

Section 6

Societal Support for Learning





Contents

Summary: Societal Support for Learning	88
<i>Family Support</i>	
52 Early Reading Activities	91
53 Before and After School Care	92
54 Parental Involvement in Schools	93
<i>Community Support</i>	
55 Parents' Attitudes Toward Schools	94
<i>Public Financial Support</i>	
56 Public Elementary and Secondary Expenditures	95
57 International Comparisons of Expenditures for Education	96
<i>Private Financial Support</i>	
58 Net Price of College Attendance	97
59 Debt Burden 4 Years After College	98

Summary: Societal Support for Learning

This section addresses the contributions that society and its members—the family, the individual, employers, and other organizations outside school—make to education. It thus discusses traditional concerns about financial support for education as well as issues about the amount of time and attention parents devote to their children’s learning, the support that exists in the community, workplace, and other settings for learning, and the consistency of cultural messages about the value of knowledge and learning.

PARENTAL AND FAMILY SUPPORT FOR LEARNING

Policymakers, researchers, and educators agree that a family’s involvement with education is closely linked to their children’s success in school (Henderson and Berla 1994). However, parental involvement decreases as children move from elementary to middle to high school (*Indicator 54*), which is partly due to the reduced opportunities for involvement as children grow older (NCES 98–091). This indicator also shows that in 1999 white students were more likely than black or Hispanic students to have parents who attended a general meeting, participated in a school event, or acted as a volunteer or served on a committee.

Parental perceptions of school environments and practices can also be an indicator of their support for learning. Favorable perceptions are positively related to the frequency of a family’s involvement at school (NCES 97–327). From 1993 to 1999, the percentage of children with parents who reported they were “very satisfied” with their child’s school declined, whereas the percentage who were “very satisfied” with their child’s teachers, the school’s academic standards, and the school’s order and discipline did not change during this period (*Indicator 55*). Despite the decrease in parents’ satisfaction with their

child’s school, more than half of children in grades 3–12 had parents who reported they were very satisfied with that school’s learning environment in 1999. In addition, parents who selected their child’s school were more likely to be very satisfied with that school than parents of children attending assigned schools (*Indicator 41*). The percentages of white and black children with parents who were very satisfied with various aspects of their child’s school were similar in 1999. Parents of Hispanic students were more likely to be very satisfied than the parents of white and black students (*Indicator 55*).

Family support for learning can be demonstrated not only through their support for schools but also by their involvement in their children’s learning outside of school. In 1999, about half of children in grades K–8 received care before or after school from their parents, while 19 percent received care from a relative, 8 percent were cared for by a nonrelative, 19 percent attended a center-based program, and 12 percent cared for themselves (*Indicator 53*).

Differences in arrangements for before- and after-school care can affect children’s opportunities for learning social skills and developing interests (Seligson 1997). Such differences in the types and duration of the care children receive before and after school can have both positive and negative effects on their development, as when young children must take care of themselves before and after school (Seppanen et al. 1993).

Parents and families also impart early literacy skills to their children both directly and indirectly. In 1999, 82 percent of parents reported that a parent or other family member read to their 3- to 5-year-old child at least three times in the past week, an in-



Summary: Societal Support for Learning

Continued

crease from 78 percent in 1993. However, most of the statistically significant increases in family activities, such as reading, telling stories, and singing songs with their child, that occurred between 1993 and 1999 were among white children from two-parent households with family incomes above the poverty threshold and with mothers who speak English at home (*Indicator 52*).

FINANCIAL SUPPORT FOR LEARNING

Finances are central to all aspects of education. Inherent in the decentralized system of public education in the United States are differences in how, to whom, and how many public dollars are allocated to schools. Differences in expenditures are of special interest when considering children in particular categories of continuing concern, such as minority status, poverty, and other at-risk factors.

Sources of funding for public education also vary across regions. School districts in the Northeast have historically relied to a greater degree on local funding than those in the West, where schools have relied more on state funding (*Indicator 63, The Condition of Education 2000*). Between 1991–92 and 1994–95, the West was the only region where the proportion of local funding rose, but this increase was not sustained in the 2 years that followed.

Between 1991–92 and 1996–97, public school districts serving central cities spent consistently more per student than districts that did not serve a metropolitan area (*Indicator 56*). After adjusting for geographic cost differences, however, expenditures per student were lower in central cities than in nonmetropolitan areas in 1996–97. During the same period, public school districts with high and low concentrations of children liv-

ing in poverty spent more per student than districts with moderate levels of poverty. Recent trends in spending per student have narrowed the differences between low-, middle-, and high-poverty districts.

When compared with the educational investments of other OECD nations, U.S. spending per student on primary and secondary education ranked high (*Indicator 57*). At the higher education level, the United States still retains its lead among its economic competitors in terms of educational expenditures per student.

Undergraduate tuition, room, and board have been rising, making college a greater financial cost for students. In addition, the loss of potential income associated with not obtaining a postsecondary education has also increased (NCES 98–088).

Faced with the challenge of meeting these rising college costs, how and when parents begin financial planning can affect their children's access to postsecondary education and their choice of institutions to attend. In 1999, 93 percent of parents of students in grades 6–12 expected their children to continue their education after high school, and 60 percent had started saving money or making financial plans for their children's further education (*Indicator 66, The Condition of Education 2000*). Despite the increasing costs of obtaining a postsecondary education in recent years, the percentage of high school seniors who reported they would definitely complete a bachelor's degree increased considerably between 1983 and 1998 (*Indicator 19*).

The price of college attendance can also affect a student's access to postsecondary education. Students and their families are responsible for the net price of college atten-



Summary: Societal Support for Learning

Continued

dance, which is the difference between the total price of attendance and grants received. In 1995–96, the net price varied based on the type of institution attended and family income; the net price was less for low- and lower middle-income students than for upper middle- and high-income students at 4-year institutions (*Indicator 58*). Nevertheless, a family at the 20th-income percentile would be required to spend 32 percent of its income to pay for tuition, room, and board at an average-priced public college or university in 1995, and 89 percent at an average-priced private one (NCES 2000–169). Most bachelor's degree recipients earn enough to repay their education loans without undue financial burden 4 years after they graduate (*Indicator 59*).

Total expenditures per full-time-equivalent (FTE) student increased about 16 percent between 1980 and 1992 at public postsecondary institutions. In contrast, expenditures rose much more (about 43 percent) at private postsecondary institutions during the same period (NCES 96–769). In 1995–96, instructional expenditures per FTE student varied depending on the number of graduate and first-professional students enrolled in the institution (*Indicator 65, The Condition of Education 2000*). Although instructional costs per FTE student were comparable among primarily undergraduate institutions, instructional expenditures per FTE student varied more and were higher among research universities and doctoral institutions.



Family Support

Early Reading Activities

In 1999, among children ages 3–5 not yet enrolled in kindergarten, those with multiple risk factors were generally less likely than those without risk factors or with only one to engage in literacy activities frequently with their families.

Research has shown that children whose parents read to them become better readers and do better in school (Snow, Burns, and Griffin 1998). Other family activities such as telling stories and singing songs may also encourage children’s acquisition of literacy skills (National Education Goals Panel 1997) and enhance their chances for success in school (Snow 1991). Data collected by the National Household Education Surveys Program in 1993 and 1999 show how frequently families with young children engage in these literacy-building activities.

In 1999, 82 percent of children ages 3–5 who were not yet enrolled in kindergarten were read to by a family member three or more times a week. Similarly, 50 percent of preschool-aged children were told a story, and 64 percent were taught letters, words, or numbers that often. About one-half (48 percent) were taught songs or music, and more than one-third (39 percent) did arts and crafts with their families three or more times a week (see supplemental table 52-1).

With the exception of being taught songs or music, children with multiple risk factors were less likely than those with no risk factors or only one to engage in literacy activities with their families at least three times a week. In 1999, 67 percent of children with two or more risk factors were read to at least three times a week, compared with 92 percent of children with no risk factors and 83 percent of those with one. Likewise, 39 percent of children with two or more risk factors were told a story at least three times a week, compared with 54 percent of children without any risk factors and 57 percent of children with one.

Most of the increases in literacy activities between 1993 and 1999 were for children considered less at risk for school failure. For example, the percentage of children who were told a story three or more times a week increased from 43 percent in 1993 to 54 percent in 1999 for children with no risk factors, but remained similar for children with multiple risk factors.

NOTE: Types of literacy activities include reading to the child; telling a story; teaching letters, words, or numbers; teaching songs or music; and doing arts or crafts. Risk factors are defined as having a race/ethnicity other than white; having a mother whose home language is other than English; having a mother whose highest education is less than high school; being a member of a family with no parent or only one parent in the household; and being a member of a family whose poverty status is below the poverty threshold. See *Supplemental Note 3* for further discussion.

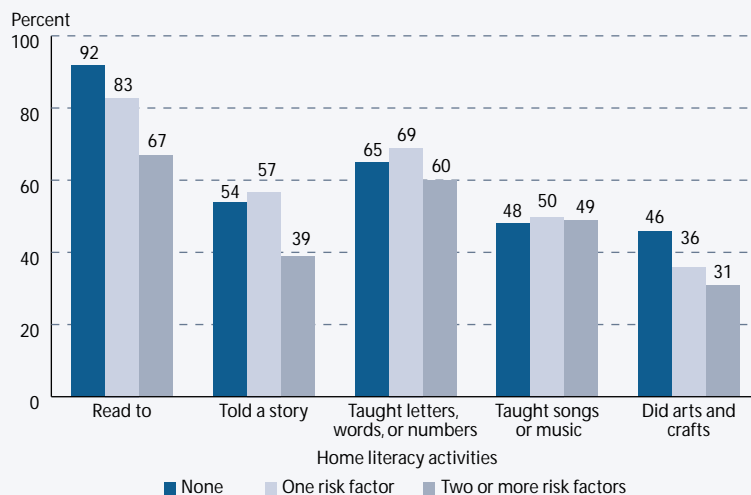
SOURCE: U.S. Department of Education, NCES. *Home Literacy Activities and Signs of Children’s Emerging Literacy, 1993 and 1999* (NCES 2000–026), and National Household Education Surveys Program (NHES), 1999.



FOR MORE INFORMATION:
Supplemental Notes 1, 3
Supplemental Table 52-1
NCES 2000–026

National Education Goals Panel 1997; Snow 1991; Snow, Burns, and Griffin 1998

PRESCHOOL READING ACTIVITIES: Percentage of 3- to 5-year-old children not yet enrolled in kindergarten who participated in home literacy activities with a family member three or more times in the week before the survey, by number of risk factors: 1999



Family Support

Before and After School Care

Among children in grades K–8 who received care on a regular basis from someone other than a parent before and after school in 1999, more received care from a relative or attended a center-based program than received care from a nonrelative or cared for themselves.

Many children spend the time before or after school either alone or in the care of someone other than a parent. The manner in which a child spends this time may influence the development of both social skills and the ability to form relationships with other people (McCartney et al. 1999).

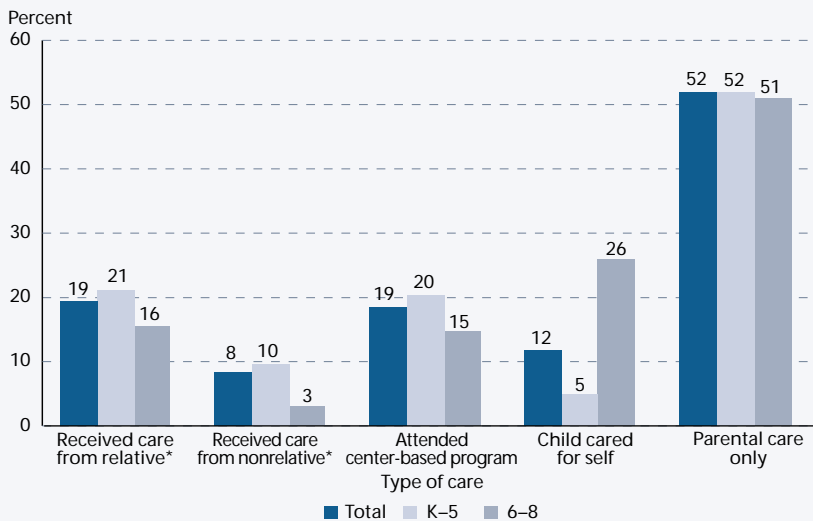
Among children in grades K–8, 19 percent received care from a relative, 8 percent received care from a nonrelative, 19 percent attended a center-based program, and 12 percent cared for themselves in 1999. In contrast, about half of children in grades K–8 received before- and after-school care from a parent.

Black children were more likely to receive nonparental before- or after-school care than white or Hispanic children. Black and Hispanic children were more likely than white

children to receive care from a relative. In addition, black children were more likely to attend center-based programs than white or Hispanic children. The percentage of children who received care from a nonrelative or who cared for themselves was similar across racial/ethnic groups in 1999 (see supplemental table 53-1).

The percentage of children who received care from a relative was greater for poor children than for nonpoor children. Whereas poor and nonpoor children were equally likely to have attended a center-based program, nonpoor children were more likely to care for themselves. The percentage of children who received care from a nonrelative, attended a center-based program, or cared for themselves was generally similar, regardless of parents' highest education level.

BEFORE AND AFTER SCHOOL CARE: Percentage of children in grades K–8 who received various types of care before and after school: 1999



* Care received from a relative or nonrelative may be provided inside or outside of the child's home.

NOTE: The National Household Education Surveys Program (NHES) asked parents or guardians about the type of care the child received on a regular basis before or after school. "Received care from a relative" includes care received from someone other than the parent or guardian. See the glossary for the definitions of the types of care arrangements. Percentages may not add to 100 because children can be included in more than one type of care arrangement. Data have been revised from previously published figures.

SOURCE: U.S. Department of Education, NCES, National Household Education Surveys Program (NHES), 1999 (Parent Interview Survey).

FOR MORE INFORMATION:
 Supplemental Notes 1, 3
 Supplemental Table 53-1
 McCartney et al. 1999





Family Support

Parental Involvement in Schools

The levels of parental involvement in American elementary and secondary education are relatively high, but the frequency of such participation depends on the child's grade in school as well as parental income and educational attainment.

Effective parental involvement in education requires a working partnership among parents, teachers, and administrators. Many schools actively encourage parents to increase their involvement in their children's education. Parental involvement can include attendance at a general meeting (open houses or back-to-school nights); a scheduled meeting with a teacher (parent-teacher conferences); a school event (class plays, sports, or science fairs); or acting as a volunteer or committee member.

In both 1996 and 1999, at least 90 percent of children had parents who participated in at least one of these activities. However, parents in both years were least likely to participate in the activity that required the most time—acting as a volunteer or serving on a committee (see supplemental table 54-1).

Parental involvement typically is lower for children in higher grades. As an illustration, in 1999, 88 percent of children in grades K–5

had parents who reported that they had attended a scheduled meeting with a teacher. In contrast, among children in grades 6–8 and 9–12, about 70 percent and 51 percent, respectively, had parents who reported attendance at such a meeting.

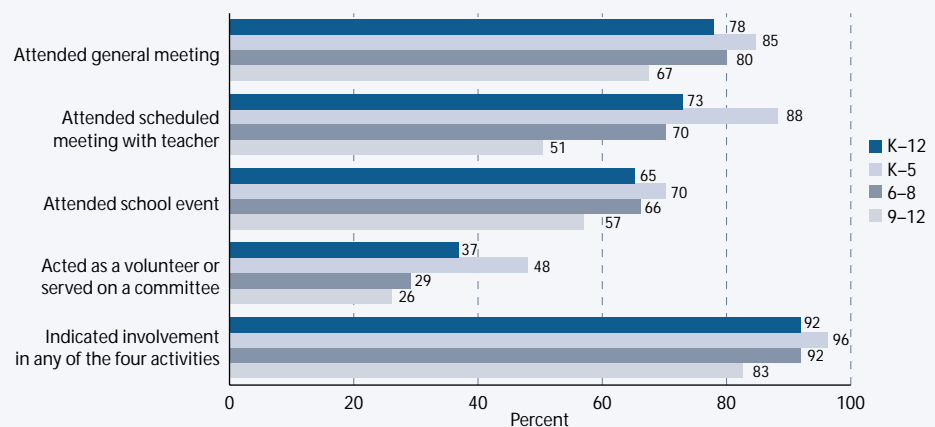
Parents' involvement is related to household income and their level of education. As household income and educational attainment increase, the percentage of students whose parents reported attending a general or a scheduled meeting with a teacher, attending a school event, or serving as a volunteer or committee member also increases (see supplemental table 54-1).

Among racial/ethnic groups, white students are more likely than black and Hispanic students to have parents who report participation in school activities. Black and Hispanic students were equally likely to have parents who participated in the four categories of activities in 1999.

NOTE: Ungraded students or children who were home schooled were not included in this analysis; these students accounted for 1.6 percent of students in grades K–12. Data have been revised from previously published figures.

SOURCE: U.S. Department of Education, NCES, National Household Education Surveys Program (NHES), 1999 (Parent Interview Survey).

PARENTAL INVOLVEMENT: Percentage of students in grades K–12 whose parents reported involvement in specific activities in their child's school: 1999



FOR MORE INFORMATION:
Supplemental Notes 1, 3
Supplemental Table 54-1

Community Support

Parents' Attitudes Toward Schools

In 1999, at least half of children in grades 3–12 had parents who reported that they were “very satisfied” with their child’s school, their child’s teacher, the school’s academic standards, and the school’s order and discipline.

Parents’ opinions of their children’s schools provide an indicator of the perceived relative health of U.S. education. Examining parents’ level of satisfaction with schools can help to define perceived problems within America’s schools and focus reform efforts on those issues.

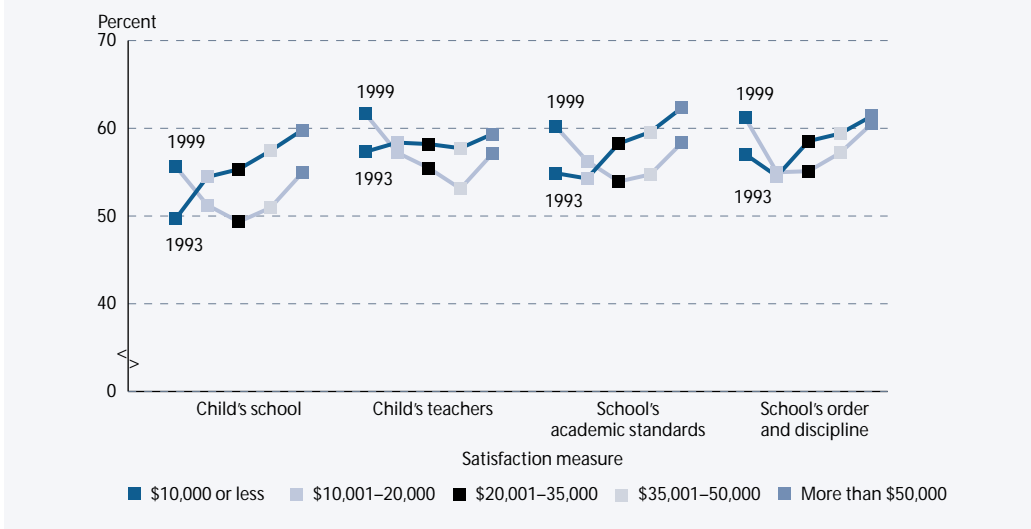
The percentage of children in grades 3–12 with parents who reported they were “very satisfied” with their child’s school decreased from 56 percent in 1993 to 53 percent in 1999. In contrast, the percentage of those with parents who reported they were very satisfied with their child’s teachers, the school’s academic standards, and the school’s order and discipline remained similar (see supplemental table 55-1).

In 1993, the percentage of children with parents who were very satisfied with their child’s school, the school’s academic standards, and the school’s order and discipline was higher as household income increased. This relation-

ship was not evident in 1999. The percentage of children with parents who were very satisfied with these three areas in 1999 was higher among those with higher and lower family income levels and lower among those at the middle income levels.

In 1993, black children in grades 3–12 were less likely than their white peers to have parents who reported that they were very satisfied with these four measures. However, between 1993 and 1999, the percentages of white children with parents who reported being very satisfied decreased, while the percentages of black children with very satisfied parents remained similar. Due to these changes, the percentages of white and black children with very satisfied parents were similar in 1999. Among all racial/ethnic groups in 1999, Hispanic children had the highest percentage of parents who were very satisfied with the four areas assessed (see supplemental table 55-1).

ATTITUDES TOWARD SCHOOL: Percentage of children in grades 3–12 whose parents were very satisfied with various aspects of their schools, by family income: 1993 and 1999



NOTE: Data have been revised from previously published figures.

SOURCE: U.S. Department of Education, NCES, National Household Education Surveys Program (NHES), 1993 (School Safety and Discipline Survey) and 1999 (Parent Interview Survey).

FOR MORE INFORMATION:
Supplemental Notes 1, 3
Supplemental Table 55-1





Public Financial Support Public Elementary and Secondary Expenditures

Between 1991–92 and 1996–97, expenditures per student increased more rapidly in school districts outside of metropolitan areas than in districts inside metropolitan areas.

Expenditures per student, which reflect the public’s commitment to education and its relative ability to devote resources to education, vary with location. For example, in 1996–97, districts serving primarily central cities spent an average of \$5,951 per student, while districts outside metropolitan areas spent an average of \$5,349. Between 1991–92 and 1996–97, the increase in current expenditures per student was greater in districts that did not serve a metropolitan area (9 percent) than in districts serving central cities (1 percent).

Expenditures per student also vary by district poverty. In 1996–97, public school districts with high and low proportions of children in poverty spent more per student than districts with moderate proportions. Those with less than 5.0 percent or more than 35.0 percent of children living below the poverty level spent the most (\$6,622 and \$6,211, respectively), while those with between 15.0 and 24.9 percent spent the least (\$5,311). Spending per student at low-poverty (less than 5 percent) and high-poverty

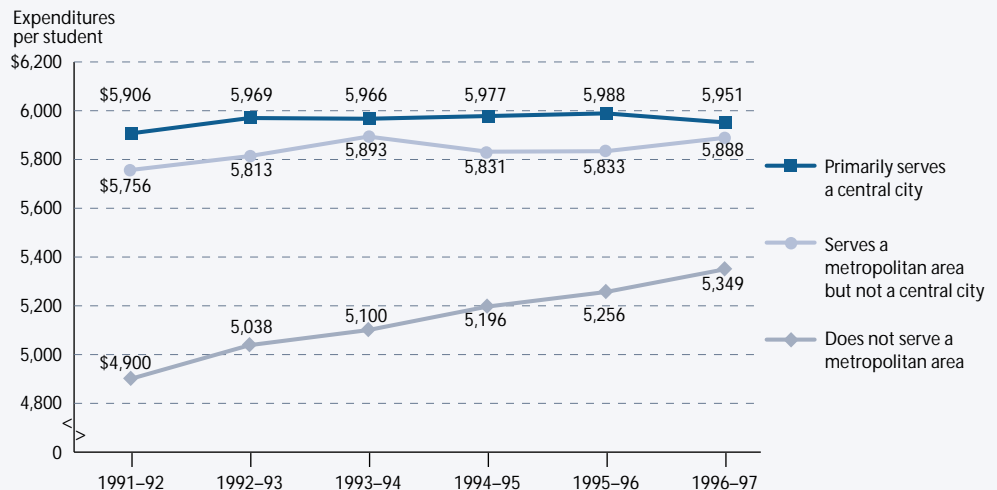
(more than 35 percent) districts grew by less than 1 percent between 1991–92 and 1996–97. Spending at districts with moderate poverty levels (15.0 to 24.9 percent) grew by 5 percent.

Comparisons among types of districts can be refined by applying a Cost of Education Index (CEI) to compensate for geographical differences in the costs of educating students (NCES 98–04). Education costs are typically lower in nonmetropolitan areas than in central cities because salaries, the major component of school expenditures, are generally lower there. After adjustment for cost differences, the expenditure per student was \$268 lower in central cities than nonmetropolitan areas in 1996–97 (see supplemental table 56-1). The application of the geographic CEI narrowed the gap between the low- and moderate-poverty districts from about \$1,300 to under \$600. The expenditure per student for the high-poverty districts was \$358 higher than the moderate-poverty districts after the CEI adjustment.

NOTE: Poverty is defined by a set of money-income thresholds determined by the Bureau of the Census that vary by family size and composition. If a family’s total income is less than that family’s threshold, then that family, and every individual in it, is considered to be poor. Per pupil expenditures are geographically cost adjusted with Cost of Education Indices (CEIs). While the universe of school districts was surveyed for each state in 1991–92 and 1994–95 through 1996–97, a sample of school districts was collected for some states, and a universe was collected for others in 1992–93 and 1993–94. The rise in expenditures per student in nonmetropolitan districts may be due in part to urbanization trends since 1990. Since then, the metropolitan status of school districts has not been reclassified in the Common Core of Data Universe Survey.

SOURCE: U.S. Department of Education, NCES. Common Core of Data, “Public School District Universe Survey,” 1991–92 to 1996–97; “Public School District Financial Survey,” 1991–92 to 1996–97, and CEIs available from the Education Finance Statistics Center (<http://nces.ed.gov/edfin/>).

EXPENDITURES PER STUDENT: Public school district expenditures per student (in constant 1996–97 dollars), by metropolitan status: 1991–92 to 1996–97



FOR MORE INFORMATION:
Supplemental Notes 1, 8
Supplemental Table 56-1
NCES 97–916, NCES 97–917, NCES 98–04

Public Financial Support

International Comparisons of Expenditures for Education

U.S. expenditures on primary and secondary education ranked high compared with other countries. U.S. spending at the higher education level was the highest of all the OECD countries.

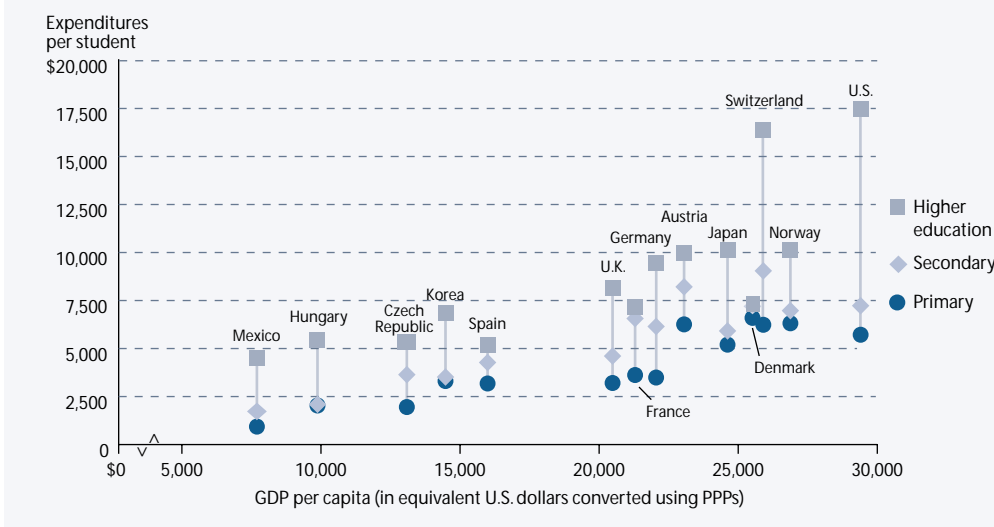
A country's investment in education can be measured by that country's per student expenditures for education from both public and private sources, expressed in absolute terms. When making international comparisons of expenditures for education from both public and private sources, it is also useful to measure expenditures per student in relation to gross domestic product (GDP) per capita. Doing so allows a crossnational comparison of expenditures relative to countries' abilities to finance education.

There is a positive relationship between per student expenditures at all levels of education and GDP per capita (OECD 2000). Wealthier countries, on average, spent more per student for primary, secondary, and higher education in 1997 than did less wealthy countries as measured by GDP per capita. Annual expenditures per student at the primary level among members of the Organisation for Economic Co-operation and Development (OECD) ranged from \$935 in Mexico to \$6,596 in Denmark. At the secondary level, the range was from \$1,726 in Mexico to \$9,045 in Switzerland (see supplemental table 57-1). U.S. spending on primary and secondary education ranked high compared with the OECD

countries, \$5,718 and \$7,230 at the primary and secondary levels, respectively. Only Switzerland and Austria spent more per student than the United States at the secondary level. In relative terms, however, the United States spent 19 and 25 percent of GDP per capita at the primary and secondary levels, respectively, about the same as the OECD countries as a whole, which spent an average of 19 percent of GDP per capita at the primary level and 27 percent at the secondary level.

Expenditures per student at the higher education level varied considerably among the OECD countries in 1997. At \$17,466 per student, U.S. expenditures were more than twice those of 15 OECD countries. As a percentage of GDP per capita, however, expenditures per student were at least 90 percent of the U.S. rate (59 percent) in 6 countries, including 3 countries with low GDP per capita (Mexico, Poland, and Hungary) and 3 countries with high GDP per capita (Canada, Sweden, and Switzerland). It is important to note that variations in the duration and intensity of higher education among countries make it difficult to provide accurate measures of expenditures at this level (OECD 2000).

INTERNATIONAL EXPENDITURES FOR EDUCATION: Educational expenditures per student in relation to GDP per capita, by level of education for selected OECD countries: 1997



NOTE: Per student expenditures are calculated based on public and private full-time-equivalent (FTE) enrollment figures and expenditures from both public and private sources where data are available. Purchasing Power Parity (PPP) indices are used to convert other currencies to U.S. dollars. Within-country consumer price indices are used to adjust the PPP indices to account for inflation because the fiscal year has a different starting date in different countries.

SOURCE: Organisation for Economic Co-operation and Development, Centre for Educational Research and Innovation. *Education at a Glance: OECD Indicators, 2000, 2000.*

FOR MORE INFORMATION:
 Supplemental Note 9
 Supplemental Table 57-1
 OECD 2000





Private Financial Support

Net Price of College Attendance

One definition of the net price of college attendance is the amount that students pay using their own or borrowed funds. Net price varies by the type of institution students attend and by family income.

The price of college attendance, including tuition and fees, room and board, books, and other expenses, may affect a student's access to college. Some students receive grants from federal, state, institutional, or private sources to help pay these expenses. Students are responsible for the difference between the total price of attendance and grants, which is called the "net price." Students cover this amount with their own financial resources, help from their families, or borrowing.

The price of attendance for dependent full-time, full-year undergraduates varies by institution type. In 1995–96, the average total price was \$20,000 at private, not-for-profit 4-year institutions, compared with \$10,800 at public 4-year institutions and \$6,800 at public 2-year institutions. The average net price of attendance—total price reduced by all grants—was

\$15,100 at private, not-for-profit 4-year institutions, \$9,400 at public 4-year institutions, and \$6,100 at public 2-year institutions. Because grants are generally need based, taking into account total price and family financial resources, the net price of attendance was less for low- and lower middle-income students than for upper middle- and high-income students at 4-year institutions.

Among other strategies, students can use loans and employment to pay the net price of attendance. The average amount students borrowed ranged from \$2,400 at private, not-for-profit 4-year institutions, to \$1,600 at public 4-year institutions, to about \$300 at public 2-year institutions. Students from public 2-year institutions contributed the most from earnings, on average, and students from private, not-for-profit 4-year institutions, the least.

NOTE: Limited to students who attended only one institution. Averages include zero values. Income categories are described in *Supplemental Note 14*. In 1995–96, 49 percent of all undergraduates were considered financially dependent for financial aid purposes, and 58 percent of dependent students enrolled full-time, full-year.

SOURCE: U.S. Department of Education, NCES, National Postsecondary Student Aid Study (NPSAS:1996), Undergraduate Data Analysis System.

PRICE OF ATTENDING AND AID: Average price of college attendance and student financial aid for dependent full-time, full-year undergraduates, by type of institution and family income: Academic year 1995–96

Type of institution and family income	Tuition/fees	Total price	Grants	Net price	Student loans	Student earnings
Total	\$6,067	\$12,603	\$2,222	\$10,379	\$1,584	\$3,018
Public 4-year	3,918	10,759	1,394	9,367	1,564	2,912
Low income	3,586	10,219	3,195	7,021	1,896	2,759
Lower middle	3,649	10,396	1,540	8,855	2,150	3,256
Upper middle	3,767	10,555	690	9,865	1,453	3,104
High income	4,541	11,674	494	11,187	921	2,565
Private, not-for-profit 4-year	13,250	20,003	4,934	15,069	2,403	2,248
Low income	11,709	18,155	6,990	11,165	2,830	2,301
Lower middle	12,641	19,156	6,779	12,377	3,049	2,490
Upper middle	13,316	19,999	4,692	15,310	2,632	2,254
High income	14,661	21,832	2,472	19,359	1,510	2,064
Public 2-year	1,316	6,761	694	6,069	263	4,226
Low income	1,202	6,369	1,750	4,621	276	4,375
Lower middle	1,315	6,883	556	6,326	311	4,159
Upper middle	1,416	6,954	188	6,766	303	4,087
High income	1,331	6,849	141	6,708	112	4,262



FOR MORE INFORMATION:
Supplemental Note 14
NCES 98–080

Private Financial Support

Debt Burden 4 Years After College

Four years after they graduated, most 1992–93 bachelor's degree recipients earned enough to repay their loans without undue financial burden.

About half of all 1992–93 bachelor's degree recipients borrowed as undergraduates (NCES 2000–188). Because excessive borrowing can cause problems later, it is important to identify and describe the postgraduate consequences. These data focus on the subset of graduates who borrowed to pay for their undergraduate education but had not enrolled for any further postsecondary education by 1997. Most of this group (53 percent of undergraduate borrowers) presumably began repaying their loans 6 months after they graduated. By 1997, those employed full time (88 percent) were earning an average of \$35,300.

Among graduates who had not enrolled for further education by 1997, 51 percent had borrowed to attend college, with an average of \$10,500 in loans (NCES 2000–188). By 1997, 18 percent had repaid (or had been forgiven) their education debts, leaving 33 percent still owing. Twenty-nine percent were in repayment, meaning that 4 percent had deferments, were in default, or were not required to repay their loans at that time. Those with remaining debt owed an average of \$7,100, and those repaying their loans were paying an average of \$151 per month.

One way to measure debt burden is to look at monthly student loan payments as a percentage of monthly income. For graduates with no further enrollment, the median debt burden in 1997 was 5 percent. Debt burden increased with the amount borrowed and decreased as income increased. While there is no firm consensus on an acceptable level of debt burden, housing lenders typically consider 8 percent for student loan debt to be reasonable (Scherschel 1998).

Undergraduate borrowing appears to have a minor discouraging effect on further postsecondary enrollment in the short term, but this effect disappears over time. Graduates who had borrowed \$5,000 or more were less likely than nonborrowers to enroll for further education by 1994 (16 percent versus 20 percent) (NCES 97–286), but there was no statistically significant difference by 1997 (46 to 49 percent had enrolled, regardless of amount borrowed) (NCES 2000–188). These findings hold after controlling for sex; race/ethnicity; age at graduation; and undergraduate type of institution, major, and grade-point average.

DEBT BURDEN: Percentage distribution of 1992–93 bachelor's degree recipients repaying their loans according to the size of their debt burden in 1997, by 1996 income and amount borrowed for undergraduate education

Amount borrowed for undergraduate education and 1996 personal income	Median debt burden (percent)	Debt burden in 1997 ¹			
		Less than 5 percent	5–9 percent	10–14 percent	15 percent or more
Total	5	45	38	9	7
Total amount borrowed					
Less than \$5,000	3	84	12	3	2
\$5,000–9,999	4	63	27	6	4
\$10,000–14,999	6	31	54	9	7
\$15,000 or more	7	21	49	16	14
Total 1996 personal income					
Less than \$20,000	10	19	28	23	30
\$20,000–24,999	6	34	48	11	7
\$25,000–34,999	5	38	50	9	2
\$35,000–49,999	4	55	38	4	3
\$50,000 or more	2	85	15	(²)	(²)

¹Loan payment as a percentage of income.

²Less than 0.5 percent.

NOTE: Includes bachelor's degree recipients who did not enroll for further postsecondary education and were in repayment in 1997. Percentages may not add to 100 due to rounding.

SOURCE: U.S. Department of Education, NCES, Baccalaureate and Beyond Longitudinal Study, "Second Follow-up" (B&B:1993/1997), Data Analysis System.

FOR MORE INFORMATION:
Supplemental Note 7
NCES 97–286, NCES 2000–188
Scherschel 1998



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