Min Value	1
Max Value	4
Mean	2.21
Variance	1.06
Standard Deviation	1.03
Total Responses	891

20. From my most recent degree/ certificate program, my student debt load is:

#	Answer		Response	%
1	Less than $10,000		321	36%
2	$10,001 - $20,000		100	11%
3	$20,001 - $35,000		200	23%
4	$35,001 - $50,000		122	14%
5	Greater than $50,000		117	13%
6	I prefer not to answer.		25	3%
	Total		885	100%

Statistic	Value
Min Value	1
Max Value	6
Mean	2.65
Variance	2.36
Standard Deviation	1.54
Total Responses	885

21. My total student loan debt (including other degrees/ certificates) is:

#	Answer		Response	%
1	Less than $15,000		316	36%
2	$15,001 - $30,000		176	20%
3	$30,001 - $45,000		112	13%
4	$45,001 - $70,000		147	17%
5	Greater than $70,000		108	12%
6	I prefer not to answer.		26	3%
	Total		885	100%

Statistic	Value
Min Value	1
Max Value	6
Mean	2.59
Variance	2.38
Standard Deviation	1.54
Total Responses	885

22. Are you currently in the repayment phase of your loans?

#	Answer		Response	%
1	Yes		449	55%
2	No, in some form of deferment		129	16%
3	No, in default		18	2%
4	No, repayment not yet required		218	27%
	Total		814	100%

Statistic	Value
Min Value	1
Max Value	4
Mean	2.01
Variance	1.65
Standard Deviation	1.28
Total Responses	814

23. If you are in the repayment phase, how long have you been in repayment?

#	Answer		Response	%
1	0-2 years		256	31%
2	3-5 years		160	19%
3	6-8 years		28	3%
4	More than 8 years		22	3%
5	Not in repayment phase		365	44%
	Total		831	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	3.10
Variance	3.20
Standard Deviation	1.79
Total Responses	831

24. If you are in deferment, how long have you been deferring?

#	Answer		Response	%
1	Less than 1 year		57	7%
2	1-2 years		63	8%
3	3-4 years		26	3%
4	More than 4 years		15	2%
5	Not in deferment		672	81%
	Total		833	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	4.42
Variance	1.58
Standard Deviation	1.26
Total Responses	833

25. If you are in default of a student loan, choose all that apply:

#	Answer		Response	%
1	I am currently unemployed		18	2%
2	I am currently underemployed		28	3%
3	Military deployment/ call to active duty		3	0%
4	Administrative error by institution or lender		0	0%
5	Medical issue		2	0%
6	Family issue		5	1%
7	Other reason beyond my control		15	2%
8	Not in default		778	93%

Other reason beyond my control
Was unemployed for 6 months in 2013
I am not in default, but I am behind- financial stress is high
I owe no money from earning my Master degree from ODU because my employer paid all costs.
My S*** Is Paid Off!!!!!!!
I dont have any student loans to repay
Health Care bill increased my family's healthcare costs by $620 per month.
only working part time don't have enough to pay
No debt
This survey is bias, there is no option for having paid back student loans. Your results are not going to be valid
I selected in repayment, because there was no "paid off" selection available. I have paid back my loans in full.
Don't make enough
Couldn't find a job in my career so i have to temporarily settle with retail
Peace Corps

Statistic	Value
Min Value	1
Max Value	8
Total Responses	833

26. Are you currently employed?

#	Answer		Response	%
1	Yes		807	93%
2	No		58	7%
	Total		865	100%

Statistic	Value
Min Value	1
Max Value	2
Mean	1.07
Variance	0.06
Standard Deviation	0.25
Total Responses	865

27. If unemployed, are you actively seeking employment?

#	Answer		Response	%
1	Yes		73	21%
2	No		268	79%
	Total		341	100%

Statistic	Value
Min Value	1
Max Value	2
Mean	1.79
Variance	0.17
Standard Deviation	0.41
Total Responses	341

28. If you are currently employed, choose the option that best fits your situation:

#	Answer		Response	%
1	Full-time, within my field of study		476	55%
2	Full-time, outside of my field of study		211	24%
3	Part-time within my field of study		69	8%
4	Part-time outside of my field of study		48	6%
5	Not currently employed		59	7%
	Total		863	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	1.84
Variance	1.45
Standard Deviation	1.20
Total Responses	863

29. My education was well worth the costs involved with earning it.

#	Answer		Response	%
1	Strongly Disagree		90	11%
2	Disagree		141	16%
3	Neither Agree nor Disagree		142	17%
4	Agree		280	33%
5	Strongly Agree		204	24%
	Total		857	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	3.43
Variance	1.68
Standard Deviation	1.30
Total Responses	857

30. My education prepared me to earn enough to repay my student loans.

#	Answer		Response	%
1	Strongly Disagree		138	16%
2	Disagree		187	22%
3	Neither Agree nor Disagree		234	28%
4	Agree		165	20%
5	Strongly Agree		115	14%
	Total		839	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	2.92
Variance	1.62
Standard Deviation	1.27
Total Responses	839

31. If I had to do it all over again, I would have studied something different.

#	Answer		Response	%
1	Strongly Disagree		192	22%
2	Disagree		195	23%
3	Neither Agree nor Disagree		155	18%
4	Agree		187	22%
5	Strongly Agree		129	15%
	Total		858	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	2.84
Variance	1.92
Standard Deviation	1.39
Total Responses	858

32. My education will pay off in the long run.

#	Answer		Response	%
1	Strongly Disagree		31	4%
2	Disagree		53	6%
3	Neither Agree nor Disagree		136	16%
4	Agree		347	41%
5	Strongly Agree		288	34%
	Total		855	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	3.95
Variance	1.07
Standard Deviation	1.03
Total Responses	855

33. I regret the education that I have earned.

#	Answer		Response	%
1	Strongly Disagree		430	50%
2	Disagree		276	32%
3	Neither Agree nor Disagree		90	10%
4	Agree		43	5%
5	Strongly Agree		19	2%
	Total		858	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	1.77
Variance	0.95
Standard Deviation	0.98
Total Responses	858

34. My degree/ certificate has added value to my life.

#	Answer		Response	%
1	Strongly Disagree		24	3%
2	Disagree		25	3%
3	Neither Agree nor Disagree		100	12%
4	Agree		388	46%
5	Strongly Agree		310	37%
	Total		847	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	4.10
Variance	0.85
Standard Deviation	0.92
Total Responses	847

35. I intend to continue my studies in the future.

#	Answer		Response	%
1	Strongly Disagree		45	5%
2	Disagree		93	11%
3	Neither Agree nor Disagree		200	23%
4	Agree		299	35%
5	Strongly Agree		217	25%
	Total		854	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	3.64
Variance	1.27
Standard Deviation	1.13
Total Responses	854

36. I am better off with my degree/ certificate than I was prior to entering my studies.

#	Answer		Response	%
1	Strongly Disagree		29	3%
2	Disagree		35	4%
3	Neither Agree nor Disagree		112	13%
4	Agree		371	44%
5	Strongly Agree		303	36%
	Total		850	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	4.04
Variance	0.96
Standard Deviation	0.98
Total Responses	850

37. My degree/ certificate is worth the accumulated student debt.

#	Answer		Response	%
1	Strongly Disagree		109	13%
2	Disagree		167	20%
3	Neither Agree nor Disagree		282	34%
4	Agree		170	20%
5	Strongly Agree		112	13%
	Total		840	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	3.01
Variance	1.46
Standard Deviation	1.21
Total Responses	840

38. I would recommend using student loans to cover the costs of a degree/ certificate.

#	Answer		Response	%
1	Strongly Disagree		160	19%
2	Disagree		179	21%
3	Neither Agree nor Disagree		272	32%
4	Agree		190	22%
5	Strongly Agree		47	6%
	Total		848	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	2.75
Variance	1.35
Standard Deviation	1.16
Total Responses	848

39. Please indicate your age range.

#	Answer		Response	%
1	18 - 22		8	1%
2	23 - 27		341	40%
3	28 - 35		295	35%
4	36 - 45		121	14%
5	46 and over		85	10%
	Total		850	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	2.92
Variance	0.98
Standard Deviation	0.99
Total Responses	850

40. Please indicate your current income level.

#	Answer		Response	%
1	$0 - $10,000 annually		84	10%
2	$10,001 - $25,000 annually		111	13%
3	$25,001 - $50,000 annually		317	37%
4	$50,001 - $75,000 annually		192	23%
5	Greater than $75,000 annually		144	17%
	Total		848	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	3.24
Variance	1.38
Standard Deviation	1.17
Total Responses	848

41. Are you the first generation of your family to attend college?

#	Answer		Response	%
1	Yes		340	40%
2	No		509	60%
	Total		849	100%

Statistic	Value
Min Value	1
Max Value	2
Mean	1.60
Variance	0.24
Standard Deviation	0.49
Total Responses	849

42. My marital status can most accurately be described as:

#	Answer		Response	%
1	Married		389	46%
2	Domestic Partnership		29	3%
3	Widowed		8	1%
4	Divorced		44	5%
5	Single		381	45%
	Total		851	100%

Statistic	Value
Min Value	1
Max Value	5
Mean	3.00
Variance	3.71
Standard Deviation	1.93
Total Responses	851

43. My gender is:

#	Answer		Response	%
1	Male		298	35%
2	Female		550	65%
3	Transgender		1	0%
	Total		849	100%

Statistic	Value
Min Value	1
Max Value	3
Mean	1.65
Variance	0.23
Standard Deviation	0.48
Total Responses	849

44. I primarily identify with the following race/ ethnicity:

#	Answer		Response	%
1	African American		166	20%
2	Caucasian/ White		579	68%
3	Latino/ Hispanic		27	3%
4	Asian/ Pacific Islander		30	4%
5	Native American/ Alaskan		7	1%
6	Other		16	2%
7	Prefer not to answer		24	3%
	Total		849	100%

Other
Hispanic/Caucasian
Caucasian and Native American
Human
American
african
African
human
Human
Asian/White
dad Iranian, Mother American- skin caucasian born in US
Black American
White/Pacific Islander
biracial

Statistic	Value
Min Value	1
Max Value	7
Mean	2.15
Variance	1.43
Standard Deviation	1.20
Total Responses	849

45. Based on your experiences, are there any other relevant details that you would like to add in reference to your thoughts on debt accrual in order to pay for higher education?Text Response
Taking on student loans allowed me to complete my BS and MS in 6 years. I have fully paid off my student loans after 24 months. I cannot express how important my degrees are to me and my family.
I do not have student load debt because my parents paid it off as we went along. That is why I left some answers blank. I have no idea what it would be like to pay student load debt. Seems scary.
I accrued debt at the University of Kansas, which I paid off roughly ten years later. When I went to Old Dominion, I paid out of pocket but was fully reimbursed by my employer's tuition reimbursement program.
Wish I could play sports so I could go to school for free.
I think that it would be worth noting my parents paid for my entire tuition (I was an instate student). They purchased a Virginia 529 prepaid plan in 1995 and I attended college directly after graduating in 2009. Also I only took out loans strictly to live at school for my junior and senior year. So my current debt was only from two years of housing.
I have no college debt since I had a full scholarship so some of these questions did not apply to me.
Paying tens (or hundreds) of thousands of dollars for a BA or BS is very foolish, unless that BA or BS is nearly guaranteed to get you a job that can pay that back. I would not attend graduate school unless I had grants, scholarships, or other non-loan financial aid to cover 90% of the costs. MBAs are a special case as they often don't have this, and I'd think long and hard on what an MBA would give me that would make it worth it.
I probably could've saved more money from having to take out loans if I had done better as an undergrad. There weren't any merit-based tuition breaks headed my way for graduate school, so I knew I'd be paying for most of it with loans going into the process.

Although I put great value on having an education and degree, I do not believe it is worth the money you end up paying. Between my husband and I, our student loans combined are the same amount as our mortgage monthly. Both of our degress are in Psychology but I am a Financial Analyst and he is a Welder. I do wish I had studied something different in college, but I would probably still be doing the same exact thing that I am right and now probably being paid the same regardless. I always say that my degree is the most expensive piece of paper I have ever paid for.
I was lucky to not have to completely fund my education with student loans. I would not be doing as well as I am financially if I had the equivalent of a mortgage to repay.
My debt is mainly because of Sallie Mae. The interest they charge is ridiculous and the reason my debt is such a burden is because they make it so that there is no way to ever pay it off. In the three plus years I have been repaying, my total debt has not been knocked down more than a few hundred dollars. I pay every month, on time and even try to pay a little extra but it doesn't work. Furthermore, I also have loans through the government and am on an income based repayment that is in line with my total earnings of $19,000 a year. At least that is manageable, but I am so upset with universities telling students to apply for high interest rate private loans when we have no idea about the repercussions or any way to get out of the debt. Sallie Mae and other private loan institutions make it so you spend the rest of your life in debt. There should be forgiveness after a certain time or a cap on the amount of interest they can charge you.
University should not cost as much as it does. The Federal Government has let down millions of students by allowing the price of college to be what it is.
The for profit schools are a ponzu scheme
My employer paid for part of my continued education.
n/a
I'm graduating with my MBA this December with no debt. I was able to repay the loans that I acquired during the graduate program in the previous year.

I FEEL AS THOUGH I WA OVERCHARGED. MY SISTER GRADUATED FROM ODU WITH A MASTERS AND DIDNT ACQUIRE THE DEBT I DID IN FACT NOT EVEN HALF.
It is ridiculous! I owe money, that I will never be able to repay. No one should have to go through spending this type of money, for an education. The saddest thing is is that no one cares. You better yourself, only to be let down by those who promise you a raise. I don't even make enough money from one paycheck, to cover my rent. I'm so disappointed We need student loan debts forgiven by at least 50% or 100% forgiven.
If we were forgiven for just half of our debts, this generation could put so much more back into the economy. My loans were all private. Other debt was accused because I dropped an ROTC scholarship. They wanted a lump sum of $30k!! I pay almost $1,000 a month in student loans. It is disgusting and discouraging.
When I was younger it was instill in me that if you go to college upon graduating you will get a great job offer. Out of 25 of my friends from college 3 of them are working in the field that they went to school for. If I could do it all over again I don't think I would have went to college or at the very least attended after finding employment with a company who was willing to pay for my schooling.
I plan on going into graduate school, but hesitate to take out student loans for it. If I do not get into a military scholarship program, I am unsure if I am willing to incur the debt of medical school.
None
I worked full time while pursuing the masters degree. The company I work for paid the full cost of my masters degree. My undergraduate degree (BS) was paid for with scholarships and savings. I was fortunate that I did not need student loans. I have a number of friends who use a lack of funding as an excuse not to obtain a necessary education. If I were in their shoes, I would borrow whatever it took to complete my degree as soon as possible to start earning a higher wage.

Though I answered yes to the question of whether or not I am in the repayment phase of my loans, that was only because no answer fit and if I hadn't paid them in full within the first year of that phase, I would currently be paying. That being said, I began paying on my loans in November and paid my loans in full in October of the following year.
Though it took me longer to complete, taking the time to serve in the navy before going to college helped prepare me for college both financially and maturity wise.
I believe a college education is really a waste of money. I spent $30,000 getting a degree to not make enough money to live on my own. The only reason I say it did me some good is because I've gotten jobs solely on the fact that I have a degree because college is seen as an obstacle course and I completed it. The only reason I am able to pay off student debt now is because I married a man who didn't have any debt as his parents were well off. Before I married him and after my student loans entered repayment, I couldn't feed myself because my student loan bills were over $500 a month. If I cannot pay for my children to go to college, I will recommend they join the military or hope they can throw a ball and get a full scholarship. There is no sense in entering into adulthood that far in debt. Who can recover from $30,000+ in debt at 22?
Interest rates are far too high
My responses may not be valid as I was fortunate to have tuition reimbursement available through my employer. I was reimbursed 100% of my tuition and books, thus I incurred no debt, no student loans, etc.

The current system of students earning exorbitant amounts of debt to finance a college degree or certificate in today's job market where is insane. The United States as a whole is failing its college students at all levels by: 1) Failing to inadequately prepare prospective students for what life will be like with five figures of student loan debt but no real employment opportunities 2) Essentially requiring citizens to go into debt tens, if not hundreds of thousands of dollars, to even stand a chance of being competitive in the job market 3) Having little or no political will among both so-called elected "Leaders", or in the general public, to change public policy and/or reallocate government resources to ease the burden of a higher education. The system is failing everybody except those who directly profit from the substantial debt of the students. There is virtually no other way to look at the state of higher education today.
My parents fully covered my undergraduate degree, but they did not pay any part of my graduate degree. For the first year of my Master's, I have a partial scholarship, and I covered the remainder of my tuition with income from previous internships. For the last 3 semesters of my graduate degree, I was employed full time to do research at HRSD. The research was my Master's thesis, and they covered all of my tuition, as well as paying me a salary. Therefore I escaped school with two degrees and no debt. For a science, business, or technical degree I believe it is worth it to go into debt to achieve the degree. However I believe a humanities degree is a luxury of the rich as the cost benefits will take a lifetime to achieve.
it'd be better if there were lower interest rates, as most of the time the payment is towards interest accured rather than the principle
N/a. I have no debt. It was paid off before my graduation. Scholarships and previous employer paid for most
I did not have any student loans, and owe no money on education-related loans. I did, however, receive $21,000 in grants/scholarships throughout my college years ($20,000 from ODU, $1,000 from Chick-Fil-A scholarship).

For profit colleges seem to not care about the amount of debt that students incur, nor do they seem to care about the quality of the education they provide -churning out degree holders as long as they are able to pay. In addition, the costs of higher education lean toward an elitist model due to the high costs and surging tuition increases as well as demands on time (only full-time programs available for those in a field that is guaranteed to make money upon graduation i.e. medical or law degrees). This effectively weeds out any students who must work full-time as well as attend classes in order to support themselves and/or their families while in school.
I was able to use grants to cover tuition only, not books or other expenses.
I have currently paid off all of my student loans for undergrad and master's degree. I did not take out loans for my PhD - since I was working full-time at ODU, I received one class a semester paid for by the university.
Student loans escpially private are a rip off. No one in a society should have to accrue so much debt in order to better themselves.
I am a poet, so I think my degree and experience getting it pay in ways which are not necessarily financial. That said, I am working in a related field, but it took six months to find that position. Overall, I would caution students against entering college directly out of high school, against student loans, and against studying a subject because of the perceived financial reward. Don't think a BA degree will get you anywhere. It's who you know. Finally, the bubble of student loans is a dangerous trend in our economy. This speaks to bigger issues such as the country's priorities.
Although my total loan debt accrued was close to $30k, after my parents covered loans from undergrad and I utilized a loan forgiveness program through the DOE for teaching in a high-need area, I am only responsible for repaying $8500 in student loans.

I was fortunate enough to have my parents pay for my undergraduate degree. Had they not done so I would not have decided to enter graduate school directly following graduation from Virginia Tech. During graduate school I did work, but also lived very comfortably. In hind sight, I would probably have been able to owe about $10,000 less than I currently do. I kept the full amount of my student loans both years to provide some "padding" for myself upon entering the work force. One of the factors that put me at a disadvantage when looking for a job upon graduation was the fact that I did not have work experience when entering the job field. During my job search I felt that I was over educated and under experienced for many of the positions I was interested in. Overall, many of the jobs I applied for stated that a Master's degree was "preferred" and I knew that I would eventually want to pursue a higher degree. Therefore, I'm now glad that I do not have to attend graduate school while working full-time, however in retrospect I should have attempted to only borrow for tuition and books and covered living expenses with my part-time jobs. Best of luck with your thesis!
Education is invaluable. Unfortunately the cost of education continues to grow and most people only have so much money to spend on education. The federal student loan program is a viable way of paying for school and should be used when possible. Repayment is easy and you can defer your loans after school without penalty if finding a job is difficult. It's a good program for those who understand that repaying those loans is a priority as interest will continue to build if they are not paid off in a reasonable time frame. Education costs a lot. But not having one will cost you more in the long run. It's an investment in the future
No, I did not accrue any debt.
I honestly feel that the government and the schools that receive help from federal funding are in a money making circle jerk. I hate that my education is worthless compared to a colleague that didn't continue her education. And I equate “worthless” as the income she receives compared the income I receive.

Wish I had worled and gone to a local community college to fulfill my general education requirements. I believe paying out of pocket for non-degree specific classes would have lessen the ampunt of debt accrual and would have guven me morw opportunity to mature and find out if a 4 year college was best for me, and if so, what degree would allow me to have the lifestyle I truly desire. I applied to my current employment simply to work pay my loan debt.
When I first got to ODU the prices for credit hours was the reason I chose to go there. However, they were raised every year. It seemed to sky rocket once the football team was being assembled. I would suggest that you re-evaluate your price hikes every year and propose that you do a locked in price from the start date till one finishes their higher education. That is only if you feel the need to continue raising your prices every year. If you continue to raise the prices every year it would be nice to know why, and actually see more come out of it for the student then just wondering where the extra money went.
If you can pay for it out of pocket, do it. The loans can be overbearing when it is time to start repaying them. If only I was told then what I know now. "Only borrow what you need." Try to find all the 'FREE' that is available for you before considering borrowing a student loan.
I did what my brother calls "recreational education" one semester at a time for many years. I did not incur an debt and went several semesters with the age tuition exeption both at TCC and ODU. I am 73 years old and not looking for employment. I believe debt would be worth it for a younger person who could not afford college without it.
I am not sure I answered the debt repayment questions correctly. I joined the Army which payed off all my loans. I am now debt free only because of the Army. I do not regret my decision to serve but it was mostly financial based to pay off my loans that I otherwise would have taken a long time to pay off.

I wish I had taken longer to decide on my major. I have a degree in history because I wanted (and still want) to teach, but I have been unable to get a job in that field despite having great test scores, a high GPA, volunteer hours, my teaching license, and a published book on digital literacy. The job market is very poor for teachers, especially male history teachers with no experience teaching or coaching. I am willing to throw myself into a job, volunteer for every after-school program I can, and make a difference in education, but there are just not enough jobs even in the most remote areas of Virginia, North Carolina, and Maryland. I enjoyed the time I spent at ODU and undoubtedly learned and grew, but debt is a crushing reminder that I may have made the wrong decision.
Did not seek out any type of loan or scholarship
The results from my survey may skew the results. I answered unemployed, but I am currently staying home with my twin babies. Prior to this, I was making about $40,000 per year teaching. Also, there is no option for those of us who have paid off their loans. I graduated with $20,000 worth of loans for both degrees, but I have paid them off as of May 2014.
I have a M.A. in English. I have been looking for a full time job for over three years now. If you have a M.A. in English it essentially makes you unhireable in every since of the word. Companies will not hire you with a master's degree for an entry position because you are "overqualified." However, the same companies will not hire you for an experienced position because you are "under-qualified." I am stuck working as an adjunct, and my life is hell. I have a M.A., I make less than 20k a year, and I cannot find anything other than part time employment. I wouldn't wish this life on my worst enemy. I feel like I could have had a better chance at adult life if someone had told me at 18 to lose a little weight and become a stripper. I call my degree from ODU the biggest mistake of my adult life, and now I'm suck with a monthly reminder (a bill) of my poor choices. I took out just over 15k to pay for my M.A. (which really isn't bad compared to what many people have in loan debt), and I regret every moment of that decision.

If you know you will go into college and do not have the luxury of having your parents pay a substantial if not all of your education, that individual should go to a community college first. It is cheaper, it is easier, and you will have greater opportunities to go to colleges than you may have had coming straight out of college. I know people on both sides, ones of which have a substantial amount of debt and others that have near to none. The ones that have a substantial amount of debt would've went to a community college if they knew how much debt they would accumulate. The ones that have near to no debt, worked while attending community college and accumulated little to no debt during that time (these individuals are doing much better after college than the others). Maybe high schooler's should learn about this. Probably a smart move, lets consider it.
My debt answer is based upon my undergraduate degree and masters experience. Both are paid off.
Having the Federal Government involved in the student loan process is not the best use of our government's resources. Allowing parents and other to co-sign student loans is putting people at risk of default who do not directly benefit from the education. I have not taken any student loans to cover any of my higher education, but paid as I went, one or two classes at a time. I have invested in the pre-paid tuition plan for my child to attend college, so his tuition will be covered when he decides to attend school.
Every major should require an internship
Thank you so much for your decision to survey ODU Alum on student debt. While I don't regret my decision to pursue a college education, from time to time I do wonder what benefits my education has provided. Since graduating in 2010, I've struggled to find employment in my field. I've been a contractor more often than an associate, I was laid off last December, and I have been offered pay far less than I deserve, although I have the skills and education employers seek. Now that my loan deferment is expiring, I have no idea what to do other than request another deferment and accrue greater interest on loans. As a contractor, the duration of the role can end anytime. With my bills, I just cannot afford to pay loans back. I'm very happy that you chose to speak on this matter.

The cost of a graduate education is greater than the potential earnings, especially if obtaining a master's degree. A doctoral degree is the new minimum requirement for most fields, even when original research has very little bearing on the job requirements. In the job market, I frequently heard that I could not earn more than $30,000 per year without a doctoral degree, additional administrative responsibilities, or both, and the jobs available to me all required 60-plus hour work weeks with fixed pay, no overtime, no healthcare benefits, and no vacation or sick leave. I was looking for academic employment and worked at universities. If the universities themselves are saying your education is not worth what you paid for it in terms of compensation, that is a bellwether that shouldn't be ignored.

ODU was affordable, but a lot of institutions are not. I hope that colleges and universities are doing enough to inform and guide new students regarding how much college is truly going to cost and how it will be paid for.

A large percentage of students would benefits from some form of financial literacy prior to octaining student loans.

To clarify and inform some of my answers, I'd like to say that I do believe in the value of higher education. The level of intellect and sophistication it provides are absolutely essential to remain competitive as a nation and to contribute to human advancement in general. However, I believe schools are price gouging the costs of this higher education and that the government is somehow profiting off of the student loan subsidies it provides. When asked if the degrees I obtained were worth the debt I accrued, I replied "disagree", but that only applies to my law degree. I thought the in-state tuition at ODU was very reasonable, and that my access to grant/scholarship money at ODU was phenomenal. I walked away with very little student loan debt from ODU (because I was making straight A's and started getting scholarship money from the school). However, in law school, there is a different system at play altogether. My school was a private, for-profit law school. When I started, it was ranked in the top 100 law schools in the country, but by the time I graduated, we weren't on that list anymore (descending to 113 or something). However, the institution charged the same tuition (maybe even more) as tier 1 law schools (like Harvard and Yale) and raised tuition each year I was there. In a field where the name of the law school you attended probably matters more than your individual competency to practice law, I believe that law schools should charge students based on the tier they're on (and thus the level of opportunity they provide). Sure you have some that graduate from lower tier law schools and go on to become very successful, landing in top firms, but the ratio is very few. Most of us have to scrounge and fight for even meager, public interest legal work. Furthermore, I certainly don't think that a law schools (or any school for that matter) should be able to continue to charge students more money when the quality of the institution is descending (as evinced by national polls). I remember having old computers in our computer lab and thinking, "Where is all my money going?" I feel as if some colleges and universities take advantage of the aspirations of students dreaming for a better life, by charging exorbitant prices because they know the government will subsidize them. It's akin to the housing crisis that resulted in the financial meltdown of 2008, except instead of inflating the value of home, they are inflating the value of our degree programs.

There should be more loan forgiveness options and more grants/scholarships offered to graduate students.
This survey seems to imply that every student pursuing a degree or certification assumes some type of debt which is simply not true. Many students are able to work while in school and save money to pay for classes rather than borrow money which is apparently unheard of. Better yet, many are fortunate enough to have a college fund available. After attending a four year college working my way through while many of my peers lived off student loans, I saw the way they were spending (or should I saw abusing) the borrowed money and it comes to no surprise recent graduates are buried under a mountain of debt. They are given "free" money with no idea how to manage it. They are told to get a degree and a good job will come with it - so they pay tens of thousands of dollars for a degree and some lucky graduates land a quality job out of school. Then many others are shocked when the best job they can find (if any) pays $10/hour because their art/photography/human resources degree makes them about as useful as a high school grad. Make yourself valuable! Based on my experiences, getting an applicable degree to make yourself marketable to potential employers is invaluable. Neither myself nor my peers in equivalent situations have had any issued finding a good job. I accrued zero debt in the process.
There are ways to lower expenses for college. Depending on your situation, you should do everything you can to minimize the debt load. Dual enrollment while in high school. Community college/live at home for the first two years. Then two years to complete your degree in a solid program for your degree, while working. Believe too many students spend whatever it takes without considering the later consequences of such high debt. I graduated with no debt and both of my children have/will graduate with no college debt. We are all very fortunate.

In my case, grad school was a method of kicking the repayment can down the road. At the time it was the best option. Unfortunately the time is approaching where I will have very difficult decisions to make. Living modestly still does not allow repayment. The incremental pay increase will eventually cover the cost of education, but experience and focus on career may have yielded near the same result. My answers are based on attending MBA studies after my Bachelors at ODU.
When determining the student loan repayment they arent taking any of your bills in account so its hard to pay.
There should be an easier way. I have made several larger payment in attempts to bring the balance down, I hardly noticed a difference. I gave up trying to pay aggressively and only pay the minimum due.
My first degree was paid for by Grants and Student loans, right out of high school. I made sure that I got that debt paid off as soon as I could after graduation. All subsequent degrees were paid for without taking out loans. The student loan interest rate was worse than using credit cards with 0% interest for 1 year. Banks are making a killing with the Student Loan program. Allowing someone to get over $100,000 in debt to go to school, and expecting them to get a job where they will be able to pay that back and still live is insane.
Your survey assumes that you have student loans. I have none.
I think students should be very informed about borrowing money to cover living expenses. I also feel there should be some limits put in place when students are working and borrowing money for living expenses. If the total cost of tuition, books and all other required fees are covered there should be a cap on the amount of loans which have to be re-payed.
No
The current job market is very different than what it was just a few years ago. A college degree does not have as much promise as it used to.

MY EDUCATION WAS PARTIALLY SUBSIDIZED BY MY PARENTS. LOANS ARE BOTH FEDERAL AND PRIVATE LOANS.
My loan is 100% paid off! I moved home with my parents to save money and paid off all my student loan debt within a year after graduating (less than $10,000). I started paying off my loan before I was required to. I think this was very beneficial and I think it is misleading to not tell students to start paying loans off ASAP. Even though it is not required to make payments, the loan is still incurring interest so it is in the students best interest to start paying off their loan ASAP!
Debt accrual dramatically limits choices for recent graduates. Regardless of whether my program of studies took me in a direction that ended up matching my talents, skills, and interests, the burden of debt repayment would mean that I must take some kind of employment that will cover those costs. If I were interested in starting a company, it would be an enormous risk given that I would be risking loan default along with the failure of the business. If I found that my program was not in an area that matched well with my skills, talents, and interests, I would have a hard time going back to school for more education since I would already be bearing this debt load. When I finished my program at McGill University, I had no debt. This allowed me considerable freedom in my career choices at that point. Now I have fewer options, though my chosen field is likely to pay well enough to pay back the debt quickly when I enter the workforce fully (I am currently in a PhD program and making graduate assistant pay.)

Repayment of debt is achievable based on the ambition and personal effort put in by the individual. I used my graduate program time to appropriately network with the local community, take on an internship during studies, and had a full time job offer prior to graduation. I did not make enough to have desired luxuries until my loans were paid in full. I prioritized the debt I signed on to and repaid in full within 4 years of graduation. I now have plenty of financial freedom because I made the sacrifices so many chose to put secondary to personal luxuries. I had colleagues go into loan default but still drove new vehicles and had nice houses. Personal accountability is not only what makes repayment achievable, but also makes a great employee that will afford themselves a lifetime of advancement and opportunity and a productive member of society.
My scholarship paid for 2/3 of my undergraduate education and my parents paid for the remaining amount out-of-pocket, leaving me with zero loan debt. For my Masters, I will have borrowed $16,500 when I complete the program next year.
It was worth getting a degree because employers demand to see a degree. I knew how to do my job before entering school, and my education added very little to my career relative to the delay of gaining experience. I doubt I could have gotten hired without it. I think degrees in most fields are meaningless and would be better handled with apprenticeships and trade schools.
People need to be responsible for their actions. no sympathy,especially those who choose to go to private schools or expensive state schools. If you can't get a good paying job,you should have majored in an in-demand field.
I would just say that the instrument should look at those who did not have to take out loans. It might be interesting to know the type of loan, the interest rate borrowed, etc.

Due to the fact that I had to finance my degree with loans and by working I did not get to do things that would have benefited me more, internships for example. I have also learned that the field of study I chose would benefit more from actual work experience rather than a degree. If I could do it all over again I would have started in my field in entry level out of High school and used the companies tuition reimbursement option to further my education along with actual experience.
I think I have messed up your sample--since ODU was my first higher education degree. So sorry!
I do not have any private loans, but I believe students should get more education related to the risks of private student loans.
Don't major in something stupid
I worked full time or more during my education for both degrees I earned. My employers covered all tuition costs and some covered books and fees. I feel the education I received was more relevant because I was working in manufacturing/production environments while studying. This made the education sink in and stick. When completed, both degrees cost me less than $5,000. This was not always the easiest path but for me, it was the most valuable. Thanks for asking.
My parents paid for the first degree and my job paid for the majority of the second. If I was not fortunate to have the financial help my answers would be very different. I think college should be expensive, as it is an investment, but it is becoming too expensive.
Guidelines should be in place to help people understand how much money they are going to earn after completing a degree before they are given a loan. I don't think people should accrue more debt for a college education than they can realistically expect to pay back. Also, you didn't have options for people who were fortunate enough not to have college debt. I did receive financial aid for my WCC classes since I wasn't working then.
private student loans are predatory and I wish I never got one.

I'm afraid this survey didn't work for me. Many, if not most of the questions assumed that there was some level of debt incurred. I paid for my education as I took courses, and as a result, many of the potential responses do not apply to me. This probably should have been piloted first. Go back and re-read the questions making that assumption.
With education becoming more and more prevalent it is also becoming more and more costly- AND less and less admirable. It used to be that a Masters degree was rare, but now with online programs everyone has one. The stipend I receive for having my master's doesn't even come close to covering the payments.
No
for a stem degree while working full-time there is not enough grants etc. for students whom carry 6 credits or 9 credits and work full-time. During my masters which cost over 30,000 to obtain - I recieved no financial aid except from work which amounted to approximately $1,200 - reimbursement for over 30 credits of classes. I only obtained $600 x 2 - for two classes - and other than that my student debt was financed by borrowing under my line of credit on my home. Student Debt is way too high for the increase in pay you obtain. I obtained a raise = to 80 more a month - after spending over $30 k to get a masters. Other people with less education in my same position in other parts of the state - make more with/out the masters with less time on the job. Best way of obtaining your masters - is to get a scholarship or go to work for a company that will truly pay for your masters after you obtain a b.s. degree. I agree going into debt for a four year degree is smart - i actually did quite well $ wise after I obtained my Associates degree. but for the masters - it's not smart to pile on more debt for more education - when the economy is where it is today.

From my post graduation experience, as well as my wife's, and many other recently graduated students i come in contact with, higher education is not worth the cost. I have not many people that have graduated from my generation that have gone on to work at a "real job" in their field of study. Most companies that are hiring require at least 4 years of experience in the field not including years of education. Both my wife and my self are working in food service making more money than we would be in jobs in our field of study that we can't get hired for anyway because our education doesn't count towards our qualifications. It is a wiser move for people leaving high school to spend the four years living at home, working 40 hours a week, at minimum wage and saving their money as a down payment for a home that they could then afford because they don't already have essentially a mortgage payment to pay back with nothing to show for it. A diploma means nothing these days because everyone has one.

In some cases I did not qualify for a lot of financial aid so loans and payment plans were really my only options to pay for school. My undergraduate loans were almost completely paid off before I started my payment plan for graduate school through their financial aid office.

While I believe that my education was beneficial, I believe that it is ridiculous for students to have to pay $20,000 to $30,000 or more to be educated. This is the sole reason I have not returned to pursue my master's degree. Something needs to change and education needs to be more affordable for people who wish to do more with their lives.

I have been searching for a full time job since May 2011. I graduated with a 3.95 GPA, work experience, and an internship in my field, but the only jobs that have even called me back have been part time service jobs. I am in forbearance on my loans, meaning that I am only paying what I can afford based on my earnings. That repayment amount at the moment is $0 a month. I do not regret receiving my degree as education is important, and I would be worse off in the job market without it, but at the moment many college graduates I know are only able to subsist off cobbling together multiple part time jobs. I am attempting to enter a highly competitive field, so this was somewhat expected, but even general office work is unavailable. Results will vary from person to person, degree to degree/field to field, but at the moment loans are something that many are not going to be able to pay off within the expected amount of time.

The cost to attend a university in America is astronomical and ridiculous. Unless you are poor, there are not many options for paying for college outside of getting loans. The very rich and the poor have the easiest methods for paying for college. The masses of us that are in the middle...well, we get the short end of the stick. I think that tuition rates continually rise because no one does anything about it. It is unfair and an injustice to the future students.

Knowing what I do know I would have structured my loans differently. I took the maximum that was allowed but I should have only taken what I needed. Plus I would have paid back more while I was still in school to bring down interest.

My only debt on my credit report is student loans

No. I am in debt it was worth the education.

Government established student loan programs have an interest rate much to high to equal out the benefits of getting the degree. I personally got a loan from the bank directly to pay for tuition with an interest rate more than half the price of Government Programs.

Statistic	Value
Total Responses	409

VITA

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Education

- J.D. Southern Illinois University, Carbondale, IL, 2000.
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Selected Publications

Nuckols, W.L. (2013). For profit models of higher education: Current issues on the proprietary front. In DeVitis, J. L., (Ed.) (2012). *Contemporary colleges and universities: A reader*. Peter Lang Publishing, New York.