




Trends in Higher Education Series

Trends in
STUDENT
AID 2014

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Trends in Higher Education

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Highlights

After increasing by 18% (in inflation-adjusted dollars) between 2007-08 and 2010-11, the total amount students borrowed in federal and nonfederal education loans declined by 13% between 2010-11 and 2013-14. Growth in full-time equivalent (FTE) postsecondary enrollment of 16% over the first three years, followed by a decline of 4% over the next three years, contributed to this pattern. However, borrowing per student, which rose by 2% between 2007-08 and 2010-11, declined by 9% over the most recent three years. The data in *Trends in Student Aid 2014* provide details on these changes, as well as changes in grants and other forms of financial aid undergraduate and graduate students use to finance postsecondary education.

TYPES OF STUDENT AID

Total loans declined as a percentage of all student aid plus nonfederal loans from 47% in 2010-11 to 43% in 2013-14. This percentage was 51% in 2003-04 and 55% in 2007-08.

- Grants increased as a percentage of all student aid plus nonfederal loans from 45% in 2010-11 to 49% in 2013-14. This percentage was 43% in 2003-04 and 41% in 2007-08.
- In 2013-14, undergraduate and graduate students received \$238.3 billion in grants from all sources, Federal Work-Study (FWS), federal loans, and federal tax credits and deductions. In addition, students borrowed about \$10 billion from private, state, and institutional sources.
- In 2013-14, undergraduate students received an average of \$14,180 per FTE student in financial aid, including \$8,080 in grants from all sources, \$4,840 in federal loans, \$1,195 in education tax credits and deductions, and \$65 in FWS.
- Graduate students received an average of \$26,200 per FTE student in financial aid, including \$8,540 in grants, \$16,080 in federal loans, \$1,530 in education tax credits and deductions, and \$50 in FWS.
- The American Opportunity Tax Credit increased the savings for college students and their parents through education tax credits and deductions from \$7.2 billion (in 2012 dollars) in 2008 to \$17.4 billion in 2012.

SOURCES OF GRANT AID

Grant aid per FTE undergraduate student increased by 39% between 2007-08 and 2010-11, and by 8% between 2010-11 and 2013-14.

- Grant aid per FTE graduate student increased by 7% between 2007-08 and 2010-11, and by 13% between 2010-11 and 2013-14.
- Federal grant aid rose from 30% of all grants to postsecondary students in 2007-08 to 45% in 2010-11, and was 40% of the total in 2013-14.

- Pell Grants for undergraduate students increased from \$16.5 billion (in 2013 dollars) in 2007-08 to \$38.2 billion in 2010-11. These grants totaled \$32.7 billion in 2011-12, and rose to \$33.7 billion in 2013-14.
- Veterans' education benefits for undergraduate and graduate students increased from \$4.6 billion (in 2013 dollars) in 2007-08 to \$11.9 billion in 2010-11. These awards totaled \$13.2 billion in 2012-13 and an estimated \$13.8 billion in 2013-14.
- In 2013-14, 40% of all grant aid came from the federal government, 39% from colleges and universities, 13% from employers and other private sources, and 8% from state governments.
- Federal grant aid to postsecondary students increased by 128% in constant dollars between 2007-08 and 2010-11. Although the total declined by 7% over the three-year period from 2010-11 to 2013-14, it increased by 3% between 2012-13 and 2013-14.
- State student grant aid, almost all of which is for undergraduate students, increased by 10% in constant dollars between 2007-08 and 2010-11 and declined by 5% between 2010-11 and 2013-14, including a 3% decline in 2013-14.
- In 2012-13, state grant aid per FTE undergraduate student ranged from under \$200 in 14 states to over \$1,000 in 10 states.
- Grant aid from colleges and universities in the form of discounts to students grew from an estimated \$31.5 billion (in 2013 dollars) in 2007-08 to \$41.4 billion in 2010-11, and to about \$48.2 billion in 2013-14.

PELL GRANTS

The number of students receiving Pell Grants increased from 3.8 million in 1993-94 to 5.1 million in 2003-04, and to 9.2 million in 2013-14.

- Total Pell Grant expenditures increased from \$16.1 billion (in 2013 dollars) in 2003-04 to \$38.2 billion in 2010-11, but declined to an estimated \$33.7 billion by 2013-14.
- Only undergraduate students who have an expected family contribution of zero and enroll full time/full year receive the maximum Pell Grant. In 2012-13, 27% of recipients received the maximum \$5,550 in Pell funding, up from 22% in 2002-03.
- The average Pell Grant per recipient was \$2,435 (in 2013 dollars) in 1993-94, \$3,141 in 2003-04, and \$3,678 in 2013-14. The average grant peaked at \$4,107 (in 2013 dollars) in 2010-11.
- Despite increasing by 12% in inflation-adjusted dollars over the decade, the maximum Pell Grant covered 79% of average public four-year tuition and fees in 2004-05, but only 63% in 2014-15. It covered 20% of average private nonprofit four-year tuition and fees in 2004-05, and 18% in 2014-15.

- The percentage of undergraduate students receiving Pell Grants increased from 25% in 2003-04 to 38% in 2013-14.

DISTRIBUTION OF STUDENT AID

In 2013-14, undergraduate students received 54% of their funding in the form of grants, 37% as loans (including nonfederal loans), and 9% in a combination of tax credits or deductions and Federal Work-Study. For graduate students, these percentages were 32%, 62%, and 6%, respectively.

- In 2012-13, 42% of Pell Grant recipients were dependents of their parents for financial aid purposes, and 61% of these dependent students came from families with incomes of \$30,000 or less.
- In 2012-13, 24% of all Pell Grant recipients were over the age of 30.
- In 2012, 24% of the savings from education tax credits and 56% of the tuition tax deduction benefit went to households with an adjusted gross income (AGI) over \$100,000.
- While 24% of the savings from tax credits went to households with AGI below \$25,000 in 2012, only 5% of the tax deduction benefit went to households in this income category.
- In 1993-94, only 9% of all state grant aid for undergraduates was awarded without regard to the students' financial circumstances. By 2003-04, this percentage had risen to 26% and in 2012-13 it was 25%.
- In 2011-12, about two-thirds of the institutional grant aid at private nonprofit four-year institutions with published tuition and fees of at least \$36,241 was allocated on the basis of financial need. Smaller percentages of institutional grants are need-based at institutions with lower prices.
- In 2011-12, full-time public four-year dependent students from families in the lowest income quartile received only 32% (\$410) more on average in institutional grant aid than those from families in the highest income quartile, but they received an average of about \$7,200 in state and federal grant aid, compared to \$500 for the highest-income students. As a result, they received about four times as much in total grant aid as those in the highest income quartile.
- In 2013-14, about 48% of the institutional grant aid at public four-year institutions and about 70% at private nonprofit institutions went to meet financial need.

STUDENT BORROWING

In 2013-14, total annual education borrowing declined for the third consecutive year. Overall, students borrowed 13% less in 2013-14 than in 2010-11.

- Over the past decade, the total number of federal Stafford Loan borrowers increased by 43%, from 6.5 million in 2003-04 to 9.3 million in 2013-14. Average Direct Loans per borrower increased by 3%, from \$8,147 (in 2013 dollars) in 2003-04 to \$8,356 over the decade.
- In 2013-14, undergraduate borrowers took Stafford Loans averaging \$6,670, 10% less than three years earlier, after adjusting for inflation.
- The percentage of undergraduate students taking federal subsidized or unsubsidized student loans increased from 27% in 2003-04 to 33% in 2013-14. Just 6% of students (and 17% of borrowers) took only subsidized loans.
- Total borrowing from the federal Direct Subsidized and Unsubsidized Loan programs fell by 18% (\$16.6 billion in 2013 dollars) between 2010-11 and 2013-14. Total borrowing from the PLUS program for parents of undergraduate students fell by 12% (\$1.4 billion), but Grad PLUS borrowing increased by 1% (\$56 million).
- Nonfederal education loans grew from an estimated \$13.7 billion (in 2013 dollars) in 2003-04 to \$26.0 billion in 2007-08. In 2013-14, student loan volume from banks, credit unions, states, and institutions was about \$10.0 billion.


STUDENT DEBT

About 60% of students who earned bachelor's degrees in 2012-13 from the public and private nonprofit institutions at which they began their studies graduated with debt. They borrowed an average of \$27,300, an increase of 13% over five years and 19% over a decade.

- In 2013, 40% of borrowers with outstanding education debt owed less than \$10,000, and another 29% owed between \$10,000 and \$25,000; 4% of borrowers owed \$100,000 or more. This debt includes borrowing for both undergraduate and graduate studies.
- In 2014, 2.5 million federal Direct Loan borrowers were in repayment plans that limit their payments to a specified percentage of their incomes. These borrowers constituted 14% of those in repayment plans; they held 28% of the total outstanding debt in repayment plans.
- In the third quarter of 2013-14, 9% of borrowers with outstanding Federal Direct Student Loans were in default. These borrowers held 5% of total outstanding debt.
- For-profit institutions accounted for 32% of those who entered repayment in 2010-11, and 44% of those who defaulted by the end of September 2013.


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Introduction

In 2013-14, undergraduate students borrowed an average \$5,490 per full-time equivalent (FTE) student, a decline of almost \$600 (10%) over three years and \$330 (6%) over one year, after adjusting for inflation. When graduate students are included, postsecondary students borrowed \$7,040 in federal and nonfederal loans per FTE student in 2013-14, \$420 less than the year before and over \$700 less than in 2010-11. Total annual education borrowing increased by 18% (in constant dollars) between 2007-08 and 2010-11, but declined by 13% between 2010-11 and 2013-14 (online Table 3).

This information seems counter to the widespread discussions of student debt, which in recent months have focused on the idea of an accelerating student debt crisis both for individual students and for the economy as a whole. The reality is that students *are* leaving school with more debt than their counterparts five or ten years ago. Moreover, because the number of people going to college has increased significantly over the past decade, the total amount borrowed each year and the total amount of outstanding debt have grown much faster than individual debt levels.

The data in *Trends in Student Aid 2014* do not address the questions of how much students should borrow; of how the responsibility for paying for postsecondary education should be divided among students, families, and society as a whole; or of the varying outcomes for students. But the data do make it clear that borrowing levels are not on a continually accelerating path, that the portion of undergraduate aid in the form of loans has been declining since 2007-08 (Figure 3A), and that many students are in income-based loan repayment plans that limit their monthly obligations to a manageable percentage of their incomes (Figure 12).

THE CONTEXT: THE ECONOMY, COLLEGE PRICES, AND ENROLLMENT

Making sense of recent changes in student aid requires some background on college prices and enrollment patterns in the shaky economy of recent years. The national unemployment rate rose from 4.7% in July 2007 to 9.5% in July 2010. In July 2013, it was 7.3%.¹ Average published tuition and fees at public four-year colleges and universities increased by 18% between 2007-08 and 2010-11, and by 9% over the next three years, after adjusting for inflation.² Median family income, which declined by 7% in constant dollars between 2007 and 2010, declined by less than 1% between 2010 and 2013.

The economy is not back to its prerecession condition. But the circumstances facing college students — and other Americans — were very different in 2013 than in 2010. It should be no surprise that the trends in college enrollments and in student borrowing look different today than they did two or three years ago.

Undergraduate FTE enrollment increased by 16%, from 11.8 million in fall 2007 to 13.7 million in fall 2010. Over the next three years, enrollment declined to 13.0 million in fall 2013. As discussed above, both total borrowing and borrowing per student have also turned around. Total federal borrowing for undergraduates, which increased by a startling 55% between 2007-08 and 2010-11, after adjusting for inflation, declined by 17% over the next three years. Average federal borrowing per FTE undergraduate, which increased by 33% from 2007-08 to 2010-11, fell by 13% over the next three years.

Federal student aid patterns fit into the larger economic context. The federal government made dramatic increases in Pell Grants, in aid to veterans, and in federal tax credits during the years of the most severe downturn. Total federal grant aid increased by 128%, from \$23.1 billion (in 2013 dollars) in 2007-08 to \$52.6 billion in 2010-11, as the federal government stepped in to support students facing rapidly rising tuition levels in a weak economy. Federal education tax credits and deductions increased from \$7.5 billion to \$20.5 billion over the same three years. That rate of growth was not likely to continue. In 2013-14, declining enrollments have generated an estimated decline of 9% in total tax benefits; total federal grant aid to postsecondary students was 7% lower in inflation-adjusted dollars in 2013-14 than in 2010-11.

STUDENT BORROWING AND STUDENT DEBT

The recent decline in annual student borrowing is not yet reflected in the amounts of debt with which students graduate. As Figure 14A reveals, the percentage of bachelor's degree recipients graduating with \$40,000 or more of student debt (in 2012 dollars) increased from 2% in 2003-04 to 8% in 2007-08, and to 18% in 2011-12. Figures 13A and 13B indicate that average debt rose again in 2012-13.

Among students who received their bachelor's degrees from the public four-year institution in which they first enrolled, the percentage graduating with debt increased from 55% in 2006-07 to 56% in 2009-10, and to 59% in 2012-13. The average debt of these borrowers increased by 8% (in constant dollars) over each three-year period, from \$21,900 to \$23,600 to \$25,600 (Figure 13A). It is too soon to know whether the decline in annual borrowing will continue in future years. If it does, average debt levels will likely not continue to grow at this rate.

Trends in Student Aid 2014 includes information on outstanding debt and on the repayment status of that debt, in addition to the data on annual borrowing and average debt levels. The percentage of students taking advantage of income-related repayment plans, to prevent their federal loan payments from being unmanageable, is increasing (Figure 9B and *Trends in Student Aid 2013* Figure 12A). It is also notable that the percentage of dollars of federal loans in default is lower than

¹ Bureau of Labor Statistics, <http://data.bls.gov/timeseries/LNS14000000>.

² The College Board, *Trends in College Pricing 2014*.

the percentage of borrowers in default (Figure 19A). In other words, the average debt level of borrowers in default is lower than the overall average. As the data on the difference between undergraduate and graduate debt indicate (Figures 14A and 16A), high debt levels tend to be concentrated among graduate students who also have higher earnings than those with undergraduate degrees, or with some college but no degree.

TYPES OF STUDENT AID

Trends in Student Aid reports on a complex array of grant, loan, tax-based, and work programs that support postsecondary students. These programs have changed over the years for which we report data and comparisons over time are not always straightforward. For example, until 1994-95, federal student loans were made by private lenders and guaranteed by the federal government. After the Federal Direct Loan program was introduced, the two programs, both known as Stafford Loans, co-existed through 2009-10. Since then, all federal education loans have been Direct Loans. What were called Stafford Loans are now Direct Subsidized and Direct Unsubsidized Loans. As has been the case since the introduction of unsubsidized loans in 1992-93, the government pays the interest only on subsidized loans while the student is in school. Keeping all of the programs and terminology changes straight while examining trends over time is not simple. But the most important issue is how the circumstances facing students have evolved over time.

In addition to grants and loans, there is a small amount of federal funding for the Federal Work-Study (FWS) program, through which student wages are paid through a combination of federal and institutional funds. The federal government also provides subsidies to students through tax credits and deductions that, in 2013-14, are equal to 38% of the total amount of federal grant aid.

THE DISTRIBUTION OF STUDENT AID

The effectiveness of student aid in increasing educational opportunities depends to a great extent on how the funds are distributed across students in different financial circumstances. For some students, aid is a pure subsidy, reducing the price of the educational paths they would take even without assistance. For other students, grant aid means the difference between a high-tuition private institution and a public university or between a public four-year institution and a community college. For still others, the amount of grant aid they receive determines whether or not they will enroll in postsecondary education at all.

As documented in *Trends in College Pricing 2014*, the net prices students pay, after taking grant aid into consideration, increase with family income levels. Federal Pell Grants constitute one-third of the grant aid received by undergraduates in 2013-14 (Figure 2A). Almost 60% of Pell Grant recipients are independent students, for whom parental income is not considered in determining financial aid eligibility. Among dependent recipients, 77% of Pell recipients are from families with incomes below \$40,000.

The distribution of federal education tax credits and deductions is quite different. As Figure 25B reveals, 24% of tax credits and 56% of the benefits of the tuition tax deduction go to taxpayers with incomes of \$100,000 or higher.

A significant portion of state and institutional grant dollars are allocated on the basis of academic qualifications or other personal characteristics, but most of the funds go to students with financial need. Patterns vary considerably across states, with 23 states considering students' financial circumstances in allocating at least 95% of their state grant aid in 2012-13, while 14 states considered financial circumstances for less than half of their state grant aid (Figure 26B). The percentage of all state grant aid distributed on the basis of financial need declined from 77% in 2002-03 to 71% in 2010-11, and was 75% in 2012-13 (Figure 26A).

Institutional grant aid is a much larger portion of the aid received by students enrolled in private nonprofit institutions than in other sectors. About 48% of institutional aid in public four-year colleges and 70% in private nonprofit four-year colleges goes to meet financial need. The rest is used for other purposes and provides discounts to students who, according to the need analysis system, could afford to pay without assistance. Neither sector has seen a decline in the portion of aid going to meet need in recent years.

Monitoring the distribution of student aid is at least as important as monitoring its level in assessing how well these funds serve to help students overcome the financial barriers to postsecondary access and success.

THE STUDENT AID SYSTEM

Student aid reduces the financial barriers many individuals face to postsecondary access and success. Grant aid and tax benefits lower the overall price of education for students and families, making the net price of college less than the published price. Education loans do not lower the price, but they do make it possible to spread payments out over time. Parents can also spread their contributions to their children's education out over time. Work-study earnings frequently replace other earnings, but may increase the availability of employment for students.

The complex set of financial aid programs described in *Trends in Student Aid 2014* creates opportunities for students, but there is broad consensus that the same number of dollars could be used more effectively. Understanding what the components of the system are; how grants, loans, tax benefits, and work-study aid are distributed; and how they have changed over time is a first step. But the growth in aid dollars has meaning only in the context of the growth in the price of college and in the number of students enrolling — information included in *Trends in College Pricing 2014*.

The information in both publications is a prerequisite for improving the student aid system. Incorporating evidence about what makes aid programs effective in supporting college access and success is a vital next step. Most obvious from the review of the system presented here is the problem of complexity. If successful, current efforts to simplify the array of programs, the application processes, and the eligibility criteria are promising. It is also critical to focus on directing subsidies to students whose educational outcomes are most likely to be improved because of the aid.

The student aid system is a vital component of efforts to increase economic mobility, the quality of the labor force, and the long-run strength of the economy. The information in *Trends in Student Aid* provides valuable perspective on how that system is operating.

*The tables supporting all of the graphs in the Trends publications, PDF versions of the publications, PowerPoint files containing individual slides for all of the graphs, and other detailed data on student aid and college pricing are available on our website at **trends.collegeboard.org**. Please feel free to cite or reproduce the data in Trends for noncommercial purposes with proper attribution.*

Total Student Aid

In 2013-14, undergraduate and graduate students received \$238.3 billion in student aid in the form of grants from all sources, Federal Work-Study (FWS), federal loans, and federal tax credits and deductions.

TABLE 1 Student Aid and Nonfederal Loans in 2013 Dollars (in Millions), 2003-04 to 2013-14

	Academic Year										Preliminary 13-14	10-Year % Change
	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13		
Federal Aid												
Grants												
Pell Grants	\$16,142	\$16,218	\$15,174	\$14,713	\$16,459	\$19,425	\$32,533	\$38,227	\$34,716	\$32,690	\$33,728	109%
FSEOG	\$964	\$950	\$931	\$885	\$864	\$804	\$798	\$811	\$761	\$749	\$733	-24%
LEAP	\$84	\$81	\$78	\$74	\$73	\$68	\$68	\$65	—	—	—	
Academic Competitiveness Grants	—	—	—	\$278	\$346	\$361	\$520	\$593	—	—	—	
SMART Grants	—	—	—	\$235	\$230	\$212	\$389	\$464	—	—	—	
Veterans and Military	\$4,037	\$4,337	\$4,405	\$4,468	\$4,595	\$5,056	\$9,748	\$11,881	\$11,671	\$13,173	\$13,791	242%
Other Grants	\$477	\$487	\$509	\$515	\$505	\$498	\$566	\$563	\$655	\$695	\$674	41%
Total Federal Grants	\$21,705	\$22,074	\$21,097	\$21,167	\$23,072	\$26,424	\$44,623	\$52,605	\$47,803	\$47,307	\$48,926	125%
Loans												
Perkins Loans	\$2,081	\$2,037	\$1,905	\$1,858	\$1,551	\$1,021	\$888	\$918	\$981	\$1,030	\$1,011	-51%
Subsidized Stafford	\$27,995	\$29,385	\$29,217	\$28,713	\$32,632	\$35,075	\$41,295	\$43,462	\$41,940	\$28,354	\$25,408	-9%
Unsubsidized Stafford	\$24,896	\$26,943	\$28,224	\$27,950	\$30,716	\$42,929	\$50,513	\$50,436	\$48,555	\$57,658	\$51,898	108%
Parent PLUS	\$7,917	\$9,081	\$9,783	\$9,333	\$8,629	\$8,165	\$9,657	\$11,349	\$11,453	\$10,031	\$9,973	26%
Grad PLUS	—	—	—	\$2,400	\$3,453	\$4,595	\$6,166	\$7,428	\$7,734	\$7,761	\$7,484	
Other Loans	\$159	\$174	\$188	\$184	\$140	\$127	\$220	\$239	\$320	\$227	\$141	-12%
Total Federal Loans	\$63,048	\$67,620	\$69,317	\$70,438	\$77,121	\$91,912	\$108,739	\$113,833	\$110,983	\$105,060	\$95,914	52%
Federal Work-Study	\$1,271	\$1,226	\$1,176	\$1,118	\$1,092	\$1,034	\$1,055	\$1,044	\$1,005	\$984	\$975	-23%
Education Tax Benefits	\$7,347	\$7,561	\$7,648	\$7,557	\$7,488	\$11,377	\$17,806	\$20,453	\$19,358	\$17,789	\$18,700	155%
Total Federal Aid	\$93,370	\$98,480	\$99,238	\$100,280	\$108,773	\$130,746	\$172,223	\$187,935	\$179,149	\$171,140	\$164,515	76%
State Grants	\$7,833	\$8,244	\$8,420	\$8,773	\$9,025	\$8,993	\$9,626	\$9,902	\$9,718	\$9,779	\$9,454	21%
Institutional Grants	\$25,163	\$26,702	\$28,500	\$30,086	\$31,535	\$32,942	\$37,781	\$41,424	\$43,489	\$46,015	\$48,240	92%
Private and Employer Grants	\$9,781	\$10,508	\$11,273	\$11,984	\$12,919	\$13,200	\$13,494	\$14,240	\$14,569	\$14,866	\$16,050	64%
Total Federal, State, Institutional, and Other Aid	\$136,147	\$143,934	\$147,432	\$151,124	\$162,252	\$185,882	\$233,123	\$253,501	\$246,925	\$241,800	\$238,259	75%
Nonfederal Loans	\$13,744	\$17,896	\$21,268	\$24,221	\$26,028	\$12,637	\$9,220	\$8,272	\$8,292	\$9,615	\$10,040	-27%
State- and Institution-Sponsored	\$1,804	\$1,862	\$2,140	\$2,411	\$2,366	\$1,699	\$1,844	\$1,811	\$1,727	\$1,580	\$1,690	-6%
Private Sector	\$11,940	\$16,034	\$19,128	\$21,810	\$23,663	\$10,938	\$7,376	\$6,461	\$6,566	\$8,035	\$8,350	-30%
Total Student Aid and Nonfederal Loans	\$149,891	\$161,830	\$168,699	\$175,344	\$188,280	\$198,519	\$242,344	\$261,772	\$255,217	\$251,415	\$248,299	66%

NOTES: The latest available data for education tax benefits are for calendar year 2012. Estimates for later years are based on these data. FSEOG and FWS funds reflect federal allocations made to institutions and do not include the required matching funds from institutions. Components may not sum to totals because of rounding.

SOURCES: See page 42 for a list of sources for data included in Table 1.

- Total student aid peaked at \$253.5 billion (in 2013 dollars) in 2010-11.
- The federal government's share of total student aid increased from 69% in 2003-04 to 74% in 2009-10 and 2010-11, but was 69% in 2013-14.
- In 2013-14, 30% (\$48.9 billion) of total federal student aid was in the form of grants, an increase from 20% five years earlier. Loans declined from 70% of federal aid dollars in 2008-09 to 58% in 2013-14.

- Private education loans are loans students borrow from banks, credit unions, and other private lenders. These loans, which are not part of the student aid system and do not involve subsidies, grew from about \$13.7 billion (in 2013 dollars) in 2003-04 to an estimated \$26.0 billion in 2007-08, and declined to \$10.0 billion in 2013-14.

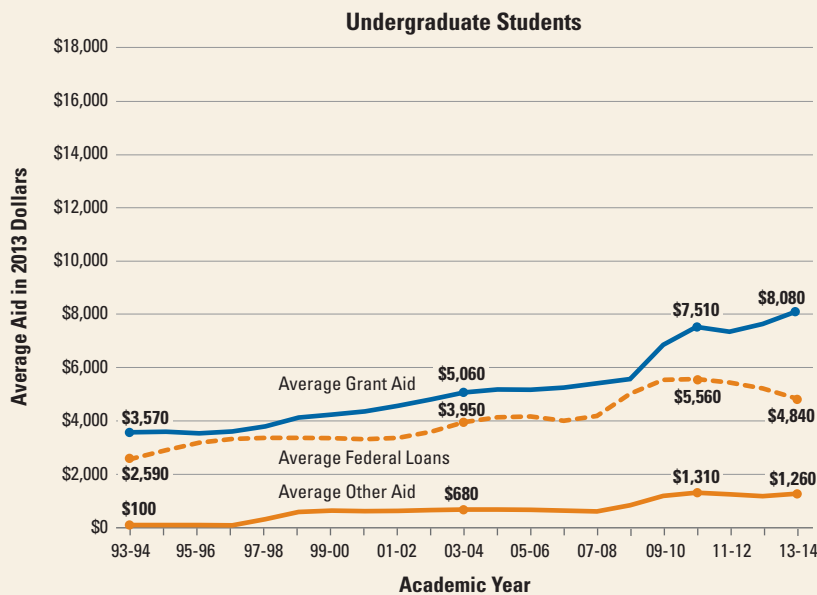
ALSO IMPORTANT:

- In 2013-14, graduate students received only about 4% of all federal grant aid, but borrowed 34% of all federal loans. (Tables 1 and 1B)

Aid per Student

In 2013-14, undergraduate students received an average of \$14,180 in aid per full-time equivalent (FTE) student, including \$8,080 in grants from all sources, \$4,840 in federal loans, and \$1,260 in a combination of tax credits and deductions and Federal Work-Study.

FIGURE 1A Average Aid per Full-Time Equivalent (FTE) Undergraduate Student in 2013 Dollars, 1993-94 to 2013-14

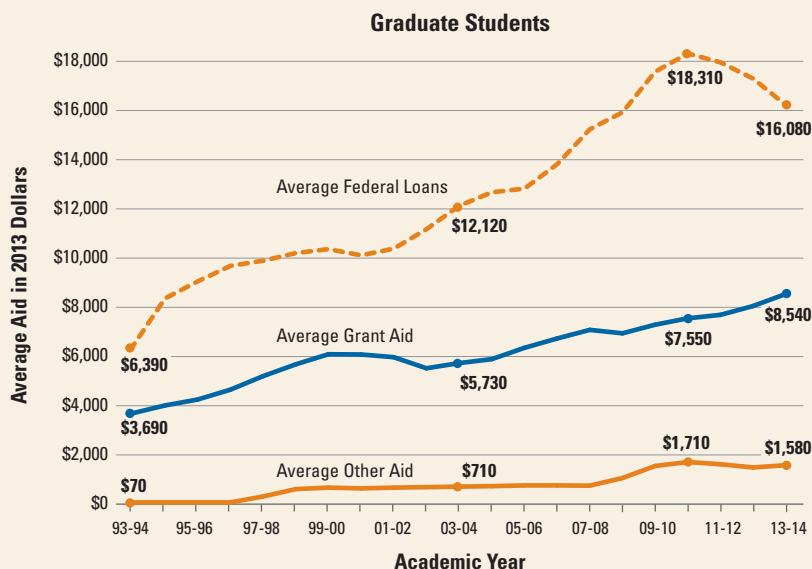


- Between 2010-11 and 2013-14, federal loans per FTE undergraduate student declined by \$720, from \$5,560 (in 2013 dollars) to \$4,840.
- Grant aid per undergraduate student increased by \$570 (in 2013 dollars) between 2010-11 and 2013-14.
- In 2013-14, graduate students received an average of \$26,200 in aid per FTE student, including \$8,540 in grants from all sources, \$16,080 in federal loans, and \$1,580 in a combination of tax credits and deductions and Federal Work-Study.
- Between 2010-11 and 2013-14, federal loans per FTE graduate student declined by \$2,230, from \$18,310 (in 2013 dollars) to \$16,080.
- Grant aid per graduate student increased by \$990 (in 2013 dollars) between 2010-11 and 2013-14, largely because of growth in veterans' benefits and institutional grant aid.

ALSO IMPORTANT:

- The \$100 of "Other Aid" per FTE undergraduate student in 1993-94 was from Federal Work-Study (FWS). In 2003-04, \$580 (85%) of this category of aid was from education tax credits and deductions and \$100 was from FWS. In 2013-14, \$1,195 (95%) of the \$1,260 in "Other Aid" was from tax benefits.
- The \$70 of "Other Aid" per FTE graduate student in 1993-94 was from FWS. In 2003-04, \$620 (87%) of this category of aid was from education tax credits and deductions and \$90 was from FWS. In 2013-14, \$1,530 (97%) of the \$1,580 in "Other Aid" was from tax benefits.

FIGURE 1B Average Aid per Full-Time Equivalent (FTE) Graduate Student in 2013 Dollars, 1993-94 to 2013-14



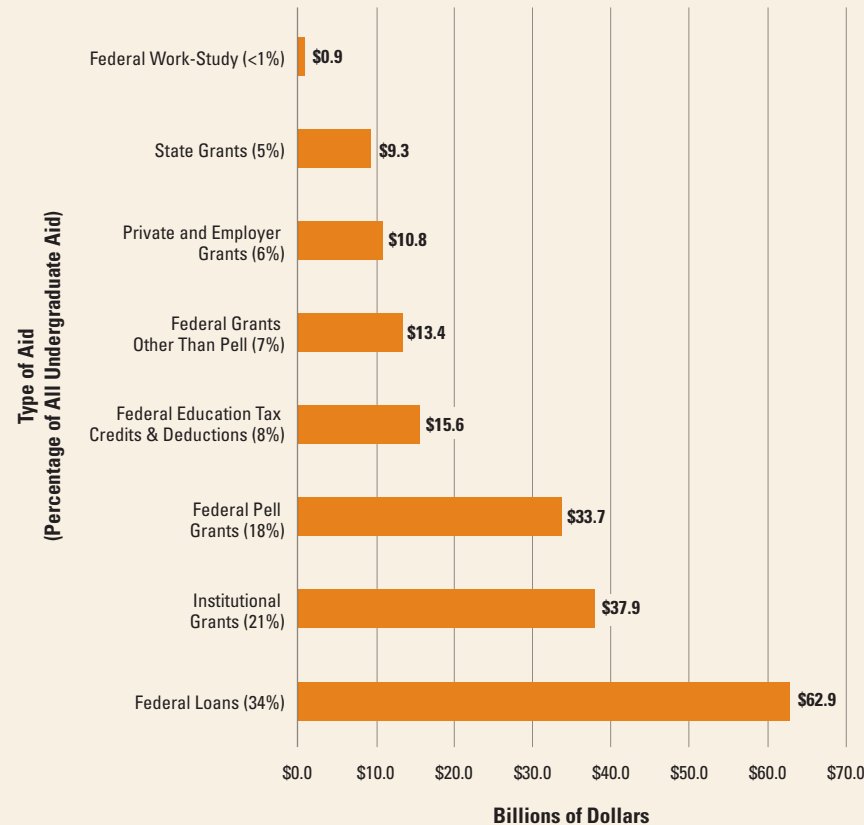
NOTES: Loans reported here include only federal loans to students and parents. Grants from all sources are included. "Other Aid" includes federal education tax benefits and Federal Work-Study. Dollar values are rounded to the nearest \$10.

SOURCE: Trends in Student Aid website (trends.collegeboard.org), Table 3.

Total Undergraduate Student Aid by Type

In 2013-14, undergraduate students received \$33.7 billion in Pell Grants and \$13.4 billion in other federal grants, including funds specifically for veterans. Federal grants accounted for 26% of all undergraduate aid and 45% of undergraduate grant aid.

FIGURE 2A Total Undergraduate Student Aid by Source and Type (in Billions), 2013-14



– The federal government also provided \$62.9 billion in federal loans and \$15.6 billion in education tax credits and deductions for undergraduate students, which constituted 34% and 8%, respectively, of undergraduate aid in 2013-14.

– In 2013-14, institutions provided \$37.9 billion in grant aid to undergraduate students. This constituted 21% of total undergraduate aid and 36% of undergraduate grant aid.

ALSO IMPORTANT:

– In fall 2013, an estimated 13.0 million (86%) of the 15.1 million full-time equivalent postsecondary students were undergraduates.

– Undergraduate students are considered dependent, with their aid eligibility being a function of their own and their parents' financial circumstances, unless they are at least 24 years of age, are married, have legal dependents, are veterans or on active duty, or are orphans, wards of the court, or homeless unaccompanied youth.

NOTES: Loans reported here include only federal loans to students and parents. Percentages may not sum to 100 because of rounding.

SOURCE: *Trends in Student Aid* website (trends.collegeboard.org), Table 1A.

TABLE 1A Total Undergraduate Student Aid in 2013 Dollars (in Millions), 1993-94 to 2013-14, Selected Years

	1993-94	1998-99	2003-04	2008-09	2009-10	2010-11	2011-12	2012-13	Preliminary 2013-14
Total Federal Grants	\$12,522	\$13,536	\$21,055	\$25,625	\$43,355	\$51,090	\$46,209	\$45,536	\$47,103
Total Federal Loans	\$23,037	\$30,876	\$42,880	\$61,541	\$73,480	\$76,005	\$73,787	\$69,382	\$62,925
Federal Work-Study	\$901	\$1,053	\$1,122	\$913	\$930	\$926	\$898	\$879	\$871
Education Tax Benefits	\$0	\$4,366	\$6,310	\$9,472	\$14,825	\$17,029	\$16,117	\$14,811	\$15,569
TOTAL FEDERAL AID	\$36,461	\$49,832	\$71,367	\$97,551	\$132,589	\$145,050	\$137,011	\$130,608	\$126,468
State Grants	\$4,547	\$5,144	\$7,637	\$8,883	\$9,493	\$9,771	\$9,567	\$9,622	\$9,302
Institutional Grants	\$11,259	\$14,786	\$19,300	\$25,478	\$29,339	\$32,299	\$34,046	\$36,169	\$37,918
Private and Employer Grants	\$3,377	\$4,376	\$6,946	\$8,333	\$8,713	\$9,400	\$9,828	\$10,028	\$10,827
TOTAL FEDERAL, STATE, INSTITUTIONAL, AND PRIVATE AID	\$55,643	\$74,139	\$105,250	\$140,245	\$180,134	\$196,520	\$190,452	\$186,428	\$184,515

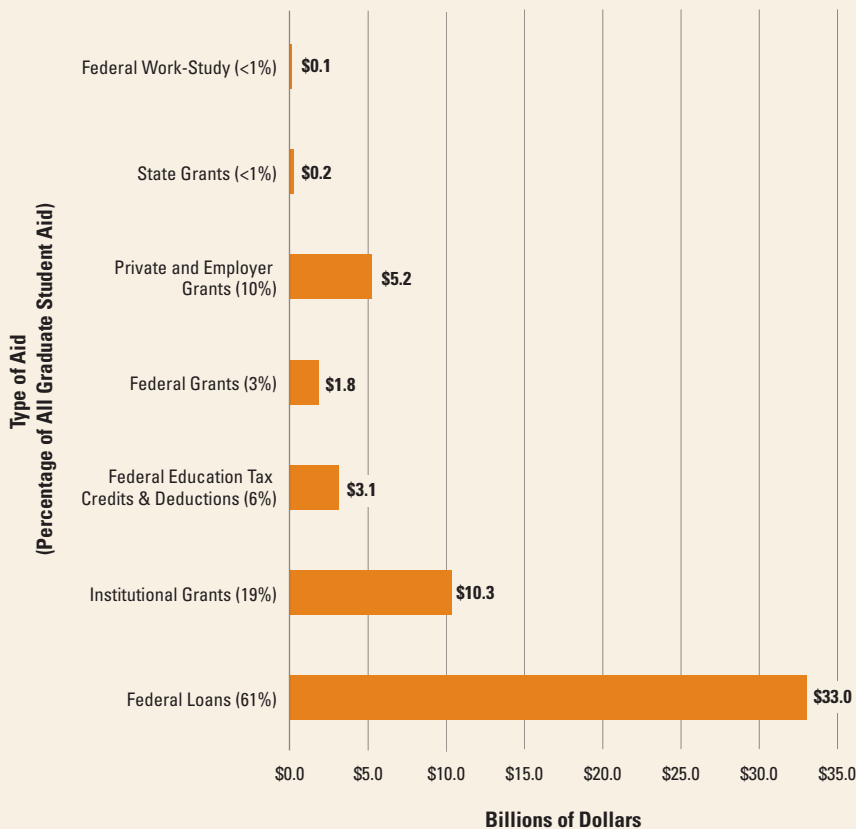
NOTE: Components may not sum to totals because of rounding.



Total Graduate Student Aid by Type

In 2013-14, graduate students borrowed \$33.0 billion in federal loans, which accounted for 61% of all the financial aid they received.

FIGURE 2B Total Graduate Student Aid by Source and Type (in Billions), 2013-14



– Federal graduate student borrowing increased from \$20.2 billion in 2003-04 (in 2013 dollars) to \$37.8 billion in 2010-11, but fell to \$33.0 billion in 2013-14.

– Some graduate students rely on fellowships and assistantships provided by their universities, which were not included in the \$10.3 billion of institutional aid they received in 2013-14.

– Although federal grants accounted for only 3% of the aid received by graduate students in 2013-14, this funding increased from \$650 million (in 2013 dollars) in 2003-04 to \$1.8 billion a decade later, as the Post-9/11 GI Bill took effect.

– The estimated \$5.2 billion in employer and private grants constituted 30% of the grant aid supporting graduate students in 2013-14.

ALSO IMPORTANT:

– Veterans and military funding accounted for 80% of the federal grants to graduate students in 2013-14, but for only 26% of federal grants to undergraduates, who also benefit from Pell Grants.

– In fall 2013, an estimated 2.1 million (14%) of the 15.1 million full-time equivalent postsecondary students were graduate students.

– All graduate students are considered independent for federal financial aid purposes, so their eligibility for need-based aid depends only on their own income and assets (and those of their spouses if they are married) for most programs.

NOTES: Loans reported here include only federal loans to students. Percentages may not sum to 100 because of rounding.

SOURCE: *Trends in Student Aid* website (trends.collegeboard.org), Table 1B.

TABLE 1B Total Graduate Student Aid in 2013 Dollars (in Millions), 1993-94 to 2013-14, Selected Years

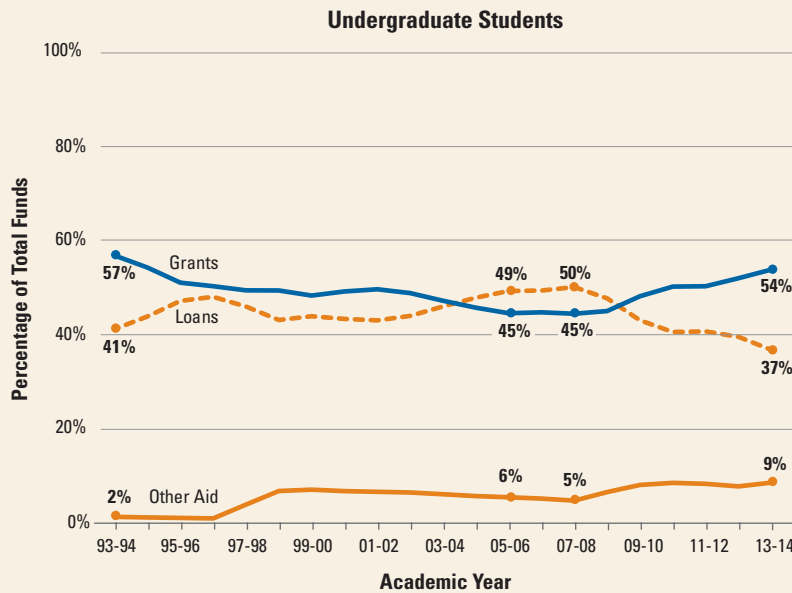
	1993-94	1998-99	2003-04	2008-09	2009-10	2010-11	2011-12	2012-13	Preliminary 2013-14
Total Federal Grants	\$337	\$462	\$650	\$799	\$1,269	\$1,515	\$1,594	\$1,771	\$1,823
Total Federal Loans	\$8,256	\$14,000	\$20,168	\$30,370	\$35,259	\$37,828	\$37,196	\$35,678	\$32,989
Federal Work-Study	\$96	\$113	\$149	\$122	\$125	\$118	\$107	\$105	\$104
Education Tax Benefits	\$0	\$719	\$1,037	\$1,905	\$2,981	\$3,424	\$3,241	\$2,978	\$3,131
TOTAL FEDERAL AID	\$8,689	\$15,294	\$22,004	\$33,195	\$39,634	\$42,884	\$42,138	\$40,532	\$38,047
State Grants	\$189	\$132	\$196	\$110	\$133	\$131	\$151	\$157	\$152
Institutional Grants	\$3,057	\$5,067	\$5,863	\$7,464	\$8,441	\$9,125	\$9,443	\$9,846	\$10,322
Private and Employer Grants	\$1,185	\$2,136	\$2,835	\$4,867	\$4,781	\$4,839	\$4,741	\$4,837	\$5,223
TOTAL FEDERAL, STATE, INSTITUTIONAL, AND PRIVATE AID	\$13,121	\$22,629	\$30,897	\$45,637	\$52,989	\$56,980	\$56,473	\$55,372	\$53,744

NOTE: Components may not sum to totals because of rounding.

Total Grants, Loans, and Other Aid

In 2013-14, grants constituted 54% of the funds used by undergraduates to supplement student and family resources. Grants were 32% of the total for graduate students.

FIGURE 3A Composition of Total Aid and Nonfederal Loans for Undergraduate Students, 1993-94 to 2013-14

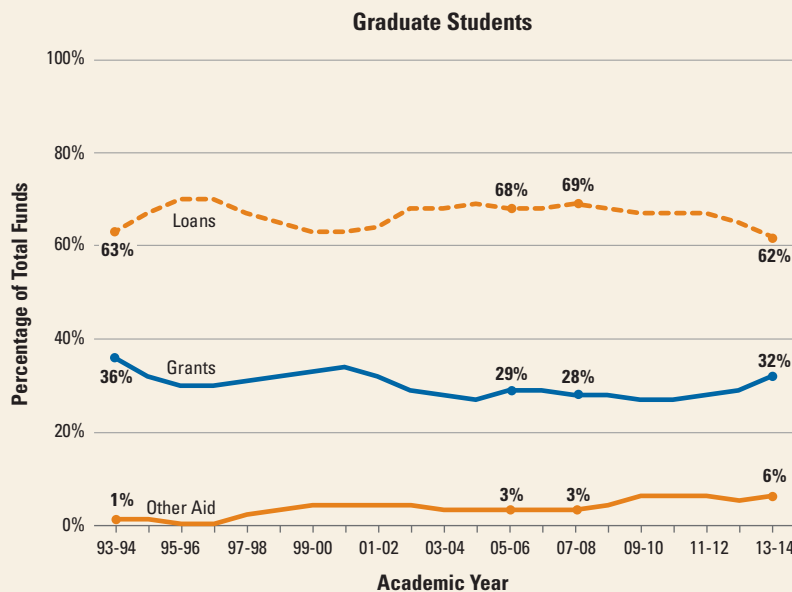


- Grant aid declined gradually as a share of student aid and nonfederal loans for undergraduate students from 57% in 1993-94 to 45% in 2005-06. Still at 45% in 2008-09, grant aid's share then began to increase, rising to 54% in 2013-14.
- Loans from federal and nonfederal sources combined declined from a peak of 50% of funding for undergraduates in 2007-08 to 37% in 2013-14.
- Loans from federal and nonfederal sources combined declined from 69% of funding for graduate students in 2007-08 to 62% in 2013-14.
- In 2013-14, the combination of federal tax credits and deductions and Federal Work-Study constituted 9% of all student aid and nonfederal loans for undergraduate students and 6% for graduate students.

ALSO IMPORTANT:

- Grant aid often fails to increase rapidly enough to fill the growing gap between the costs of attending college or graduate school and the ability of students and families to pay those costs.
- For undergraduate students, the increase in the share of funds from grant aid between 2007-08 and 2013-14 was the result of a 65% increase in total grant aid. Total undergraduate loan volume was almost identical in 2007-08 and 2013-14, after adjusting for inflation.
- For graduate students, both grant aid and total borrowing were higher in 2013-14 than in 2007-08, but grant aid increased much more rapidly.

FIGURE 3B Composition of Total Aid and Nonfederal Loans for Graduate Students, 1993-94 to 2013-14



NOTES: Nonfederal loans are included as an indication of the total amount students and parents borrow through education loans. "Other Aid" includes federal education tax credits and deductions and Federal Work-Study (FWS).

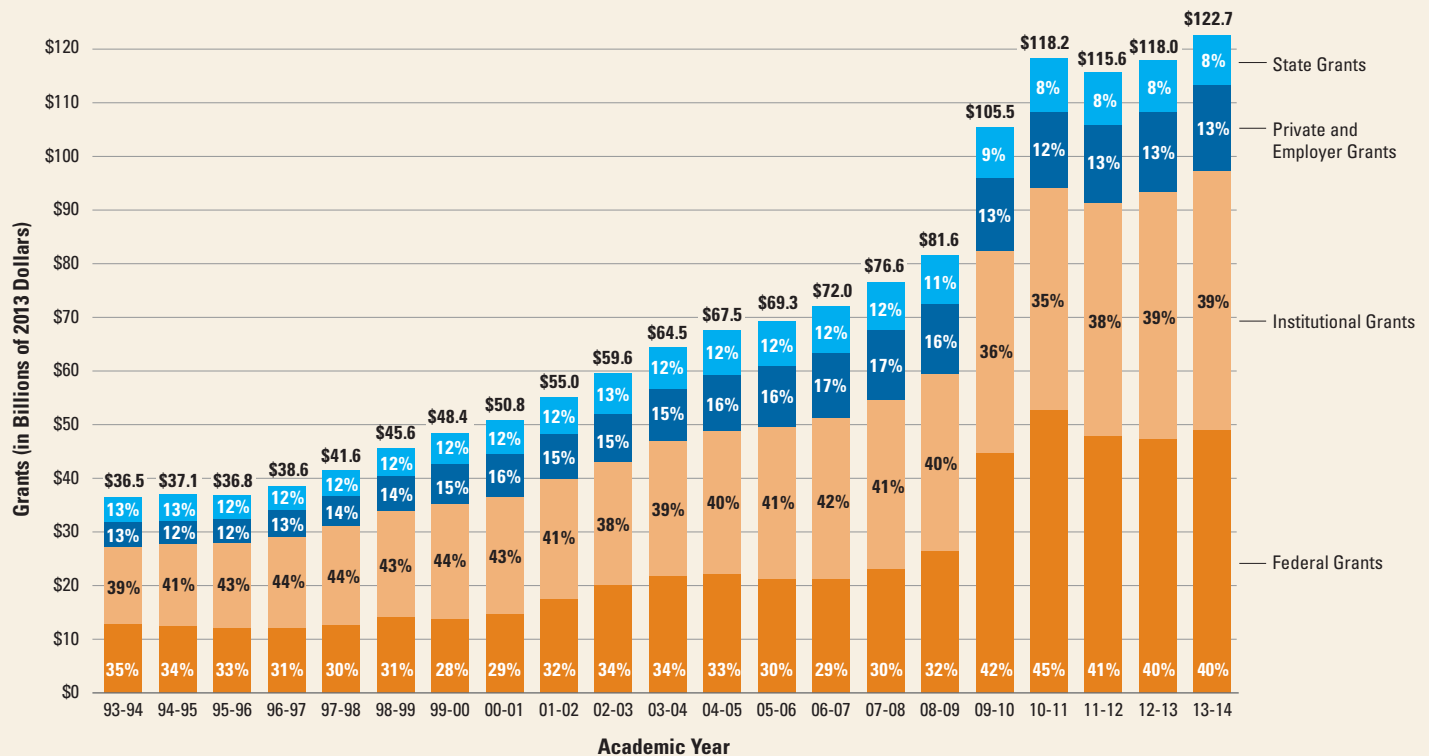
SOURCE: *Trends in Student Aid* website (trends.collegeboard.org), Table 4.



Types of Grants

The \$122.7 billion in total grant aid supporting postsecondary students in 2013-14 was 50% higher than the \$81.6 billion (in 2013 dollars) in 2008-09.

FIGURE 4 Total Grant Aid in 2013 Dollars by Type of Grant, 1993-94 to 2013-14



NOTE: Percentages may not sum to 100 because of rounding.

SOURCES: See page 42 for a list of sources for grants included in Figure 4.

- In 2013-14, the federal government provided \$48.9 billion in grant aid to postsecondary students. Although a slight decline from its peak of \$52.6 billion three years earlier, federal grant aid was 85% higher in 2013-14 than it was five years earlier and 125% higher than it was a decade earlier, after adjusting for inflation.
- Total state grant aid increased by 5%, from \$9.0 billion (in 2013 dollars) in 2008-09 to \$9.5 billion in 2013-14, and by 21% over the decade from 2003-04 to 2013-14.
- Federal grants increased from 34% of all grant aid for postsecondary students in 2003-04 to 40% in 2013-14. State grant aid declined from 12% to 8% of the total.
- Grant aid from colleges and universities in the form of discounts to their students grew from about \$25.2 billion (in 2013 dollars) in 2003-04 to an estimated \$48.2 billion in 2013-14, with the most rapid growth in the second half of the decade. Institutional grant aid and federal grant aid comprise approximately equal shares of total grant aid.
- Grant aid from employers and other private sources, such as corporations, foundations, and other nonprofit organizations, constituted an estimated 13% of all grant aid to postsecondary students in 2013-14.

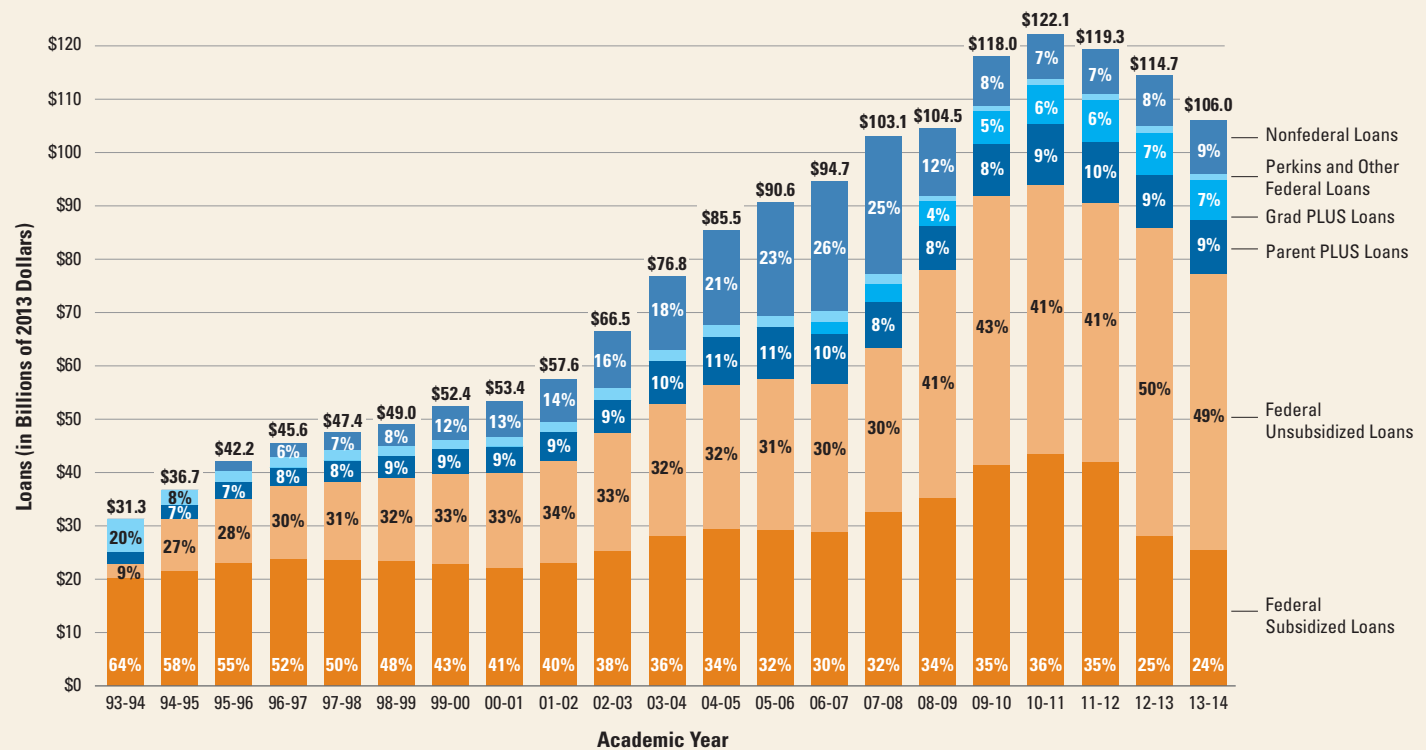
ALSO IMPORTANT:

- Pell Grants declined from 74% of federal grant aid in 2008-09 to 69% in 2013-14. Veterans and military aid increased from 19% to 28% of federal grants to students. (Table 1)

Types of Loans

Students and parents borrowed \$106.0 billion in education loans in 2013-14, down from a peak of \$122.1 billion (in 2013 dollars) in 2010-11.

FIGURE 5 Total Federal and Nonfederal Loan Dollars in 2013 Dollars, 1993-94 to 2013-14



NOTES: Nonfederal loans include loans to students from states and institutions, in addition to private loans issued by banks, credit unions, and Sallie Mae. Values for all types of nonfederal loans are best estimates and are less precise than federal loan amounts. Estimates are available for private and state loans beginning in 1995-96 and for institutional loans beginning in 2007-08.

SOURCES: See page 42 for a list of sources for loans included in Figure 5.

- The Subsidized Stafford Loan program grew from \$20.1 billion (in 2013 dollars) in 1993-94 to \$28.0 billion in 2003-04 and to \$43.5 billion in 2010-11. In 2013-14, with graduate students no longer eligible for the program, undergraduate students received \$25.4 billion in subsidized student loans, down from \$31.0 billion in 2010-11.
- The Unsubsidized Stafford Loan program, in which interest accrues while students are in school, grew from \$24.9 billion (in 2013 dollars) in 2003-04 to \$57.7 billion in 2012-13 and declined to \$51.9 billion in 2013-14.
- Since 2006-07, graduate students have been able to borrow up to the cost of attendance less other aid from the Grad PLUS program. Total Grad PLUS borrowing increased from \$2.4 billion (in 2013 dollars) in 2006-07 to \$7.5 billion in 2013-14.
- Parents of undergraduate students borrowed \$10.0 billion through the Parent PLUS program in 2013-14, an increase of 26% in inflation-adjusted dollars over a decade.
- Nonfederal loans, which constituted about a quarter of education borrowing in 2006-07 and 2007-08, have ranged from about 7% to about 12% of the total since 2008-09.

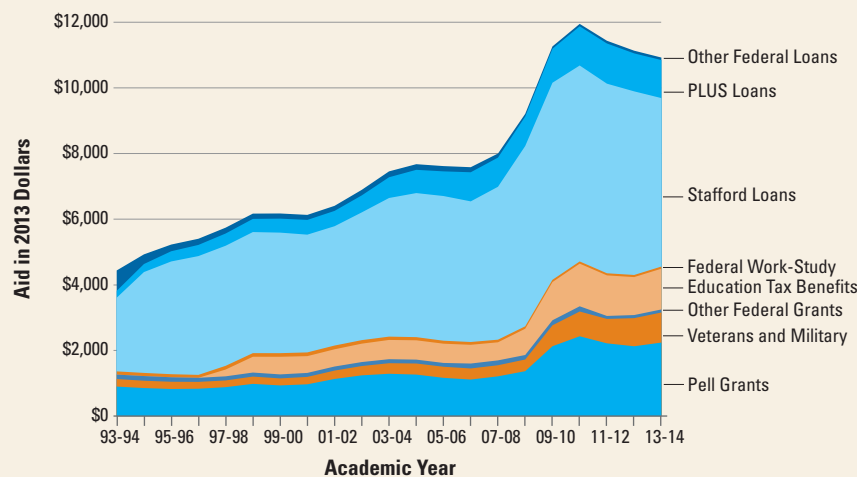
ALSO IMPORTANT:

- Available data suggest that loans from colleges and universities to students and parents grew from about \$480 million (in 2013 dollars) in 2008-09 to \$710 million in 2013-14. (Online Table 1)

Federal Aid

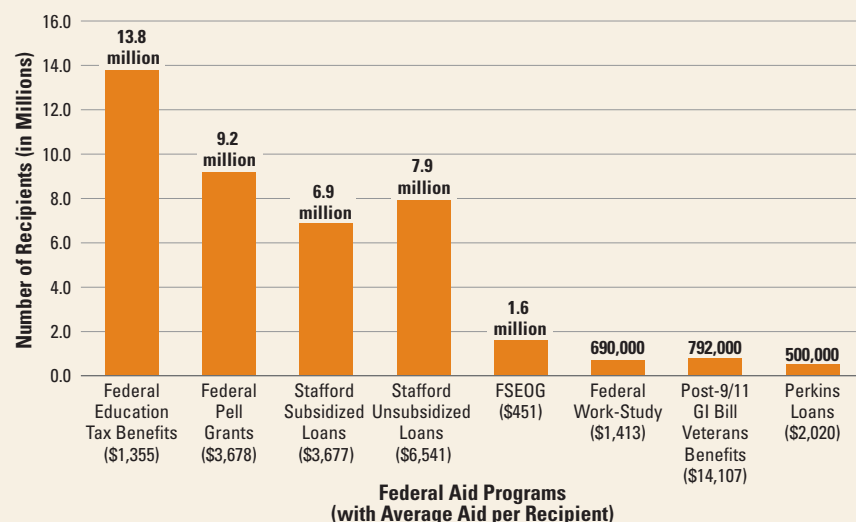
Stafford Loans increased from \$2,245 (in 2013 dollars) per full-time equivalent (FTE) student in 1993-94 to \$4,224 in 2003-04 and to a peak of \$6,004 in 2009-10. In 2013-14, students borrowed \$5,133 per FTE student from the Direct Subsidized and Unsubsidized programs combined.

FIGURE 6 Federal Student Aid per Full-Time Equivalent (FTE) Student in 2013 Dollars, 1993-94 to 2013-14



SOURCES: See page 42 for a list of sources for aid included in Figure 6. NCES, IPEDS enrollment data.

FIGURE 7 Number of Recipients by Federal Aid Program (with Average Aid Received), 2013-14



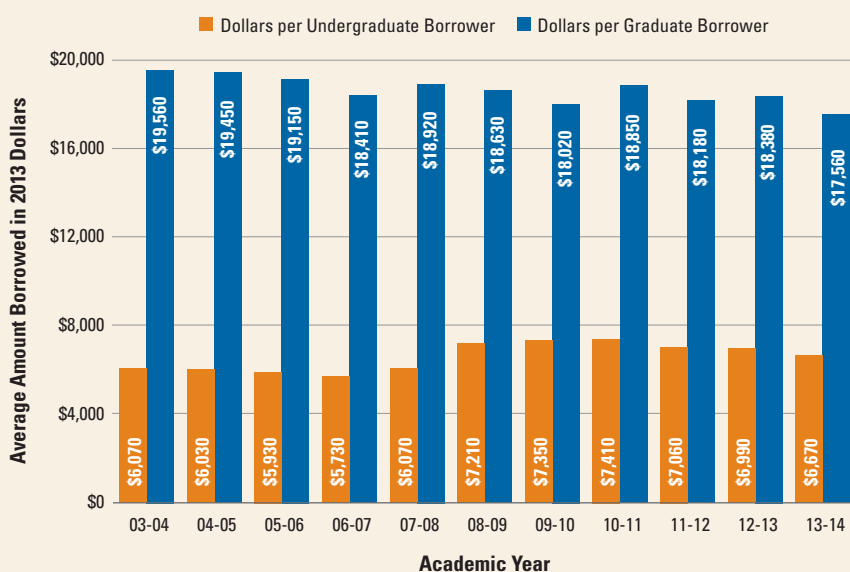
NOTES: Data on tax benefits are estimated from data for tax year 2012. FSEOG and FWS amounts in Figure 6 and Figure 7 represent federal funds only. Institutions provide matching funds, so the awards that students receive under these programs are larger than these federal aid amounts. Perkins Loans are made from revolving funds on campus. No new federal outlays were provided in 2013-14, but originally the funds came partly from federal and partly from institutional sources.

SOURCES: Internal Revenue Service, *Statistics of Income*; U.S. Department of Education, Office of Postsecondary Education, Annual Publications; U.S. Department of Veterans Affairs, *Benefits and Burial Programs*.

Federal Loans

In 2013-14, participating undergraduates borrowed an average of \$6,670 in federal Direct Subsidized and Unsubsidized Loans. Participating graduate students borrowed an average of \$17,560 in Direct Unsubsidized Loans.

FIGURE 8A Average Annual Amount Borrowed in Federal Subsidized and Unsubsidized Loans in 2013 Dollars, 2003-04 to 2013-14

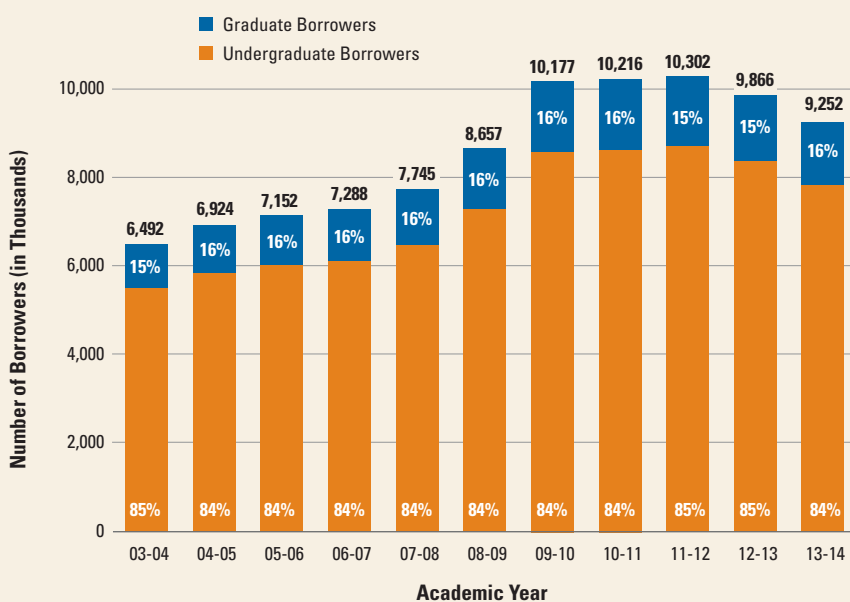


- The number of undergraduate federal student loan borrowers increased by 58%, from 5.5 million in 2003-04 to 8.7 million in 2011-12, but fell to 7.8 million in 2013-14.
- The number of graduate unsubsidized and subsidized borrowers increased by 60%, from 1.0 million in 2003-04 to 1.6 million in 2011-12, but fell to 1.4 million in 2013-14.
- The average amount borrowed by undergraduates through the federal subsidized and unsubsidized loan programs increased from \$6,070 (in 2013 dollars) in 2003-04 to \$7,410 in 2010-11, but fell to \$6,670 in 2013-14.
- The average amount borrowed by graduate students through the subsidized and unsubsidized loan programs fell from \$19,560 (in 2013 dollars) in 2003-04 to \$17,560 in 2013-14.

ALSO IMPORTANT:

- As of 2012-13, graduate students are no longer eligible for the subsidized loan program, under which the government pays the interest while students are in school. They remain eligible for the Direct Unsubsidized Loan program.
- In 2013-14, 343,000 graduate students borrowed an average of \$21,850 in federal Grad PLUS loans. Some students borrow from both this program and the Direct Unsubsidized Loan Program, while others use only one of the programs.

FIGURE 8B Number of Federal Subsidized and Unsubsidized Loan Borrowers, 2003-04 to 2013-14



NOTES: Excludes students who did not borrow through either the subsidized or the unsubsidized federal student loan programs. Average is the total amount borrowed, which may include multiple loans for individual students. Graduate students also participate in the Grad PLUS program, which is not included here.

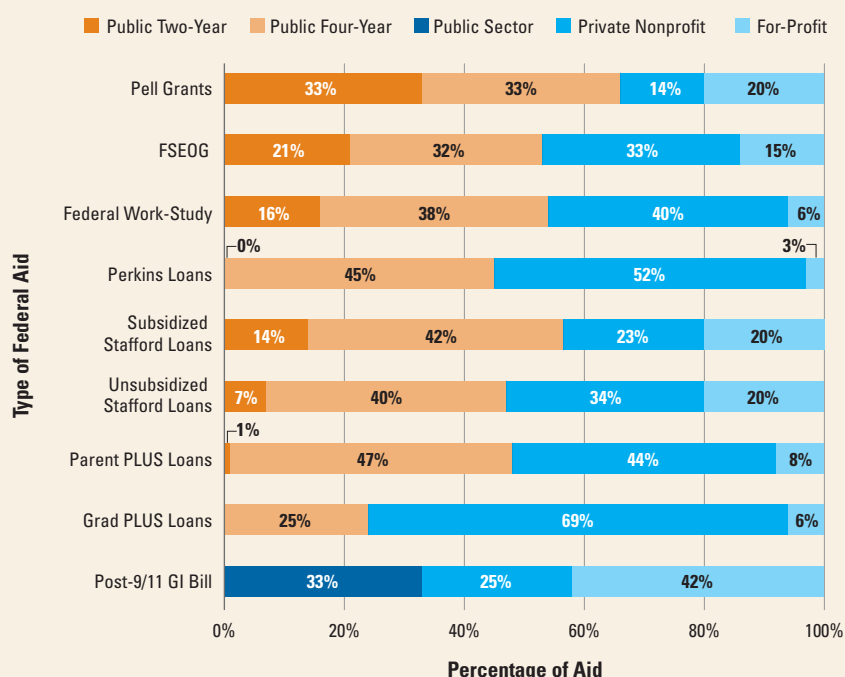
SOURCES: *Trends in Student Aid* website (trends.collegeboard.org), Table 6.



Federal Aid by Sector

In 2013-14, public two-year college students received 33% of all Pell Grant dollars. Under the Campus-Based Aid programs, they received 21% of FSEOG funds and 16% of Federal Work-Study funds. This sector accounted for 30% of undergraduate and 26% of all full-time equivalent (FTE) enrollments.

FIGURE 9 Percentage Distribution of Federal Aid Funds by Sector, 2013-14



NOTES: The breakdown between the public four-year and public two-year sectors is not available for Post-9/11 GI Bill benefits. Estimates for this program are based on 2012-13. The shares cited for the private nonprofit sector include a small amount of aid going to students enrolled in less-than-four-year private institutions. The \$670 million in Grad PLUS Loans to students enrolled in foreign institutions are not included. Percentages may not sum to 100 because of rounding.

SOURCES: U.S. Department of Education, Office of Postsecondary Education, Annual Publication; the National Student Loan Data System (NSLDS); the Federal Student Aid Data Center (<https://studentaid.ed.gov/data-center>); and U.S. Government Accountability Office, *VA Education Benefits: Student Characteristics and Outcomes Vary Across Schools*, 2013.

Percentage Distribution of Enrollment by Sector, 2004-05 to 2013-14, Selected Years

	2004-05	2007-08	2010-11	2013-14
Undergraduate FTE Enrollment				
Public Four-Year	42%	42%	40%	43%
Public Two-Year	33%	32%	32%	30%
Private Nonprofit Four-Year	19%	19%	17%	19%
For-Profit	6%	7%	10%	8%
Total FTE Enrollment				
Public Four-Year	43%	43%	41%	44%
Public Two-Year	29%	27%	28%	26%
Private Nonprofit Four-Year	22%	22%	20%	22%
For-Profit	6%	7%	10%	8%

SOURCE: NCES, IPEDS.

- In 2013-14, about 8% of all FTE undergraduate enrollments were in the for-profit sector. These students received an estimated 42% of Post-9/11 GI Bill education funds and 20% of Pell Grants. They borrowed 20% of both Direct Unsubsidized and Direct Subsidized federal loans.
- Graduate students in the private nonprofit sector (who constitute 48% of graduate enrollments) borrowed 69% of the Grad PLUS loan volume in 2013-14.

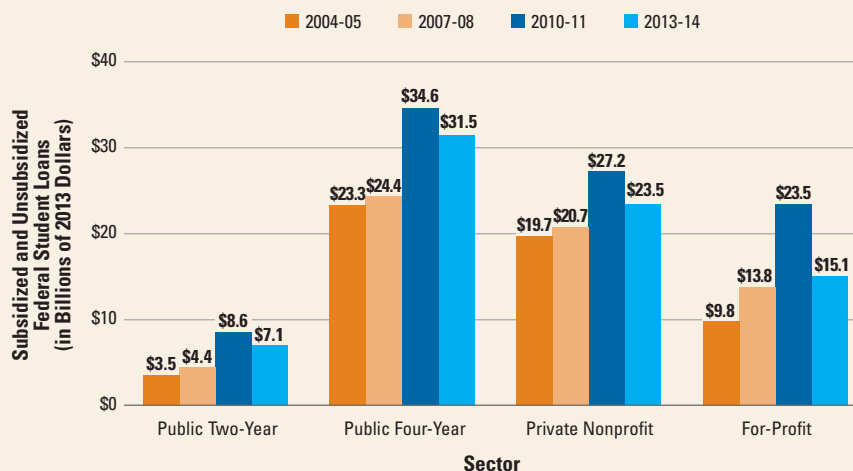
ALSO IMPORTANT:

- Pell Grants, FSEOG, and Direct Subsidized Loans are available only to undergraduate students. Grad PLUS Loans are available only to graduate students. Parent PLUS Loans are for parents of undergraduate students. Federal Work-Study, Perkins Loans, Direct Unsubsidized Loans, and Post-9/11 GI benefits are available to both undergraduate and graduate students.
- The share of FSEOG allocations going to the private nonprofit sector declined from 40% in 2003-04 to 33% in 2013-14. The shares going to the public two-year and the for-profit sectors increased from 17% to 21% and from 12% to 15%, respectively.
- The share of Subsidized Stafford loans going to students in the private nonprofit sector declined from 35% in 2003-04 to 23% in 2013-14. The share going to public two-year college students increased from 6% to 14%.
- The share of Parent PLUS loans going to the public four-year sector increased from 40% in 2003-04 to 47% in 2013-14. The share going to the for-profit sector declined from 16% to 8%. (Online Table 7)

Federal Aid by Sector

Borrowing through the Direct Subsidized and Unsubsidized student loan programs by students enrolled in for-profit institutions declined from \$23.5 billion in 2010-11 to \$15.1 billion in 2013-14, as full-time equivalent (FTE) enrollment in the sector fell by 23%.

FIGURE 10A Distribution of Federal Subsidized and Unsubsidized Student Loan Funds by Sector, 2004-05 to 2013-14, Selected Years



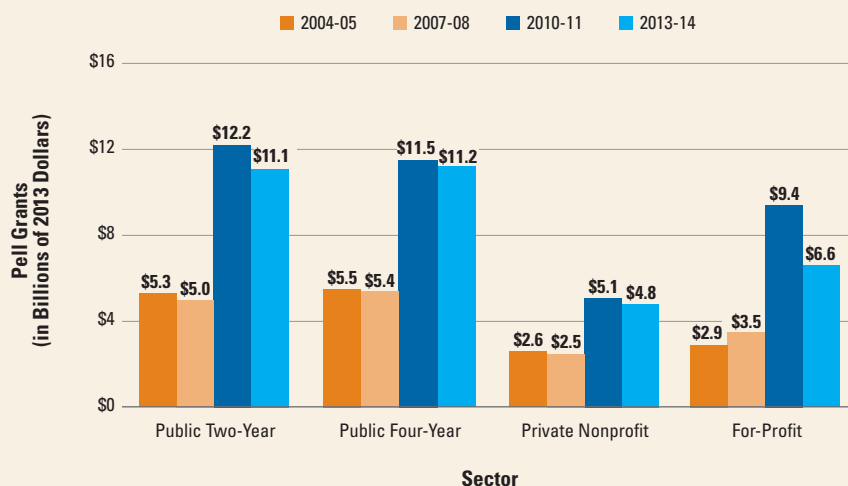
– Students in public two-year colleges increased their federal student loan borrowing from \$3.5 billion in 2004-05 and \$4.4 billion in 2007-08 to \$8.6 billion in 2010-11. Public two-year students borrowed \$7.1 billion in 2013-14.

– In all sectors, borrowing peaked in 2010-11. Undergraduate FTE enrollment declined in the public two-year and for-profit sectors between 2010-11 and 2013-14, but rose by about 2% in the public four-year and private nonprofit sectors.

– Pell Grant funds for students in public two-year colleges increased from \$5.3 billion in 2004-05 to \$11.1 billion in 2013-14. During this time period, enrollment in the sector increased from 3.7 million to 3.9 million FTE students.

– Undergraduate students in for-profit institutions received \$2.9 billion in Pell Grants in 2004-05 and \$6.6 billion in 2013-14, while undergraduate FTE enrollments in the sector increased from 652,000 to 1.1 million.

FIGURE 10B Distribution of Pell Grant Funds by Sector, 2004-05 to 2013-14, Selected Years



ALSO IMPORTANT:

– The share of Direct Subsidized and Unsubsidized student loans going to the for-profit sector declined from 25% in 2010-11 to 20% in 2013-14. The share going to the public four-year sector increased from 37% to 41%.

– The share of Pell Grants going to the for-profit sector declined from 25% in 2010-11 to 20% in 2013-14. The shares going to each of the other sectors increased slightly.

Fall Full-Time Equivalent Enrollment (in Thousands) by Sector

Sector	2004-05	2007-08	2010-11	2013-14
	Undergraduate FTE Enrollment			
Public Four-Year	4,660	4,973	5,524	5,627
Public Two-Year	3,698	3,736	4,374	3,902
Private Nonprofit	2,106	2,193	2,349	2,408
For-Profit	652	859	1,413	1,072
Sector	Total FTE Enrollment			
	2004-05	2007-08	2010-11	2013-14
Public Four-Year	5,541	5,885	6,516	6,609
Public Two-Year	3,698	3,736	4,374	3,902
Private Nonprofit	2,819	2,967	3,211	3,289
For-Profit	772	1,008	1,626	1,260

SOURCES: U.S. Department of Education, Office of Postsecondary Education, Annual Publications; the National Student Loan Data System (NSLDS); Federal Student Aid Data Center (<https://studentaid.ed.gov/data-center>).

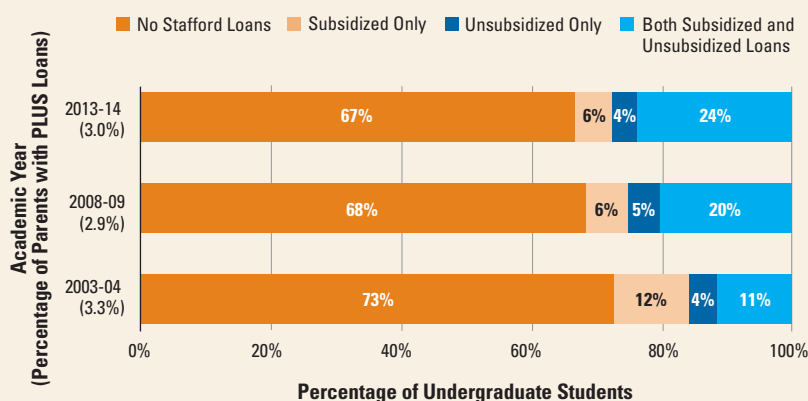
SOURCE: NCES, IPEDS.



Student Loans — Borrowers and Repayment

In 2013-14, only 6% of undergraduate students borrowed only Direct Subsidized Loans. Another 24% borrowed from both the subsidized and the unsubsidized federal student loan programs.

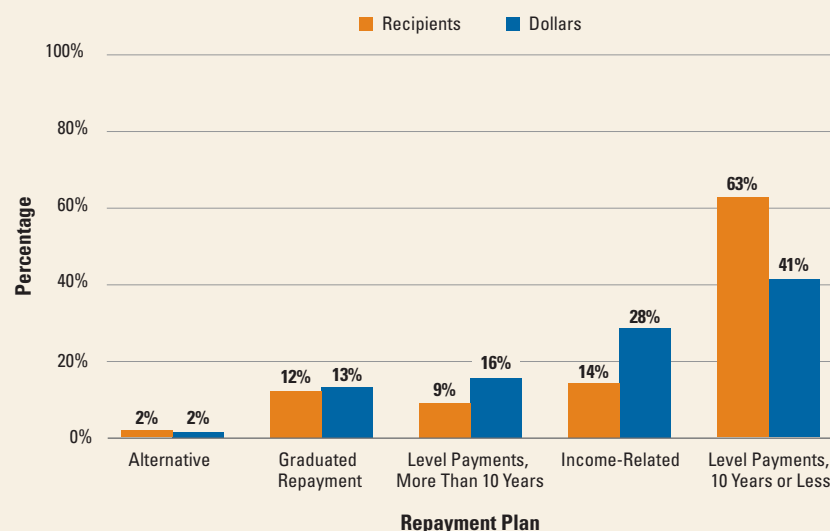
FIGURE 11 Percentage of Undergraduate Students Borrowing Federal Subsidized and Unsubsidized Loans, 2003-04, 2008-09, and 2013-14



NOTES: Numbers for 2013-14 are based on projected 2013-14 undergraduate headcount enrollment at degree-granting Title IV institutions. Some students may be counted more than once if they enrolled in more than one institution, leading to an underestimate of the percentage borrowing. Percentages may not sum to 100 because of rounding.

SOURCES: NCES, IPEDS 2012-13 Headcount Enrollment; NSLDS; calculations by the authors.

FIGURE 12 Distribution of Outstanding Federal Direct Loan Dollars and Recipients by Repayment Plan, Third Quarter 2013-14



NOTES: Only loans listed in a specified repayment plan are included. Income-related plans include the Income-Contingent, Income-Based, and Pay As You Earn (PAYE) plans. Alternative repayment plans are customized to an individual borrower's circumstances. Percentages may not sum to 100 because of rounding.

SOURCE: U.S. Department of Education, The Federal Student Aid Data Center (<https://studentaid.ed.gov/about/data-center/student/portfolio>).

– In 2003-04, an estimated 27% of undergraduate students, including both full-time and part-time students, borrowed subsidized and/or unsubsidized federal student loans, and 73% did not. In 2013-14, 33% borrowed and 67% did not.

– In 2013-14, more than 70% of the students taking federal student loans borrowed a combination of subsidized and unsubsidized loans.

– In the third quarter of 2013-14, 14% of Direct Loan borrowers in repayment were in income-related repayment plans that link monthly payments to available income. These borrowers held 28% of the program's outstanding debt in repayment.

– The 63% of borrowers enrolled in the standard 10-year fixed payment plan held 41% of the outstanding debt.

ALSO IMPORTANT:

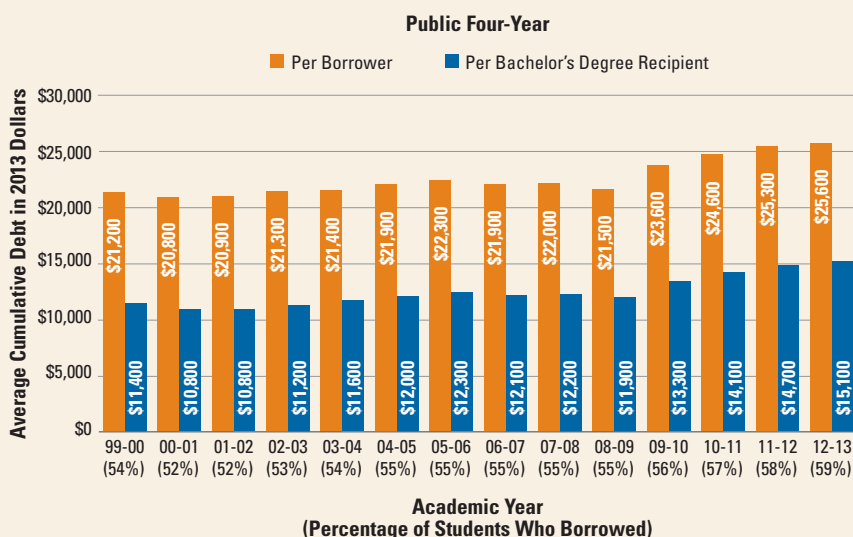
– The percentage of borrowers enrolled in income-related repayment plans increased from 11% to 14% between FY13 Q3 and FY14 Q3. The percentage of outstanding Direct Loan dollars in these plans increased from 22% to 28% over that year. (U.S. Department of Education, The Federal Student Aid Data Center, <https://studentaid.ed.gov/about/data-center/student/portfolio>)

– According to the National Student Clearinghouse, 9% of undergraduates attended more than one institution in 2012-13 (National Student Clearinghouse, *Snapshot Report: Mobility*, Spring 2014). The IPEDS headcount enrollment, on which Figure 11 is based, double counts students who enroll in two institutions during the year. Adjusting enrollment for transfers increases the 2013-14 Stafford borrowing rate from 33% to 36%.

Cumulative Debt — Bachelor's Degree Recipients

About 60% of students who earned bachelor's degrees in 2012-13 from the public and private nonprofit institutions at which they began their studies graduated with debt. They borrowed an average of \$27,300.

FIGURE 13A Average Cumulative Debt Levels in 2013 Dollars: Bachelor's Degree Recipients at Public Four-Year Institutions, 1999-2000 to 2012-13

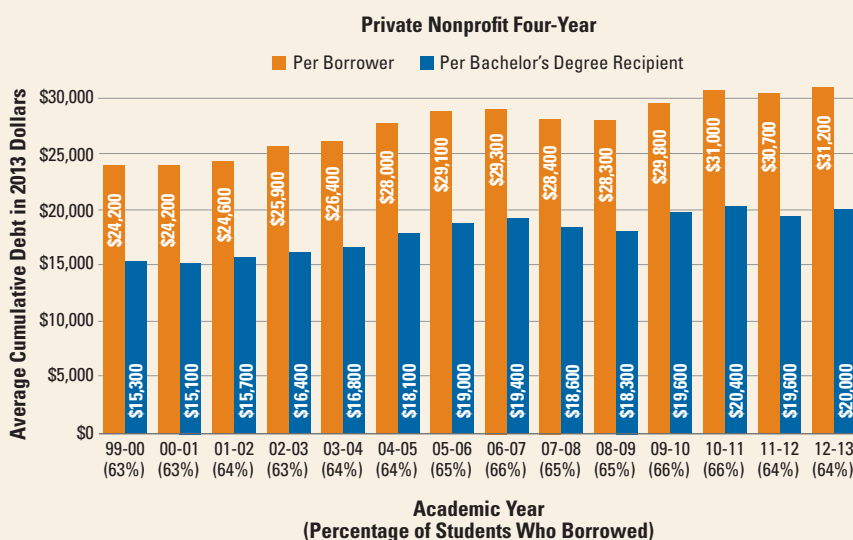


Average Cumulative Debt in 2013 Dollars: Bachelor's Degree Recipients at Public and Private Nonprofit Four-Year Institutions, 2002-03, 2007-08, and 2012-13

	Percentage with Debt	Average Debt per Borrower	Average Debt per Graduate
2002-03	56%	\$22,900	\$12,800
2007-08	58%	\$24,100	\$14,100
2012-13	60%	\$27,300	\$16,500

- On average, the 59% of public four-year bachelor's degree recipients who graduated with debt in 2012-13 borrowed \$25,600 (in 2013 dollars), 20% more than the average debt of the 2002-03 graduates who borrowed.
- On average, the 64% of private nonprofit four-year bachelor's degree recipients who graduated with debt in 2012-13 borrowed \$31,200 (in 2013 dollars), 20% more than the average debt of the 2002-03 graduates who borrowed.
- Average debt per public four-year college graduate, including those who did not borrow, increased by 9% (from \$11,200 to \$12,200 in 2013 dollars) between 2002-03 and 2007-08, and by 24% (from \$12,200 to \$15,100) over the next five years.
- Average debt per private nonprofit four-year college graduate, including those who did not borrow, increased by 13% (from \$16,400 to \$18,600 in 2013 dollars) between 2002-03 and 2007-08, and by 8% (from \$18,600 to \$20,000) over the next five years.

FIGURE 13B Average Cumulative Debt Levels in 2013 Dollars: Bachelor's Degree Recipients at Private Nonprofit Four-Year Institutions, 1999-2000 to 2012-13



NOTES: Figures include federal and nonfederal loans taken by students who began their studies at the institution from which they graduated. The orange bars represent the average cumulative debt levels of bachelor's degree recipients who took student loans. The blue bars represent the average debt per bachelor's degree recipient, including those who graduated without student debt. Calculations are based on the number of bachelor's degrees awarded, which may exceed the number of students receiving degrees. Reported amounts are estimates and should be interpreted with caution. The available data are not adequate to allow comparable calculations for for-profit institutions.

SOURCES: The College Board, Annual Survey of Colleges, 2001 to 2014; calculations by the authors.

ALSO IMPORTANT:

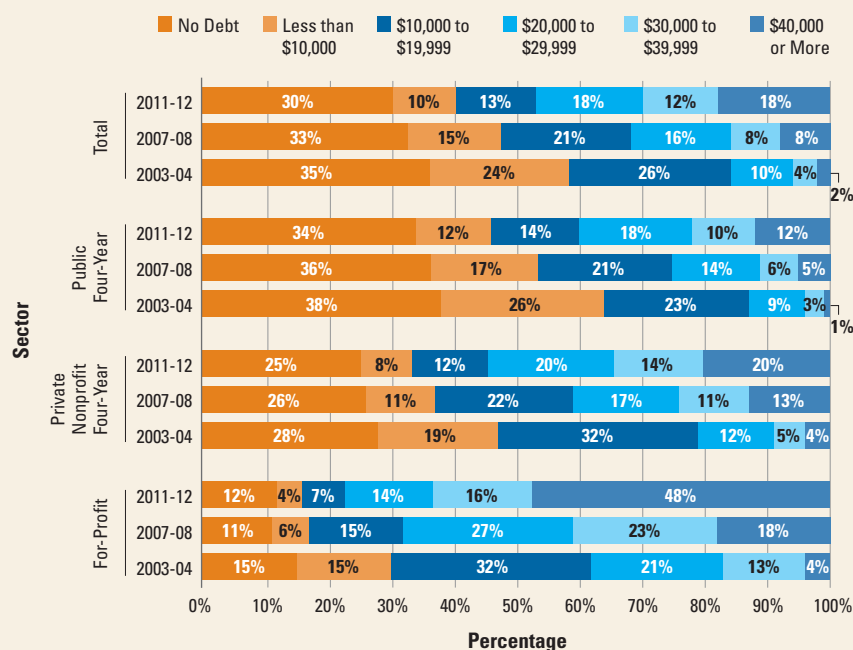
- Students who earn their bachelor's degrees at for-profit institutions are more likely to borrow and tend to accumulate higher average levels of debt than those who graduate from public and private nonprofit colleges.



Cumulative Debt — Bachelor's Degree Recipients

The percentage of bachelor's degree recipients graduating with \$40,000 or more of student loan debt (in 2012 dollars) increased from 2% in 2003-04 to 8% in 2007-08 and to 18% in 2011-12.

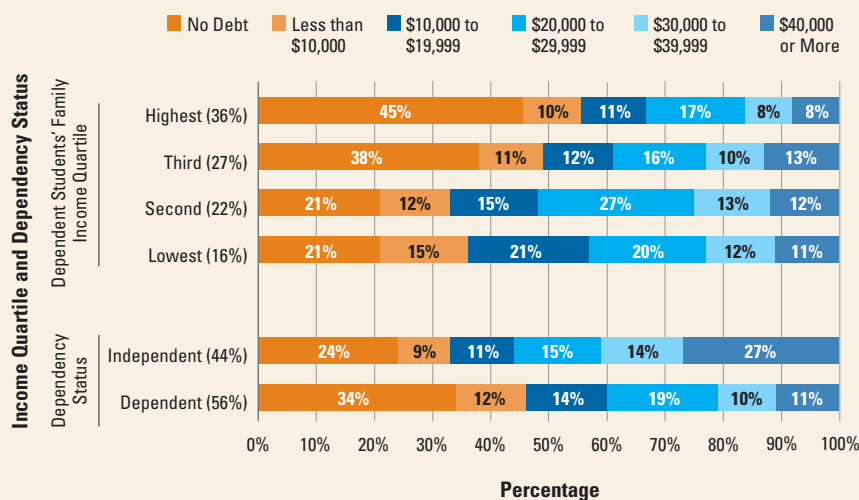
FIGURE 14A Cumulative Debt of Bachelor's Degree Recipients in 2012 Dollars by Sector, 2003-04, 2007-08, and 2011-12



NOTE: Includes both federal and nonfederal borrowing.

SOURCES: NCES, National Postsecondary Student Aid Study, 2004, 2008, and 2012.

FIGURE 14B Cumulative Debt of 2011-12 Bachelor's Degree Recipients by Dependency Status and Family Income



NOTES: Percentages on the vertical axis are percentages of dependent bachelor's degree recipients in each income bracket and percentages of all bachelor's degree recipients in each dependency category. Income categories represent quartiles of all dependent undergraduate students. Income categories are: lowest: less than \$30,000; second: \$30,000 to \$64,999; third: \$65,000 to \$105,999; highest: \$106,000 or higher. Includes students who were U.S. citizens or permanent residents. Includes both federal and nonfederal borrowing. Percentages may not sum to 100 because of rounding.

SOURCE: NCES, National Postsecondary Student Aid Study, 2012.

- Almost half of the 2011-12 bachelor's degree recipients from for-profit institutions had borrowed \$40,000 or more, but only 12% of those from public institutions had this much debt.
- Only 12% of 2011-12 bachelor's degree recipients from for-profit colleges graduated without any debt, but 25% of those from private nonprofit and 34% of those from public four-year colleges and universities graduated without any debt.
- Independent students are more likely to borrow and tend to borrow more than dependent students. In 2011-12, 11% of dependent and 27% of independent bachelor's degree recipients graduated with \$40,000 or more in debt.
- Dependent students from higher-income families are less likely to borrow than those from lower-income families, but 2011-12 bachelor's degree recipients from the two middle income quartiles were slightly more likely than the lowest-income students to borrow \$40,000 or more.
- The proportion of all bachelor's degrees that were awarded by the for-profit sector increased from 3% in 2003-04 to 8% in 2011-12.

Percentage Distribution of Bachelor's Degrees Awarded by Sector, 2003-04, 2007-08, and 2011-12

	Public Four-Year	Private Nonprofit Four-Year	For-Profit
2003-04	65%	32%	3%
2007-08	64%	31%	5%
2011-12	63%	29%	8%

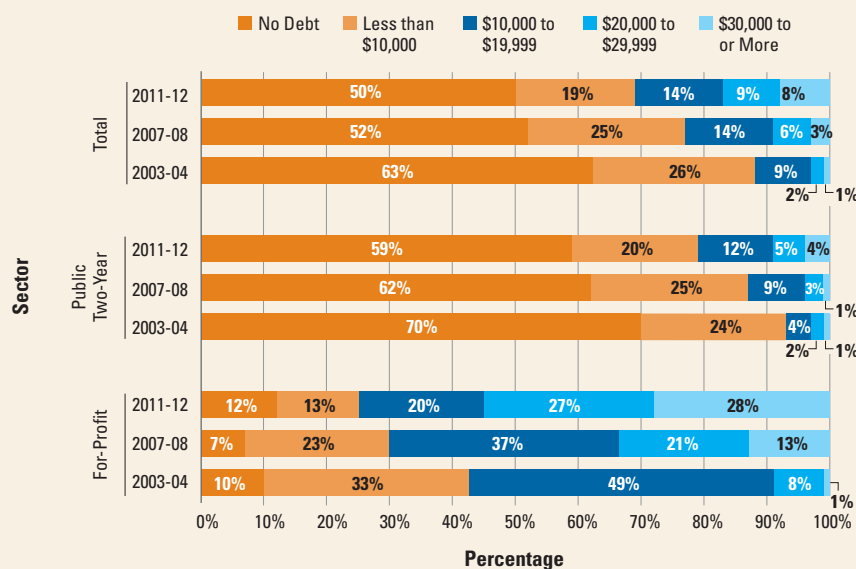
NOTE: Percentages may not sum to 100 because of rounding.

SOURCE: NCES, *Digest of Education Statistics 2013*, Table 318.40.

Cumulative Debt — Other Undergraduates

The percentage of associate degree recipients graduating with \$30,000 or more of debt (in 2012 dollars) increased from 1% in 2003-04 to 3% in 2007-08 and to 8% in 2011-12.

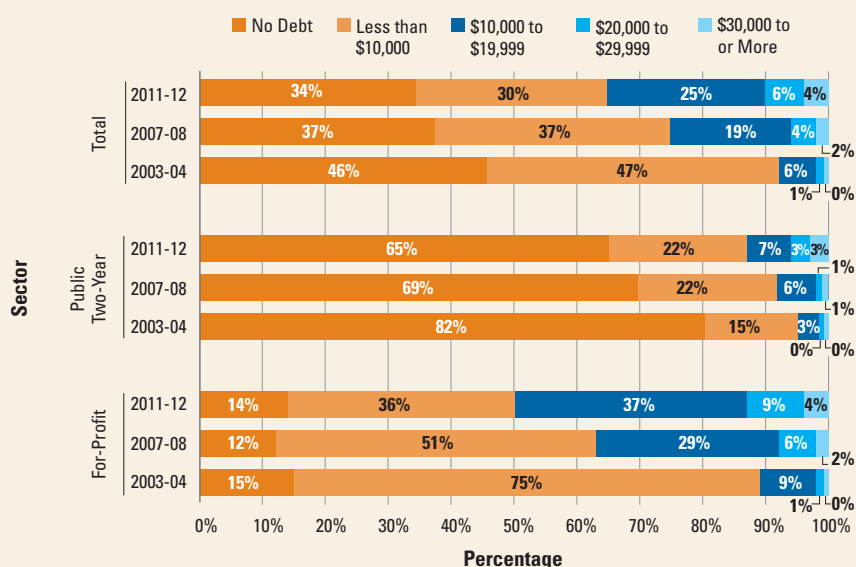
FIGURE 15A Cumulative Debt of Associate Degree Recipients in 2012 Dollars by Sector, 2003-04, 2007-08, and 2011-12



NOTES: Includes students who were U.S. citizens or permanent residents. Percentages may not sum to 100 because of rounding.

SOURCES: NCES, National Postsecondary Student Aid Study, 2004, 2008, and 2012.

FIGURE 15B Cumulative Debt of Certificate Recipients in 2012 Dollars by Sector, 2003-04, 2007-08, and 2011-12



NOTES: Undergraduate certificate programs vary in length from less than one year to two years. Includes students who were U.S. citizens or permanent residents. Percentages may not sum to 100 because of rounding.

SOURCES: NCES, National Postsecondary Student Aid Study, 2004, 2008, and 2012.

— Although 28% of the associate degree recipients who received their degrees from for-profit institutions in 2011-12 had borrowed \$30,000 or more, only 4% of those from public two-year colleges had this much debt.

— In 2011-12, for-profit institutions awarded 44% of undergraduate certificates. Among the recipients, 14% had no education debt and 50% borrowed \$10,000 or more.

— In 2011-12, public two-year colleges awarded 53% of undergraduate certificates. Among the recipients, 65% had no education debt and 13% had borrowed \$10,000 or more.

Percentage Distribution of Associate Degrees and Certificates Awarded, 2003-04, 2007-08, and 2011-12

	Associate Degrees		
	Public Two-Year	Private Nonprofit	For-Profit
2003-04	79%	7%	14%
2007-08	77%	6%	17%
2011-12	74%	5%	20%

	Certificates		
	Public Two-Year	Private Nonprofit	For-Profit
2003-04	53%	5%	42%
2007-08	53%	5%	42%
2011-12	53%	3%	44%

NOTE: Percentages may not sum to 100 because of rounding.

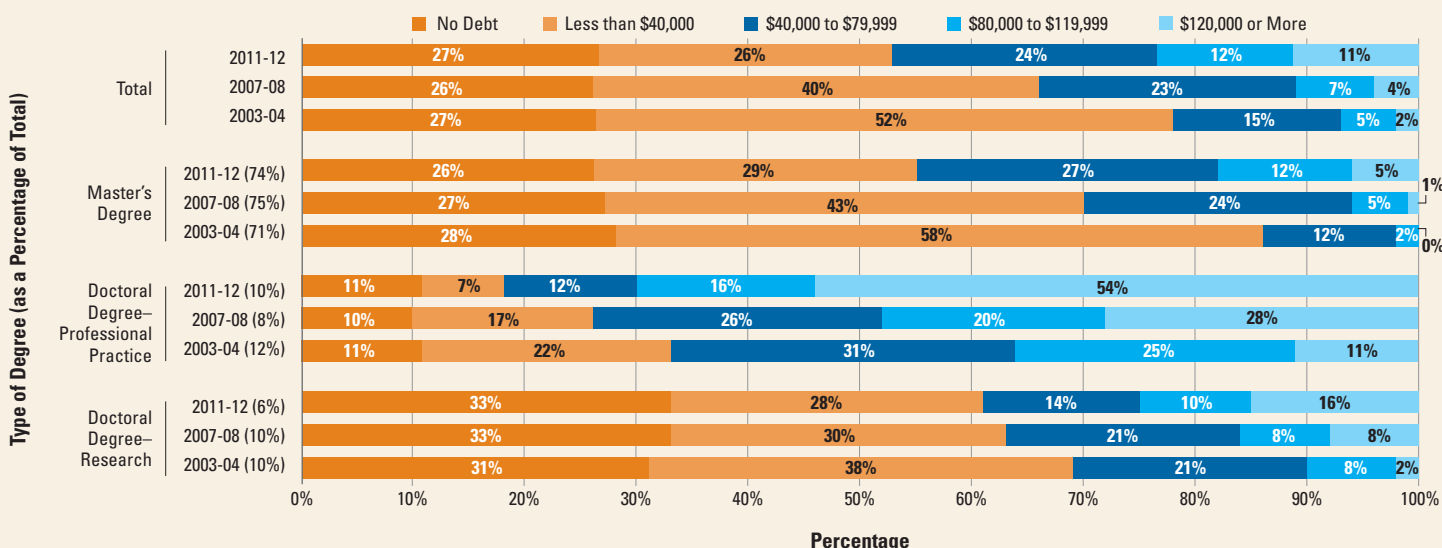
SOURCE: NCES, *Digest of Education Statistics 2013*, Table 318.40.



Cumulative Debt — Graduate Degree Recipients

Among the 11% of 2011-12 graduate degree recipients with \$120,000 or more in student loan debt, 80% of all education debt was associated with graduate study. Almost 60% of the debt of graduate students with less than \$40,000 in total debt came from graduate study.

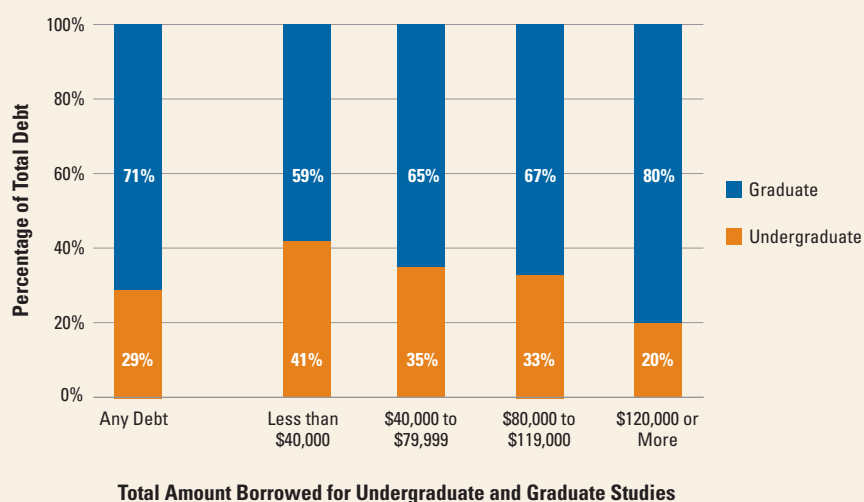
FIGURE 16A Cumulative Debt in 2012 Dollars for Undergraduate and Graduate Studies, 2003-04, 2007-08, and 2011-12



NOTES: Doctoral degree–professional practice programs include chiropractic, dentistry, law, medicine, optometry, pharmacy, podiatry, and veterinary medicine. This category was labeled “first professional degrees” in 2003-04 and 2007-08. Includes students who were U.S. citizens or permanent residents and excludes postbaccalaureate and postmaster’s certificate recipients. Percentages may not sum to 100 because of rounding.

SOURCES: NCES, National Postsecondary Student Aid Study, 2004, 2008, and 2012.

FIGURE 16B Composition of Cumulative Undergraduate and Graduate Debt of 2011-12 Graduate Degree Recipients



NOTES: Based on recipients of all master’s and doctoral degrees in 2011-12. Includes students who were U.S. citizens or permanent residents and excludes postbaccalaureate and postmaster’s certificate recipients.

SOURCE: NCES, National Postsecondary Student Aid Study, 2012.

- The percentage of graduate degree recipients borrowing \$80,000 or more (in 2012 dollars) for their combined undergraduate and graduate studies increased from 7% in 2003-04 to 11% in 2007-08, and to 23% in 2011-12.
- The percentage of graduate degree recipients who did not borrow or who borrowed less than \$40,000 for their combined undergraduate and graduate studies declined from 79% in 2003-04 to 66% in 2007-08, and to 53% in 2011-12.
- Although over half of all students who received professional practice doctoral degrees (for example, doctors, lawyers, and dentists) in 2011-12 borrowed \$120,000 or more for their combined undergraduate and graduate studies, only 11% of all graduate degree recipients accumulated this much debt.
- Three-quarters of graduate degrees awarded in 2011-12 were master’s degrees. More than a quarter of master’s degree recipients did not borrow for either undergraduate or graduate education. Seventeen percent borrowed a total of \$80,000 or more.

ALSO IMPORTANT:

- In 2011-12, when 14% of postsecondary students were graduate students, 34% of all student loan dollars were for graduate study. (NCES, *Digest of Education Statistics 2013*, Table 303.45; NPSAS 2012)

Cumulative Debt — Graduate Degree Recipients

About three-quarters of students who earned professional practice doctoral degrees in law, medicine, or other health sciences in 2011-12 borrowed \$60,000 or more for their graduate education. This level of debt was much less common for other graduate students.

FIGURE 17A Doctoral Degree Recipient Debt, Percentage Borrowing, and Average Borrowed, 2011-12

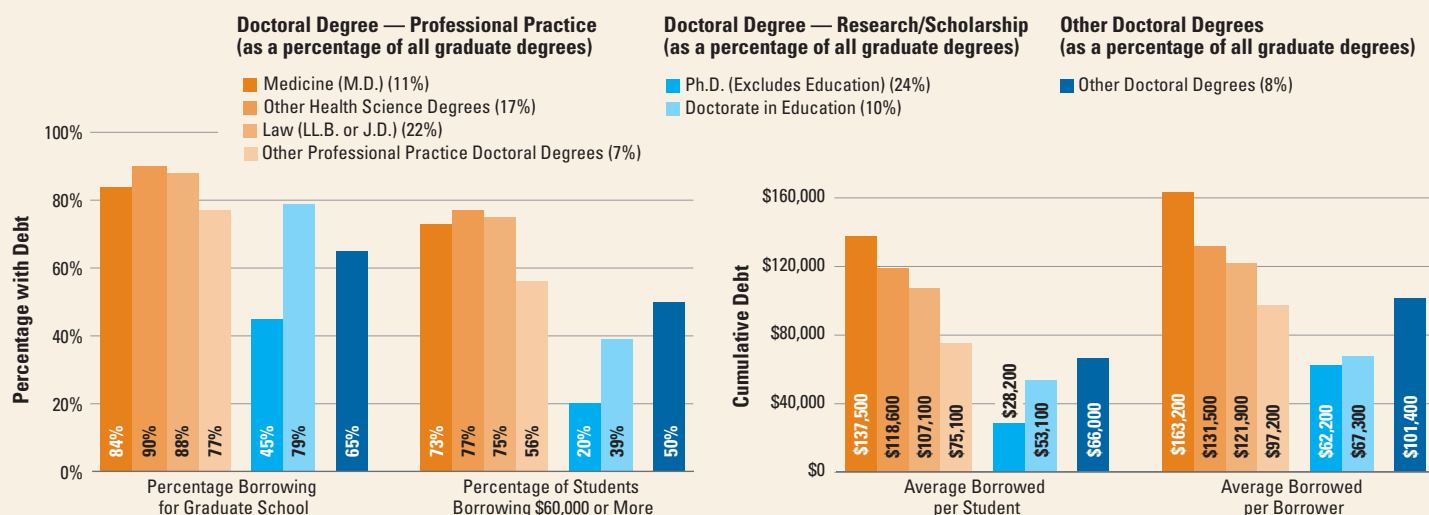
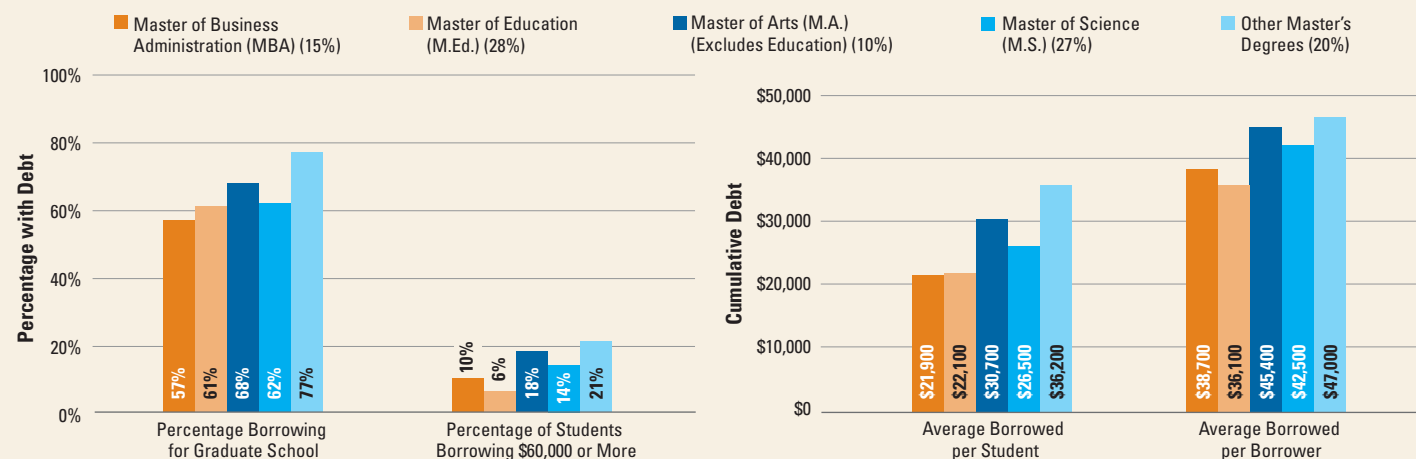


FIGURE 17B Master's Degree Recipient Debt, Percentage Borrowing, and Average Borrowed, 2011-12



NOTES: "Other Doctoral Degrees" are primarily in health fields, psychology, and business. "Other Master's Degrees" are primarily in health and related sciences, public administration, social services, business, and visual and performing arts. Psychology, health fields, literature, and languages are the most common "Master of Arts" fields.

SOURCE: NCES, National Postsecondary Student Aid Study, 2012.

- Among Ph.D. recipients, 39% of those in education and 20% of those in other fields borrowed as much as \$60,000.
- Average debt per doctoral graduate ranged from \$28,200 for noneducation Ph.D. recipients to \$137,500 for M.D. recipients.
- Average debt per master's degree recipient ranged from \$21,900 for MBA recipients to \$36,200 for master's degree recipients in health and related sciences, public administration, social services, and other fields ("Other Master's Degrees").

ALSO IMPORTANT:

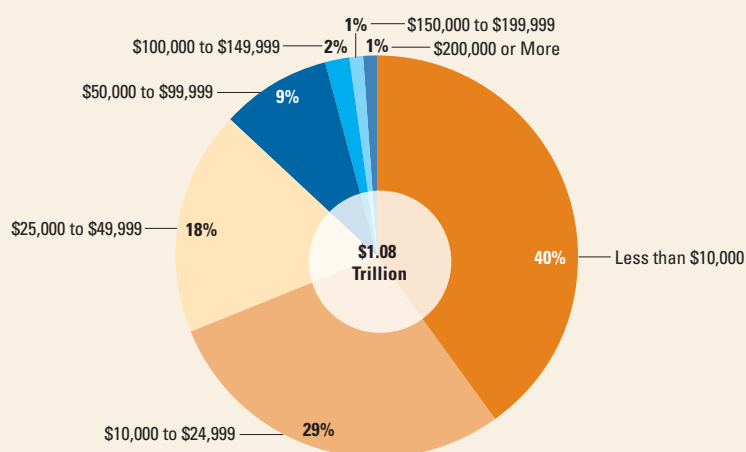
- Noneducation Ph.D. students receive much more grant aid than other graduate students. These students received an average of approximately \$20,000 in grant aid and graduate assistantship funding in 2011-12. Law graduates received \$6,900 per student and master's students in education received an average of \$2,100 in grant aid. (NCES, NPSAS 2012)



Outstanding Student Debt

In 2013, 40% of borrowers with education debt owed less than \$10,000 for undergraduate and graduate study combined, while 13% owed \$50,000 or more.

FIGURE 18A Distribution of Outstanding Education Debt Balances, 2013

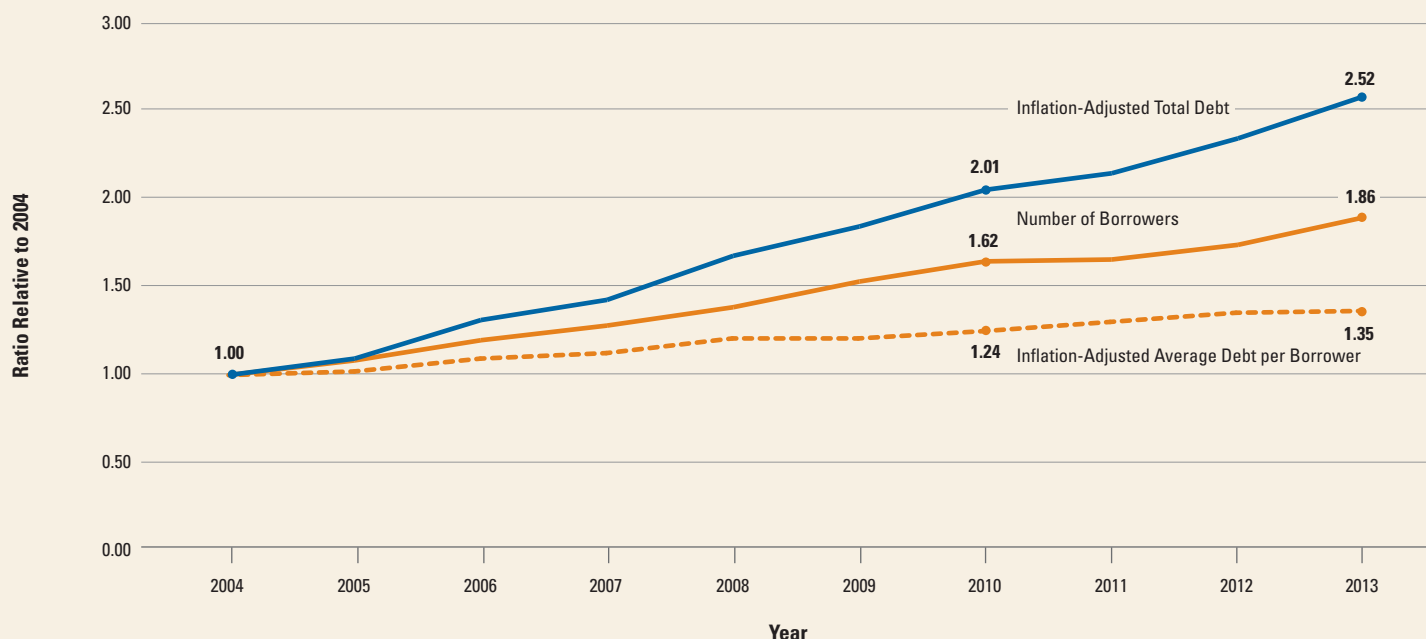


– Total outstanding education debt was 2.5 times as large in 2013 as it had been in 2004. The number of adults with education debt was 86% higher, and the average outstanding debt per borrower was 35% higher in 2013 than in 2004, after adjusting for inflation.

– Between December 2012 and December 2013, total outstanding education debt grew by 10%, from \$974 billion (in 2013 dollars) to \$1.08 trillion. The number of borrowers holding debt increased by 9%, from 39 million to 42 million. The average outstanding debt per borrower increased by 1%, from \$25,060 to \$25,361.

– Total outstanding education debt increased by 81% over the five years from 2004 to 2009 and by 53% over the five years from 2008 to 2013. Average outstanding balances per borrower increased by 20% between 2004 and 2009 and by 13% between 2008 and 2013.

FIGURE 18B Total Outstanding Student Debt, Number of Borrowers with Outstanding Student Debt, and Average Balance, Relative to 2004



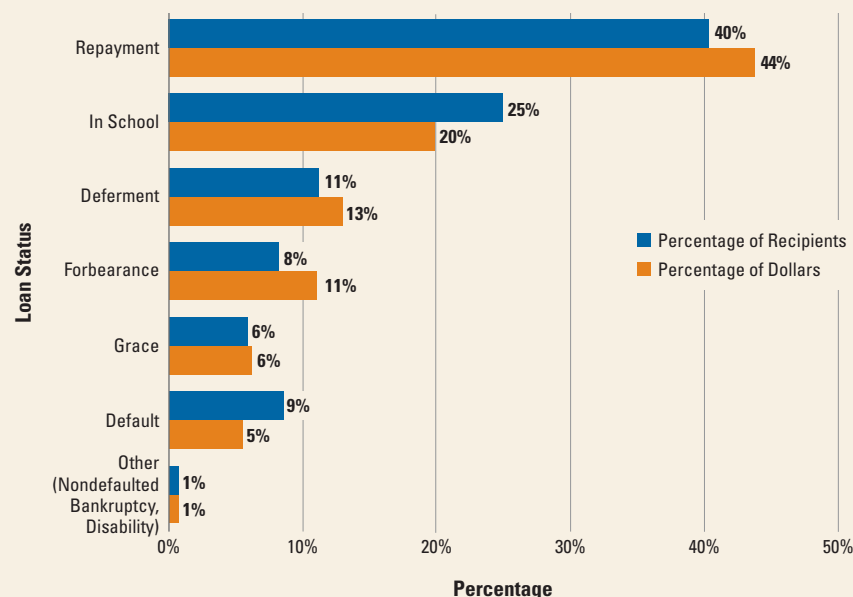
NOTES: Balances are as of end of December 2013. The Federal Reserve Bank of New York (FRBNY) estimates education debt balances from a nationally representative sample of adults with credit reports. Outstanding education debt balances include debts accrued for both undergraduate and graduate education by students, parents, and others. Outstanding balances are diminished as debts are repaid, but grow if unpaid interest accrues. Percentages may not sum to 100 because of rounding.

SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

Student Loan Repayment

In the third quarter of 2013-14, 9% of borrowers with outstanding Federal Direct Student Loans were in default. These borrowers held 5% of the total outstanding debt.

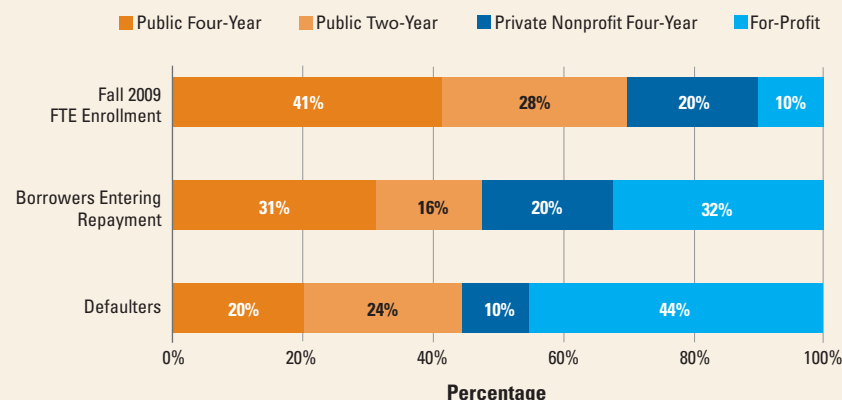
FIGURE 19A Repayment Status of Federal Direct Loan Portfolio, Third Quarter 2013-14



NOTES: Data include only Direct Loans, not loans made through the Federal Family Education Loan (FFEL) Program, under which (through 2009-10) the federal government guaranteed loans made by private lenders. "Grace" refers to the six-month period after leaving school when no payment is required. "Deferment" includes loans whose payments have been postponed because of enrollment, military service, or other circumstances. "Forbearance" includes loans with payments suspended because of financial hardship.

SOURCE: U.S. Department of Education, The Federal Student Aid Data Center (<https://studentaid.ed.gov/about/data-center/student/portfolio>).

FIGURE 19B Distribution of Total Fall 2009 Enrollment, Borrowers Entering Repayment in FY11, and Three-Year FY11 Cohort Defaulters, by Sector



NOTE: Percentages may not sum to 100 because of rounding.

SOURCE: U.S. Department of Education, The Federal Student Aid Data Center (<https://ifap.ed.gov/eannouncements/attachments/2014OfficialFY20113YRCDBriefing.pdf>).

- Loans in active repayment included 40% of borrowers and 44% of outstanding dollars.
- Twenty percent of the outstanding debt was held by the 25% of borrowers who had not yet completed their studies.
- The for-profit sector of postsecondary education accounted for 32% of borrowers entering repayment in FY11 and 44% of borrowers who defaulted by the end of FY13.
- The public four-year and private nonprofit four-year sectors had higher percentages of borrowers entering repayment than of borrowers defaulting. The public two-year and for-profit sectors had higher percentages of borrowers defaulting than of borrowers entering repayment.

ALSO IMPORTANT:

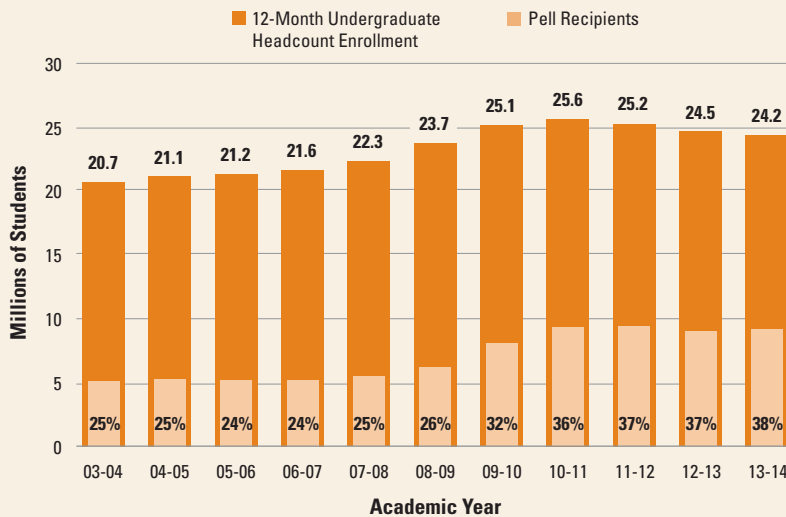
- The overall FY11 three-year cohort default rate was 14%. Default rates ranged from 21% for public two-year colleges and 19% for for-profit institutions to 9% for public four-year colleges and universities and 7% for four-year private nonprofit institutions.
- The federal government eventually collects over 90% of the student loan dollars that have gone into default. After adjusting for the time and cost involved in collecting these funds, however, the total cost of default is expected to be about \$38 billion for loans issued in 2012-13. (New America Foundation)
- The cumulative lifetime default rate measures the percentage of loans that have gone into default since entering repayment. By Sept. 30, 2013, 16% of loans entering repayment in FY07 and 19% of those in the FY08 cohort had gone into default. (U.S. Department of Education, The Federal Student Aid Data Center, <https://studentaid.ed.gov/about/data-center/student/default>)



Pell Grants

The total number of undergraduate students in the U.S. increased from 20.7 million in 2003-04 to 23.7 million in 2008-09, and to 24.2 million in 2013-14. The percentage of these students receiving Pell Grants increased from 25% in 2003-04 and 26% in 2008-09 to 38% in 2013-14.

FIGURE 20 Undergraduate Enrollment and Percentage of Undergraduate Students Receiving Pell Grants, 2003-04 to 2013-14



NOTE: Twelve-month undergraduate headcount for 2013-14 is estimated based on preliminary fall 2013 IPEDS enrollment data.

SOURCES: NCES, *Postsecondary Institutions and Price of Attendance in 2013-14*; *Degrees and Other Awards Conferred: 2012-13*; and *12-Month Enrollment: 2012-13: First Look (Provisional Data)*; NCES, IPEDS preliminary fall 2013 enrollment data; calculations by the authors.

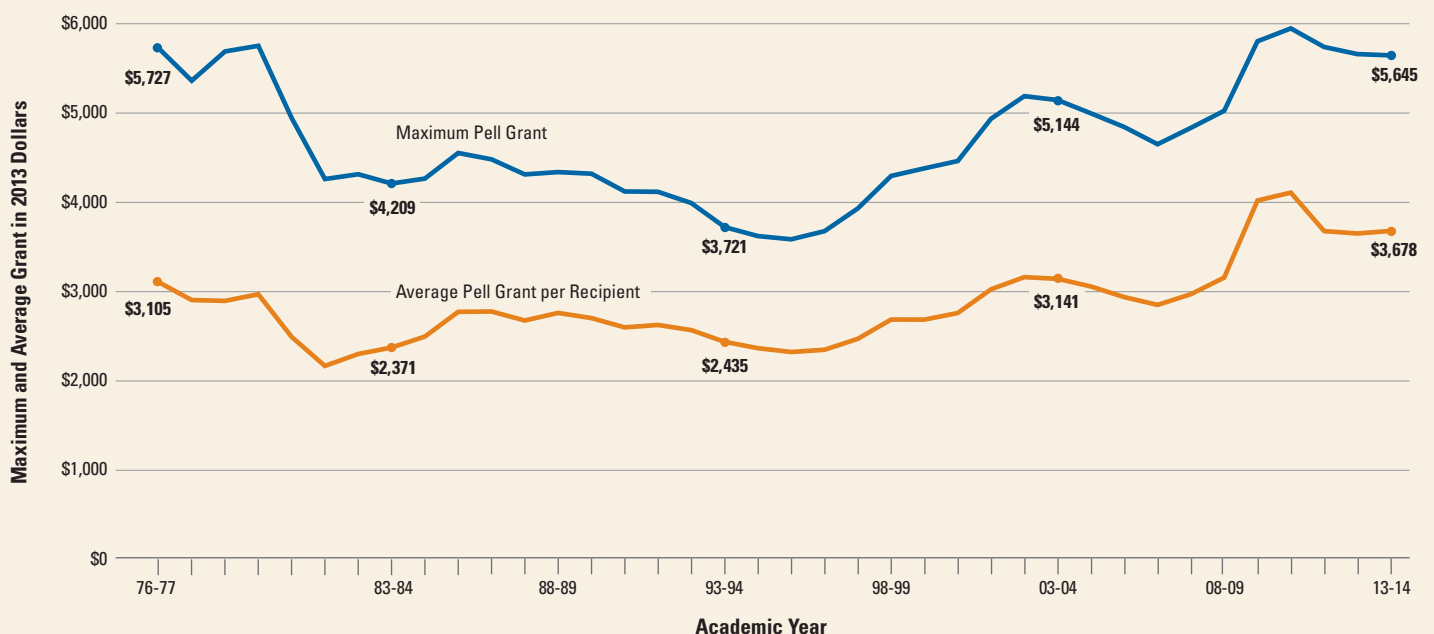
– In 2013-14, when there were about 600,000 more undergraduate students than in 2008-09, there were 9.2 million Pell Grant recipients, an increase of 3.0 million since 2008-09.

– The level of the maximum Pell Grant, which is legislated by Congress, has fluctuated over time. For example, the maximum fell by \$539 (10%) in 2013 dollars between 2002-03 and 2006-07, and then rose by \$1,298 (28%) between 2006-07 and 2010-11.

– Between 2010-11 and 2013-14, the maximum Pell Grant fell from a peak of \$5,947 in 2013 dollars to \$5,645, a 5% decline over three years.

– The maximum Pell Grant is the most frequently cited measure of the subsidies provided by this program. However, most students receive smaller grants because they are enrolled part time or because their incomes and assets (or those of their parents or spouses) reduce their aid eligibility. In 2013-14, when the maximum Pell Grant was \$5,645, the average grant was \$3,678.

FIGURE 21 Maximum and Average Pell Grant in 2013 Dollars, 1976-77 to 2013-14

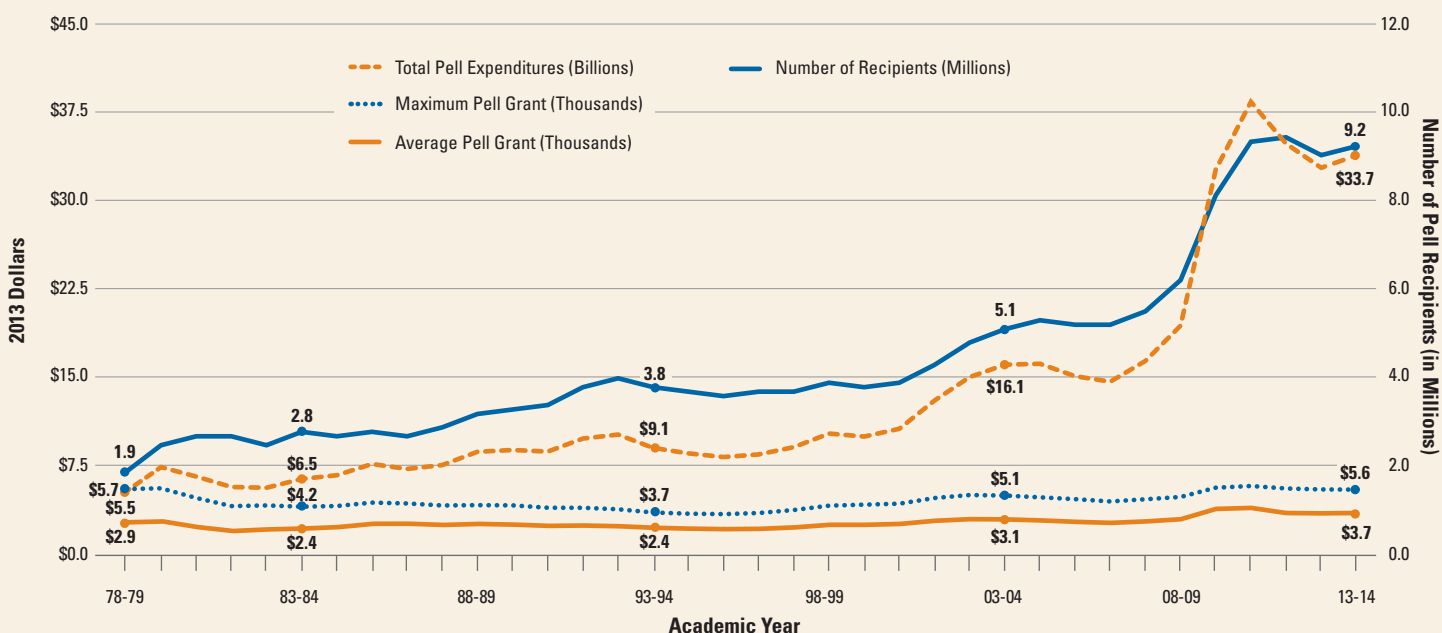


SOURCES: *The Federal Pell Grant Program End-of-Year Report, 2012-13*; unpublished data from the U.S. Department of Education, Office of Postsecondary Education.

Pell Grants

Total Pell Grant expenditures increased from \$19.4 billion (in 2013 dollars) in 2008-09 to a peak of \$38.2 billion in 2010-11. In 2013-14, \$33.7 billion in Pell Grants funded 9.2 million undergraduate students.

FIGURE 22 Total Pell Expenditures, Maximum and Average Pell Grant in 2013 Dollars, and Number of Recipients, 1978-79 to 2013-14



SOURCES: *The Federal Pell Grant Program End-of-Year Report, 2013*; unpublished data from the U.S. Department of Education, Office of Postsecondary Education.

Federal Pell Grant Awards in 2013 Dollars, 1978-79 to 2013-14, Selected Years

	Total Expenditures (in Billions of 2013 Dollars)	Maximum Pell Grant (in 2013 Dollars)	Average Pell Grant (in 2013 Dollars)	Number of Recipients (in Millions)	Percentage of Recipients Who Were Independent
1978-79	\$5.5	\$5,689	\$2,894	1.9	37%
1983-84	\$6.5	\$4,209	\$2,371	2.8	48%
1988-89	\$8.8	\$4,337	\$2,759	3.2	58%
1993-94	\$9.1	\$3,721	\$2,435	3.8	59%
1998-99	\$10.4	\$4,294	\$2,685	3.9	55%
2003-04	\$16.1	\$5,144	\$3,141	5.1	58%
2008-09	\$19.4	\$5,024	\$3,155	6.2	59%
2009-10	\$32.5	\$5,803	\$4,019	8.1	61%
2010-11	\$38.2	\$5,947	\$4,107	9.3	60%
2011-12	\$34.7	\$5,739	\$3,676	9.4	59%
2012-13	\$32.7	\$5,659	\$3,649	9.0	58%
2013-14	\$33.7	\$5,645	\$3,678	9.2	—

SOURCES: *The Federal Pell Grant Program End-of-Year Report, 2012-13*; unpublished data from the U.S. Department of Education, Office of Postsecondary Education.

– Growth in Pell Grant expenditures is driven primarily by growth in the number of recipients. Between 2003-04 and 2013-14, the number of students receiving Pell Grants grew by 78%, from 5.1 million to 9.2 million. The maximum grant increased by 10% (from \$5,144 in 2013 dollars to \$5,645) and the average grant increased by 17% (from \$3,141 to \$3,678) over the decade.

– Since 2003-04, about 60% of Pell Grant recipients have been independent students, whose eligibility is determined by their own financial circumstances, rather than those of their parents.

ALSO IMPORTANT:

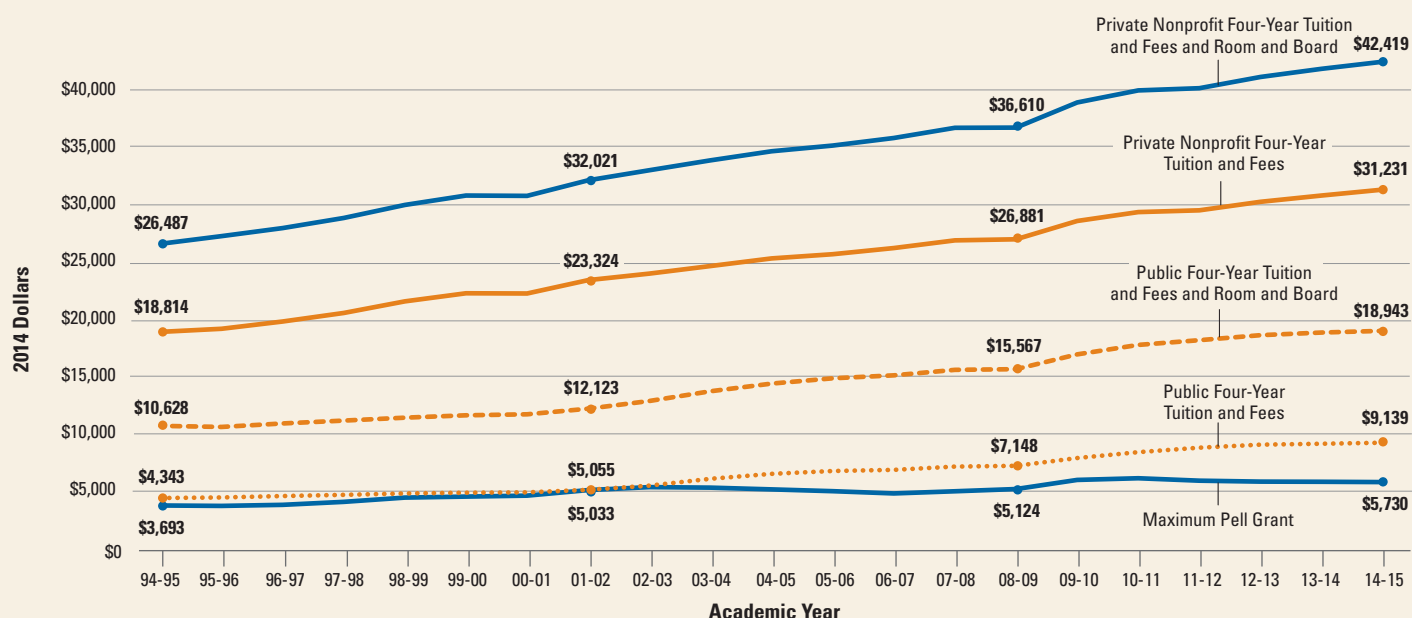
– Recipients who do not have the resources to contribute at all to their own education and who are enrolled full time for a full year receive the maximum Pell Grant. Over time, changes in the formula for determining Pell eligibility have led to an increase in the percentage of students eligible for the maximum grant, which rose from 22% in 2002-03 to 25% in 2007-08, and to 27% in 2012-13.



Pell Grants

In 2014-15, the maximum Pell Grant covers 63% of the average published tuition and fees of \$9,139 at public four-year colleges and universities and 30% of average tuition, fees, room, and board.

FIGURE 23 Inflation-Adjusted Maximum Pell Grant and Published Prices at Public and Private Nonprofit Four-Year Institutions in 2014 Dollars, 1994-95 to 2014-15



NOTE: Published prices, sometimes called “sticker prices,” differ from the net prices students actually pay because students get discounts (grant aid) from their institutions, as well as from federal and state governments and other sources.

SOURCES: *The Federal Pell Grant Program End-of-Year Report, 2012-13*; unpublished data from the U.S. Department of Education, Office of Postsecondary Education; *The College Board, Trends in College Pricing 2014*.

- In 2001-02, published tuition and fees at public four-year institutions averaged \$3,766 (\$5,055 in 2014 dollars). The maximum Pell Grant, which was \$3,750 (\$5,033 in 2014 dollars), covered over 99% of published tuition and fees.
- In 2014-15, the maximum Pell Grant covers 18% of the average published tuition and fees of \$31,231 at private nonprofit four-year colleges and universities and 14% of average tuition and fees and room and board.
- The maximum Pell Grant covered 22% of average published tuition and fees at private nonprofit four-year institutions in 2001-02 and 2002-03.
- The increase in published tuition and fees at public four-year colleges and universities between 2001-02 and 2014-15 represented an average annual increase of 4.7% in inflation-adjusted dollars. The real rate of increase at private nonprofit four-year institutions was 2.3% per year.

Maximum Pell as a Percentage of Published Charges, 1994-95 to 2014-15, Selected Years

	Public Four-Year		Private Nonprofit Four-Year	
	Tuition and Fees	Tuition and Fees and Room and Board	Tuition and Fees	Tuition and Fees and Room and Board
1994-95	85%	35%	20%	14%
2000-01	94%	39%	21%	15%
2001-02	100%	42%	22%	16%
2007-08	70%	32%	18%	13%
2010-11	73%	34%	21%	15%
2014-15	63%	30%	18%	14%

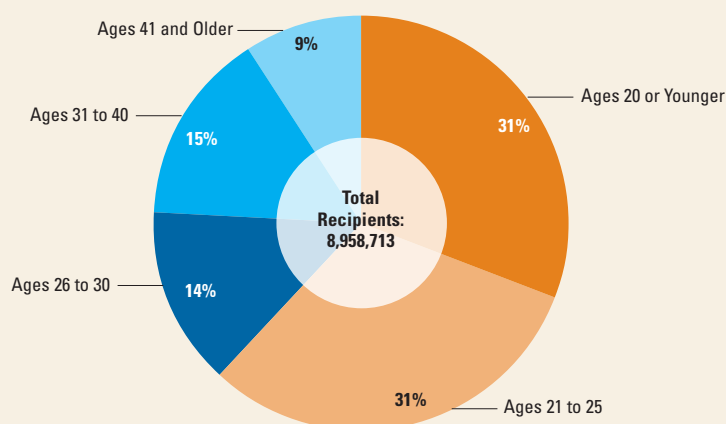
ALSO IMPORTANT:

- In addition to Pell Grants, many students receive grant aid from their institutions, as well as from state governments and from employers and other private sources. See other pages in this report for details.

Pell Grants

In 2012-13, a quarter of all Pell Grant recipients were over the age of 30.

FIGURE 24A Distribution of Pell Grant Recipients by Age, 2012-13



NOTE: Percentages may not sum to 100 because of rounding.

SOURCE: *The Federal Pell Grant Program End-of-Year Report, 2012-13, Table 11A.*

– In 2012-13, when 42% of Pell Grant recipients were dependent students whose eligibility depended on their parents' financial circumstances, over three-quarters of these dependent students came from families with incomes of \$40,000 or less.

– Almost 60% of 2012-13 Pell Grant recipients were independent students: 36% had dependents of their own and 22% were independent students without dependents.

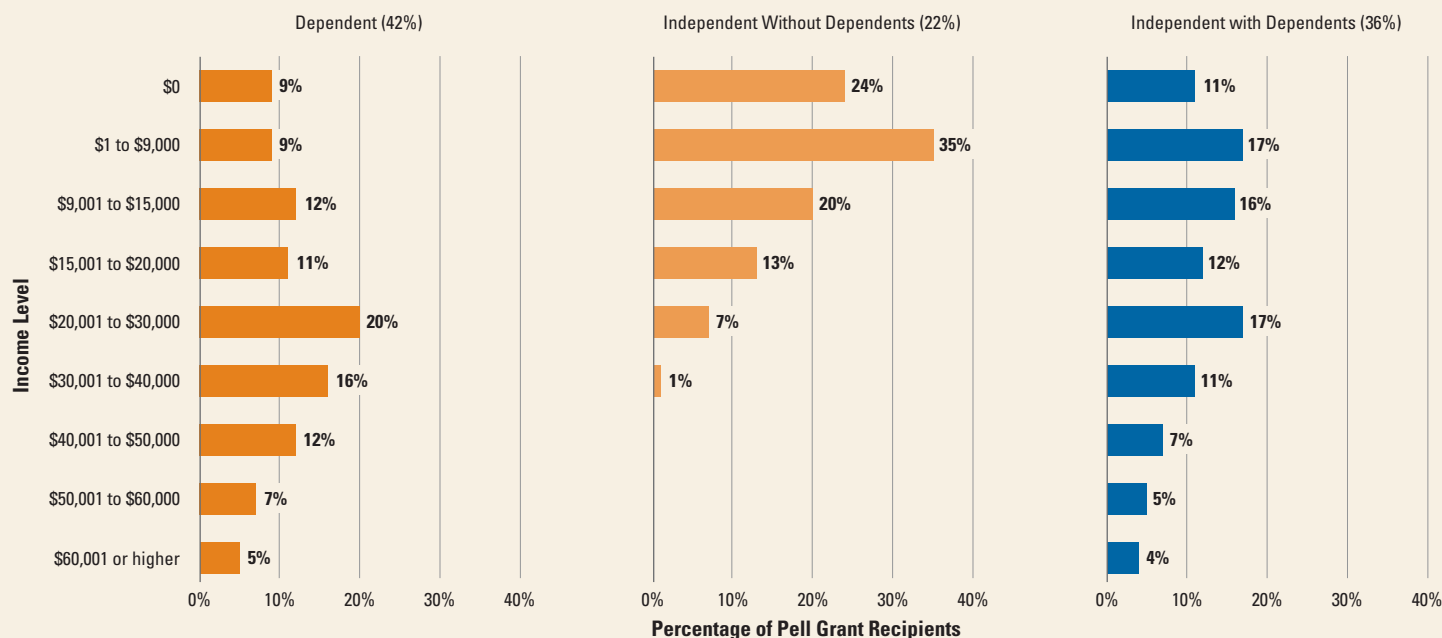
– Among independent Pell Grant recipients with dependents, 84% had family incomes of \$40,000 or less.

– Almost all independent Pell Grant recipients without dependents had incomes of \$40,000 or less.

ALSO IMPORTANT:

– The percentage of Pell Grant recipients who were over the age of 30 increased from 20% in 1992-93 to 21% in 2002-03 and 2007-08, and to 24% in 2012-13. (*The Federal Pell Grant Program End-of-Year Reports*)

FIGURE 24B Distribution of Pell Grant Recipients by Dependency Status and Family Income, 2012-13



NOTE: Percentages may not sum to 100 because of rounding.

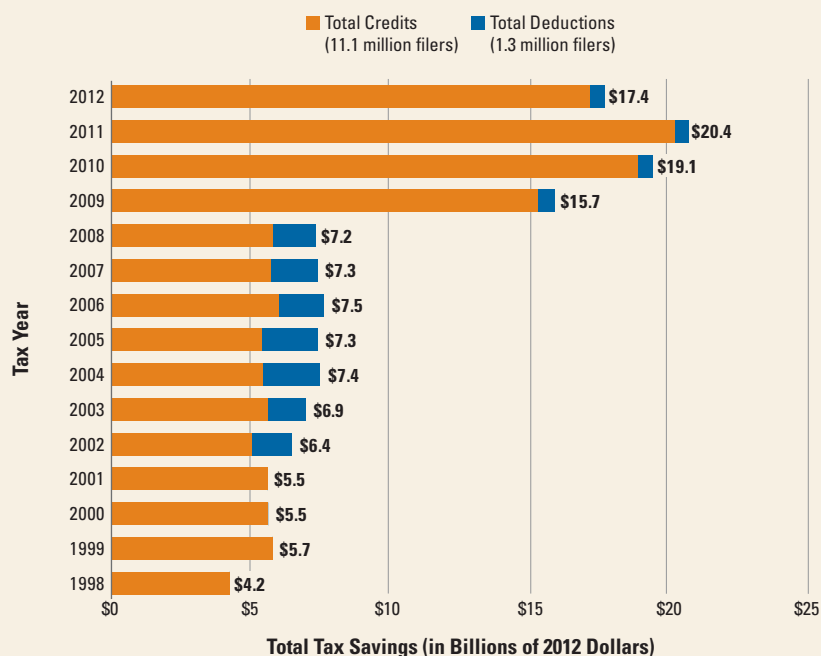
SOURCE: *The Federal Pell Grant Program End-of-Year Report, 2012-13, Table 2A.*



Education Tax Credits and Tuition Deductions

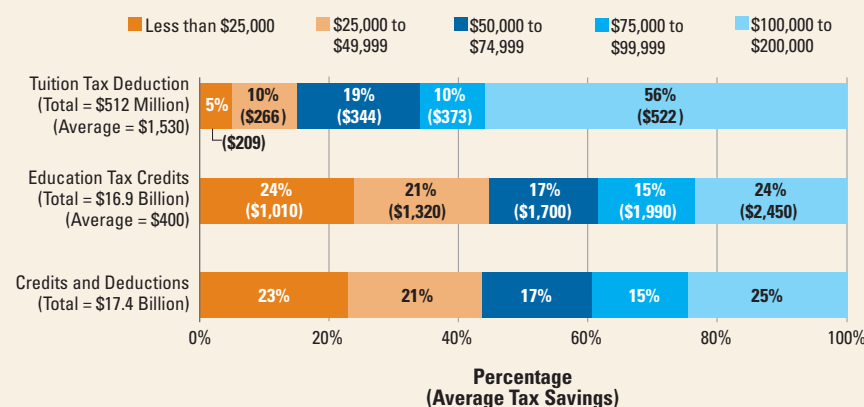
In 2012, students and parents saved about \$17.4 billion on their federal income taxes through tax credits and deductions for college expenses.

FIGURE 25A Total Education Tax Credits and Deductions in 2012 Dollars, 1998 to 2012



SOURCES: Internal Revenue Service, *Statistics of Income*, 1998–2012, Tables 1.3, 1.4, 2, 3.3; calculations by the authors.

FIGURE 25B Distribution of Education Tax Credits and Savings from Tuition Deduction by Adjusted Gross Income (AGI), 2012



NOTES: The number of recipients of tax credits includes those claiming refundable or nonrefundable credits. A portion of nonrefundable dollars claimed on nontaxable returns is excluded to account for credits that do not reduce tax liability. The value of tax deductions is estimated based on applicable marginal tax rates. Percentages may not sum to 100 because of rounding.

SOURCES: Internal Revenue Service, *Statistics of Income*, 2012, Tables 1.3, 1.4, 2, 3.3; calculations by the authors.

– Education tax credits and deductions are “tax expenditures.” They reduce federal income tax liabilities and federal tax revenues, and have the same impact on the federal budget as direct expenditures.

– In 2012, 11.1 million tax filers benefited from education tax credits, while only 1.3 million reduced their taxes through the tuition tax deduction.

– In 2012, tax savings for students and parents averaged \$1,530 for those who claimed education tax credits and \$400 for those who had tuition deductions.

ALSO IMPORTANT:

– The American Opportunity Tax Credit (AOTC) is available to taxpayers with an adjusted gross income (AGI) as high as \$180,000 and accounts for about 90% of the tax credit total. About a quarter of the benefits are in the form of refunds of amounts that exceed tax liabilities. (*Fiscal Year 2015, Analytical Perspectives, Budget of the U.S. Government*, Table 14-1)

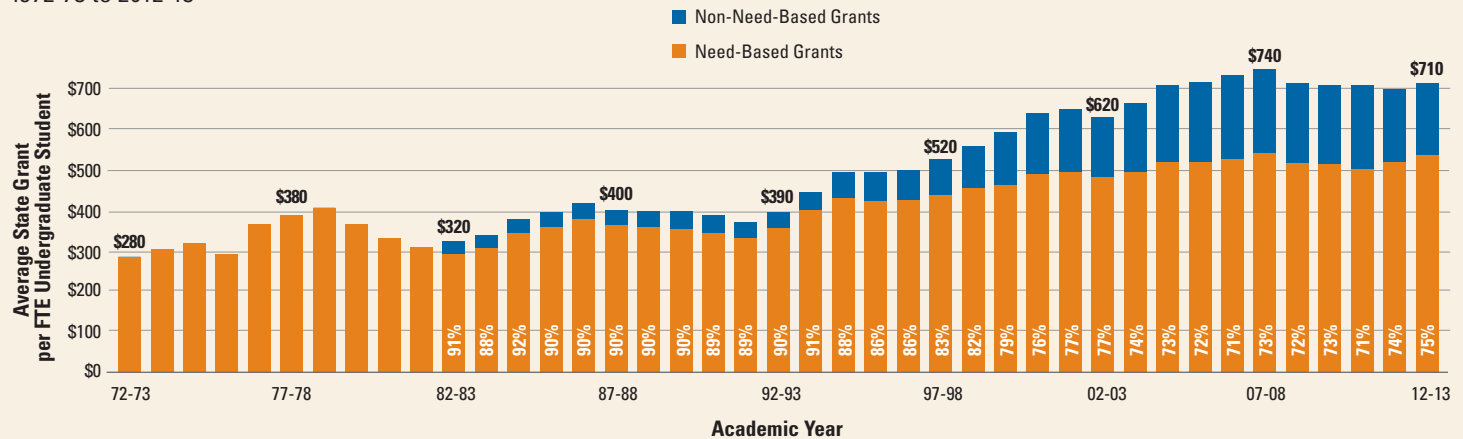
– In 2012, 10.8 million taxpayers deducted \$10.7 billion in student loan interest, generating about \$1.7 billion in tax savings. (*Statistics of Income*, 2012, Table 1.4; *Fiscal Year 2015, Analytical Perspectives, Budget of the U.S. Government*, Table 14.1)

– Other subsidies to students through the tax code include the personal exemption for students ages 19 and older, saving parents about \$5.2 billion in 2012-13, and the excludability of tuition assistance from employers, saving students about \$710 million. Taxpayers saved almost \$1 billion in taxes on the earnings from savings earmarked for education. (Joint Committee on Taxation, *Estimates of Federal Tax Expenditures for Fiscal Years 2012–2017*, Table 1; *Fiscal Year 2015, Analytical Perspectives, Budget of the U.S. Government*, Table 14-1)

State Grants

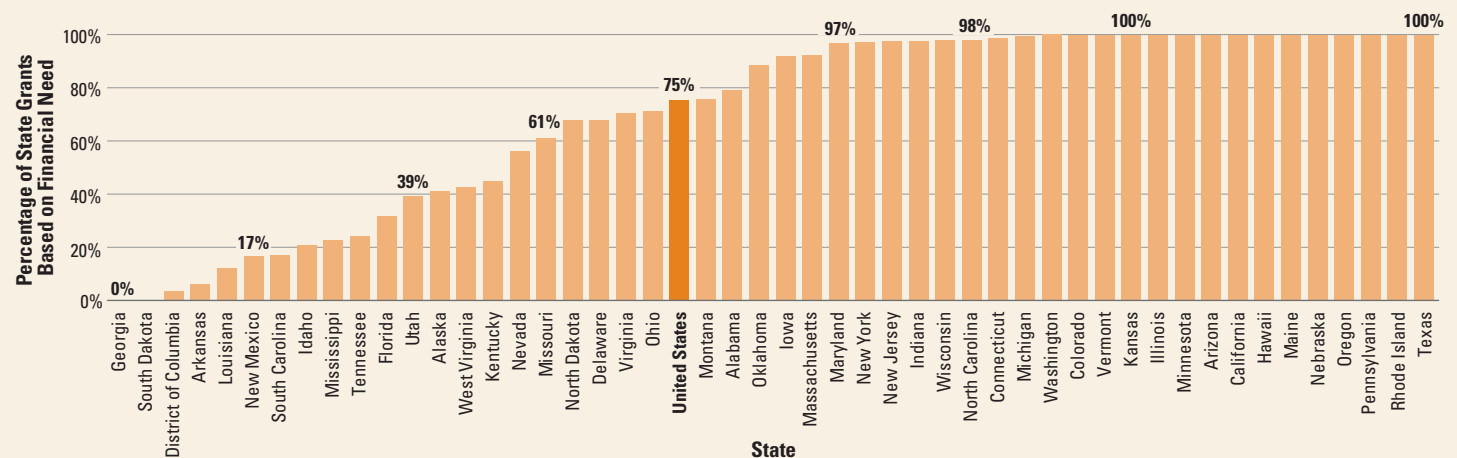
After declining from a peak of \$740 (in 2012 dollars) in 2007-08 to \$690 in 2011-12, average state grant aid per full-time equivalent (FTE) undergraduate student rose to \$710 in 2012-13.

FIGURE 26A Need-Based and Non-Need-Based State Grants per Full-Time Equivalent (FTE) Undergraduate Student in 2012 Dollars, 1972-73 to 2012-13



NOTE: Percentages displayed represent percentages of total undergraduate state grant aid for which students' financial circumstances were considered.

FIGURE 26B Need-Based State Grant Aid as a Percentage of Total Undergraduate State Grant Aid by State, 2012-13



NOTES: Need-based aid includes any grants for which financial circumstances contribute to eligibility. Non-need-based aid refers to grants for which financial circumstances have no influence on eligibility. New Hampshire and Wyoming did not award state grant aid to undergraduate students in 2012-13.

SOURCES: National Association of State Student Grant and Aid Programs (NASSGAP), Annual Survey, 1972-73 to 2012-13, Tables 1 and 12; NCES, IPEDS enrollment data.

- In 1980-81 and earlier years, virtually all state grant aid was based on students' financial circumstances. From 2004-05 to 2010-11, only 71% to 74% of state grant aid was need-based. In 2012-13, that percentage was 75%.
- In 2012-13, 23 states considered students' financial circumstances in allocating at least 95% of their state grant aid. In 15 states, financial circumstances were considered for less than half of the state grant aid.

ALSO IMPORTANT:

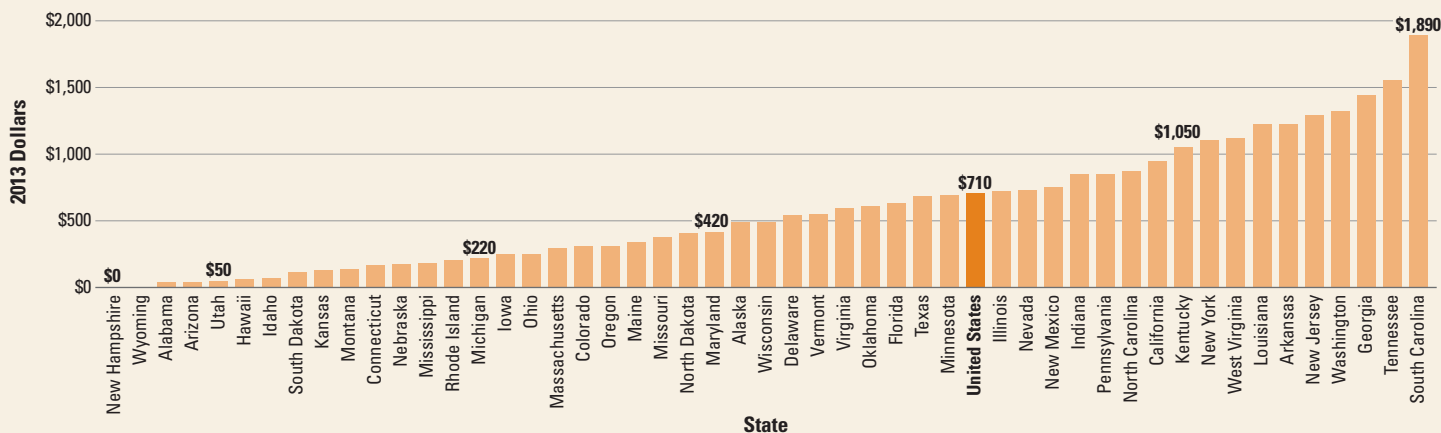
- Total spending on state grant aid increased from \$6.7 billion (in 2012 dollars) in 2002-03 to \$8.9 billion in 2007-08, and to \$9.6 billion in 2012-13. (NASSGAP Annual Survey, 2002-03, 2007-08, and 2012-13)



State Grants

In 2012-13, state grant aid per full-time equivalent (FTE) undergraduate student ranged from under \$200 in 13 states to over \$1,000 in 10 states.

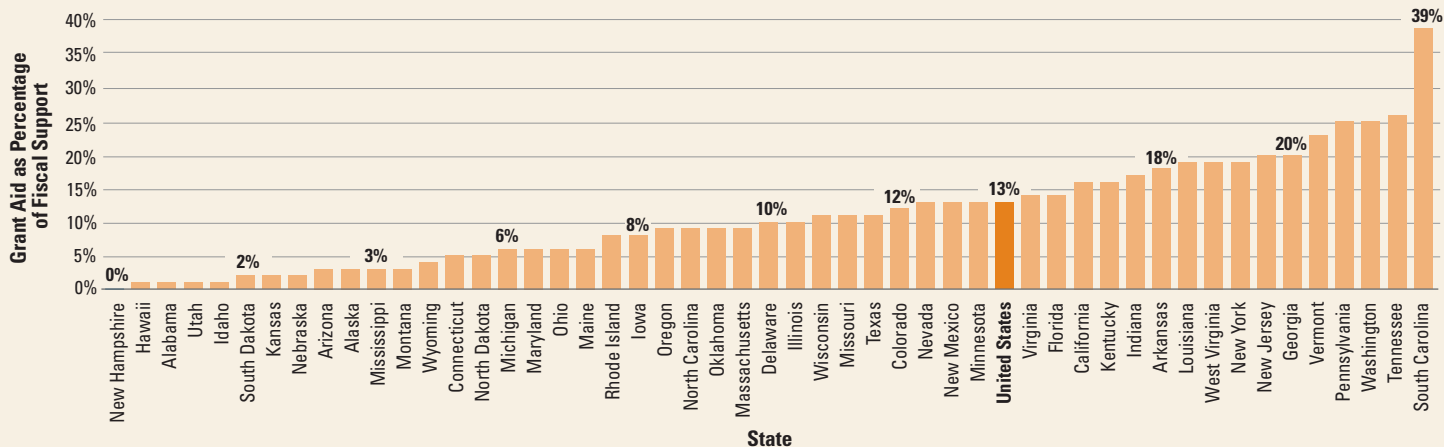
FIGURE 27A State Grant Aid per Full-Time Equivalent (FTE) Undergraduate Student by State, 2012-13



NOTE: Full-time equivalent students include both state residents and out-of-state students who are not eligible for state grants. State grant aid per FTE student is influenced both by the generosity of state grant programs and by the variation across states in the percentage of students who are residents.

SOURCE: NASSGAP Annual Survey, 2012-13, Table 12.

FIGURE 27B State Grant Expenditures as a Percentage of Total State Support for Higher Education by State, 2012-13



NOTE: State grant expenditures include funding for both undergraduate and graduate students.

SOURCE: NASSGAP Annual Survey, 2012-13, Table 14.

- South Carolina, with the highest grant aid per FTE undergraduate, considered the financial circumstances of recipients for only 17% of state grant funds in 2012-13. In Tennessee, the second most generous state, 24% of the state grant aid was need-based, and in the third highest state, Georgia, none of the aid was need-based.
- Of the 10 states with the highest grant aid per FTE undergraduate, only New Jersey, New York, and Washington allocated more than half of their state grant dollars based on students' financial circumstances.
- Overall, state grant expenditures constituted 13% of total state support for higher education in 2012-13, an increase from 9% in 2002-03 and 10% in 2007-08. (NASSGAP Annual Survey, 2002-03 and 2007-08, Table 14)

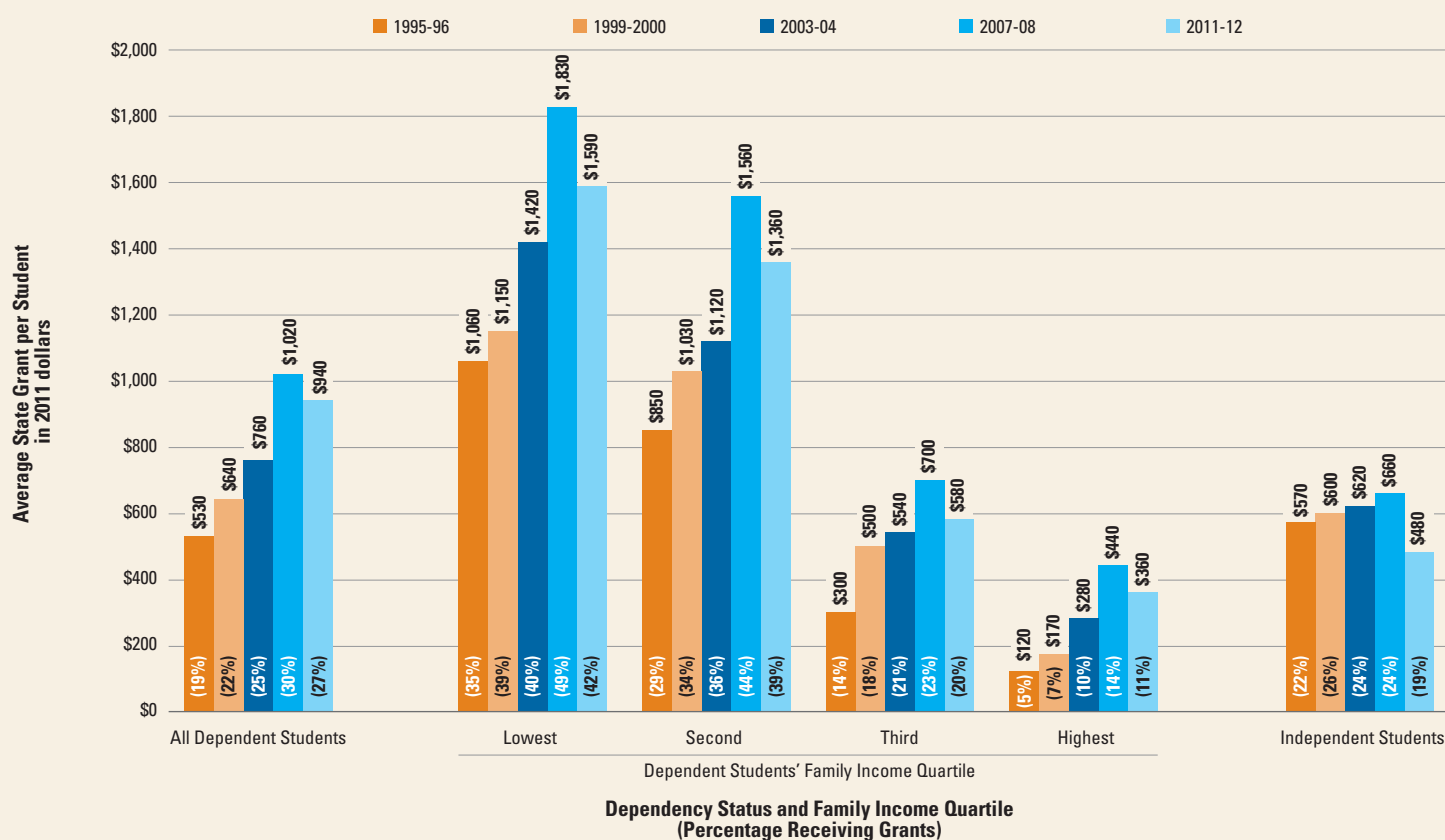
ALSO IMPORTANT:

- Six states provided 49% of all state grant dollars in 2012-13, with California contributing 16% and New York 10%.
- Some state-funded grant aid is in the form of "tuition set-aside" programs through which a portion of tuition revenues at public institutions — or of increases in tuition — is dedicated to grant aid. Some of these funds are included in reported state grant aid, but others are not. Tuition remission dollars, not always reported as state grant aid, are sizable in several states.

State Grants

After increasing steadily between 1995-96 and 2007-08, state grant aid per full-time undergraduate student declined for students at all income levels between 2007-08 and 2011-12.

FIGURE 28 Average State Grant per Full-Time Student in 2011 Dollars by Dependency Status and Family Income, 1995-96 to 2011-12, Selected Years



NOTES: Average grant amounts are per full-time student, including both recipients and nonrecipients. Includes students who were U.S. citizens or permanent residents. Income categories (all in 2011 dollars) are: lowest: less than \$30,000; second: \$30,000 to \$64,999; third: \$65,000 to \$105,999; highest: \$106,000 or higher.

SOURCES: NCES, National Postsecondary Student Aid Study, 1996, 2000, 2004, 2008, and 2012.

- Across the nation, students from the lower half of the income distribution are much more likely than those from the upper half of the income distribution to receive state grant aid. For example, in 2011-12, 42% of students from the lowest income quartile received state grant aid, compared to 11% of those from the highest quartile.
- In 1995-96, dependent students from the lowest family income quartile received about 9 times as much state grant aid on average as those from the highest family income quartile (\$940 more in 2011 dollars). That ratio declined to 7 in 1999-2000, and to 4 in 2007-08 and 2011-12, when the difference was \$1,230 per student.
- The percentage of students from the lowest income quartile receiving state grants increased from 35% in 1995-96 to 49% in 2007-08 and decreased to 42% in 2011-12.
- The percentage of students from the highest income quartile receiving state grants increased from 5% in 1995-96 to 14% in 2007-08, and decreased to 11% in 2011-12.
- Over time, state grant aid has become less generous to independent students relative to dependent students.

ALSO IMPORTANT:

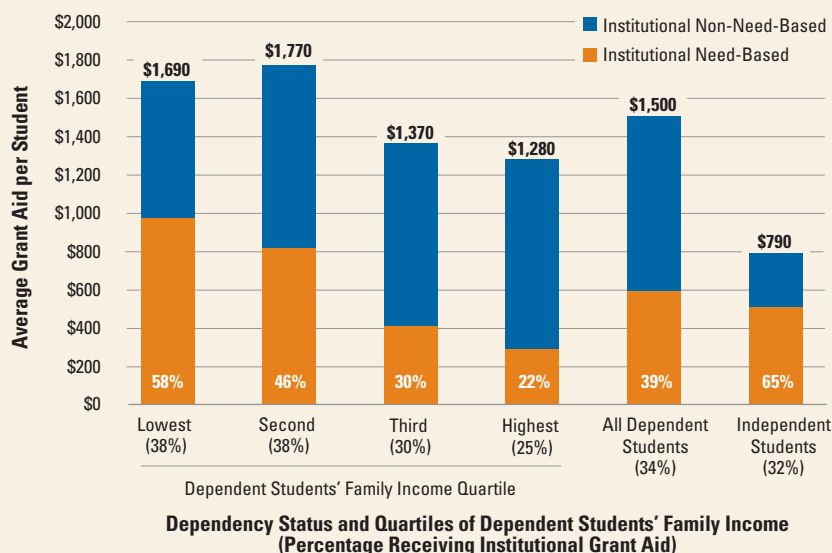
- Between 2007-08 and 2011-12, the number of full-time undergraduate students in the U.S. increased by 15%, from 9.8 million to 11.4 million. (NCES, IPEDS enrollment data)
- State grant policies differ considerably across states. As Figure 26B shows, some states allocate most or all of their grant aid without regard to financial circumstances, while others offer only need-based aid.



Institutional Grant Aid

Both higher- and lower-income students enrolled in public four-year institutions receive a combination of need-based and non-need-based institutional grant aid.

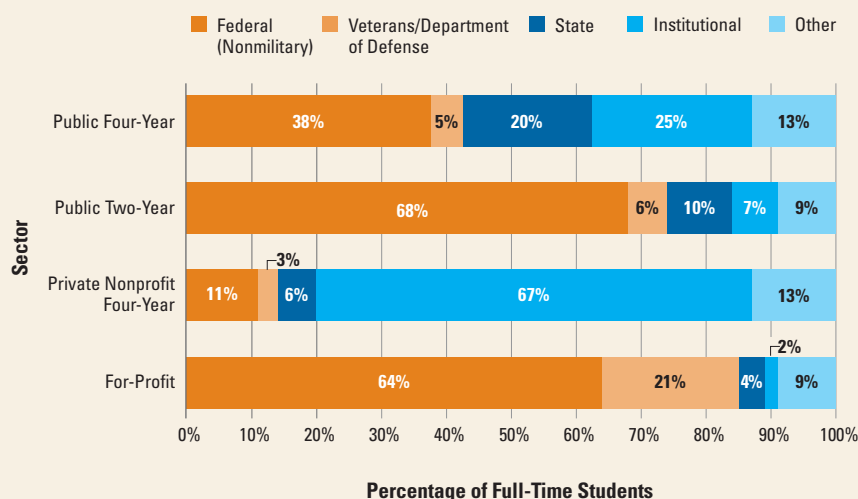
FIGURE 29A Institutional Grant Aid by Dependency Status and Family Income at Public Four-Year Institutions, 2011-12



NOTES: Only full-time students who were U.S. citizens or permanent residents were included. Income categories represent quartiles of dependent undergraduate students across all sectors. Income categories are: lowest: less than \$30,000; second: \$30,000 to \$64,999; third: \$65,000 to \$105,999; highest: \$106,000 or higher.

SOURCE: NCES, National Postsecondary Student Aid Study, 2012.

FIGURE 29B Sources of Grant Aid for Full-Time Undergraduate Students, by Sector, 2011-12



NOTE: Percentages may not sum to 100 because of rounding.

SOURCE: NCES, National Postsecondary Student Aid Study, 2012.

- In 2011-12, full-time dependent students from families in the lowest quartile of the income distribution received 58% of their average \$1,690 institutional grant aid from need-based programs, but 42% of their aid was awarded based on nonfinancial criteria.
- Students in the highest income quartile received more of their aid from non-need-based programs, but were still eligible for an average of almost \$300 a year per student in need-based institutional grant aid.
- On average, independent students enrolled in public four-year institutions received only about half as much institutional grant aid per student as dependent students in 2011-12.
- In 2011-12, full-time students enrolled at private nonprofit institutions received about 67% of their grant aid from their institutions, compared to 25% for those at public four-year institutions, and much lower percentages at public two-year and for-profit institutions.
- In 2011-12, full-time students in the for-profit sector received 21% of their grant aid through Department of Defense grants and 64% from other federal grants, including Pell Grants.

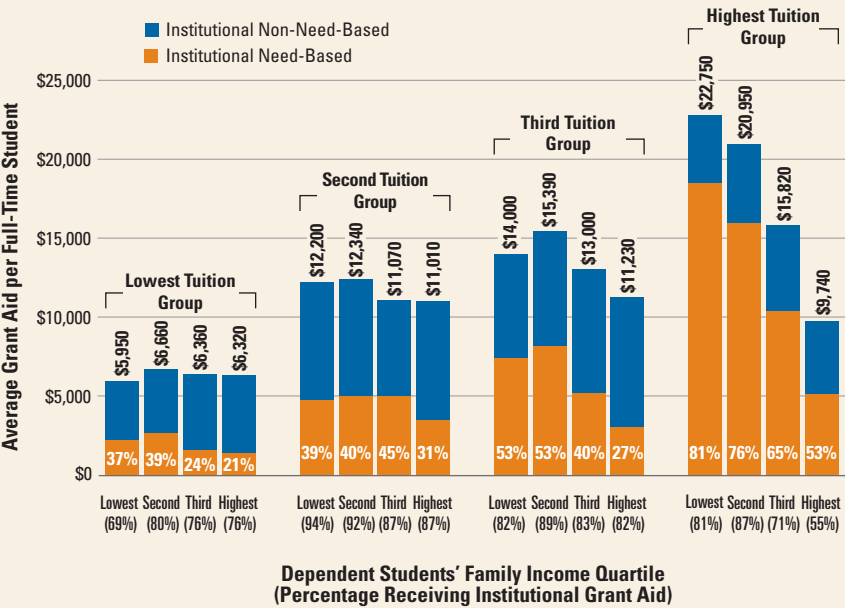
ALSO IMPORTANT:

- In 2011-12, full-time public four-year dependent students from families in the lowest income quartile received only 32% (\$410) more on average in institutional grant aid than those from families in the highest income quartile.
- However, the lowest-income students received an average of about \$7,200 in state and federal grant aid, compared to \$500 for the highest-income students. As a result, they received about four times as much in total grant aid as those in the highest income quartile.

Institutional Grant Aid

In 2011-12, about two-thirds of the institutional grant aid at private nonprofit four-year institutions with published tuition and fees of at least \$36,421 was allocated on the basis of financial need. Smaller percentages of institutional grants were need-based at institutions with lower prices.

FIGURE 30 Institutional Grant Aid by Tuition Level and Family Income at Private Nonprofit Four-Year Institutions, 2011-12



NOTES: Only full-time dependent students who were U.S. citizens or permanent residents are included. Tuition and fee categories are based on quartiles of full-time student enrollment. Income categories represent quartiles of dependent undergraduate students across all sectors. Tuition categories are: lowest: less than \$22,105; second: \$22,105 to \$28,726; third: \$28,727 to \$36,420; highest: \$36,421 or higher. Income categories are: lowest: less than \$30,000; second: \$30,000 to \$64,999; third: \$65,000 to \$105,999; highest: \$106,000 or higher.

SOURCE: NCES, National Postsecondary Student Aid Study, 2012.

Distribution of Full-Time Dependent Students at Private Nonprofit Four-Year Institutions by Published Tuition and Fees and Family Income, 2011-12

Family Income Quartile	Quartile of Published Tuition and Fees			
	Lowest (Less than \$22,105)	Second (\$22,105 to \$28,726)	Third (\$28,727 to \$36,420)	Highest (\$36,421 or Higher)
Lowest (Less than \$30,000)	26%	16%	16%	12%
Second (\$30,000 to \$64,999)	24%	22%	22%	17%
Third (\$65,000 to \$105,999)	27%	29%	27%	25%
Highest (\$106,000 or Higher)	23%	32%	36%	46%
TOTAL	100%	100%	100%	100%

NOTE: Percentages may not sum to 100 because of rounding.

SOURCE: NCES, National Postsecondary Student Aid Study, 2012.

- At the private colleges and universities with the lowest published prices, students from the lowest income quartile received less institutional grant aid than those from families with higher incomes. At the institutions with higher prices, the most affluent students received the lowest average institutional grants.
- At the highest-price private nonprofit institutions, the lowest-income students received almost 2.5 times as much grant aid, on average, as those from the highest income quartile in 2011-12 (\$22,750 vs. \$9,740).
- In 2011-12, 26% of full-time students enrolled in the lowest-price private nonprofit institutions were from the lowest income quartile and 23% were from the top quartile. At the highest-price institutions, 12% of the full-time students were from the lowest income quartile and 46% were from the highest quartile.

ALSO IMPORTANT:

- In 2011-12, institutional grant aid in the private nonprofit four-year sector ranged from 58% of total grant aid for full-time dependent students enrolled in the lowest-price institutions to 77% for those in the highest-price institutions. (NCES, NPSAS 2012)
- In the private nonprofit four-year sector, the percentage of total grant aid received by full-time dependent students coming from federal sources ranged from 6% for students attending the highest-price institutions to 20% for students attending the lowest-price institutions. (NCES, NPSAS 2012)
- In 2011-12, 15% of full-time students enrolled in four-year private nonprofit institutions were independent of their parents for financial aid purposes. Parent income for these students is not available. (NCES, NPSAS 2012)

Institutional Grant Aid

At public four-year institutions, the percentage of institutional grant aid meeting undergraduate students' financial need increased from 29% in 2000-01 to 49% in 2010-11 and was an estimated 48% in 2013-14.

FIGURE 31A Average Institutional Grant Aid per Full-Time Equivalent (FTE) Undergraduate at Public Four-Year Institutions, in 2013 Dollars, 2000-01 to 2013-14

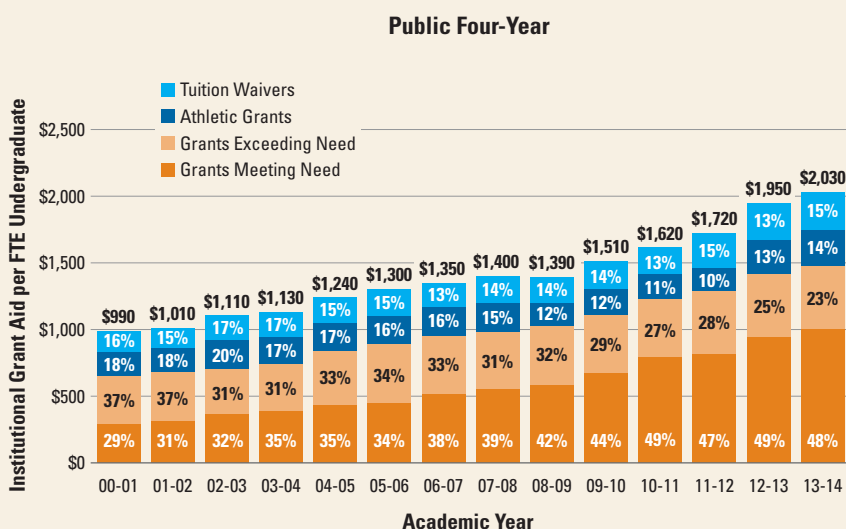
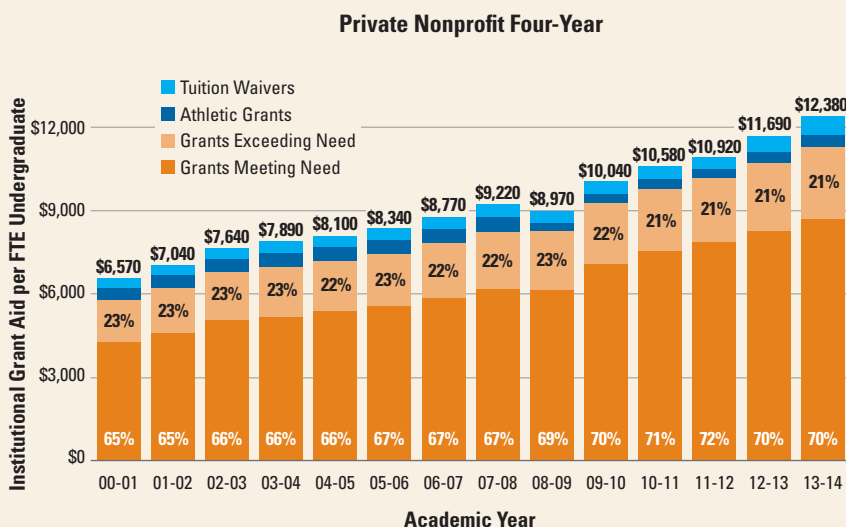


FIGURE 31B Average Institutional Grant Aid per Full-Time Equivalent (FTE) Undergraduate at Private Nonprofit Four-Year Institutions, in 2013 Dollars, 2000-01 to 2013-14



NOTES: Grants meeting need may be awarded according to financial circumstances or on the basis of other criteria. The estimates reported here reflect the best efforts of respondents to the College Board's Annual Survey of Colleges (ASC) to identify aid that fills the gap between a student's available resources and the cost of attendance. Grants awarded to students without financial need or awarded in excess of need are "Grants Exceeding Need." About 75% of the public four-year institutions and 70% of the private four-year institutions in the ASC provide data on institutional grants. Athletic grants and tuition waivers reflect three-year moving averages. Numbers for 2013-14 are estimated and should be interpreted with caution. Note that the scale of Figure 31B is six times that of Figure 31A.

SOURCES: The College Board, Annual Survey of Colleges, 2000 to 2013; calculations by the authors.

- Between 2008-09 and 2013-14, average grant aid meeting need at public four-year colleges increased by 72% in 2013 dollars, from \$580 to \$1,000 per full-time equivalent (FTE) undergraduate. Over these five years, institutional grants exceeding need rose 7% at institutions reporting grant aid.
- The percentage of institutional grant aid meeting students' financial need at private nonprofit four-year colleges and universities has been around 70% since 2008-09.
- Between 2008-09 and 2013-14, at private nonprofit four-year colleges and universities reporting grant aid, average grant aid meeting need increased by 41% in 2013 dollars, from \$6,150 to \$8,690 per FTE undergraduate. Over these five years, institutional grants exceeding need rose 23%, from \$2,090 to \$2,580 per FTE student, while athletic awards increased by 41% in 2013 dollars.
- In 2013-14, athletic aid constituted about 14% of institutional grant aid to undergraduate students at public four-year institutions and about 4% of the total at private nonprofit institutions. A portion of these dollars helps to meet financial need for the recipients.

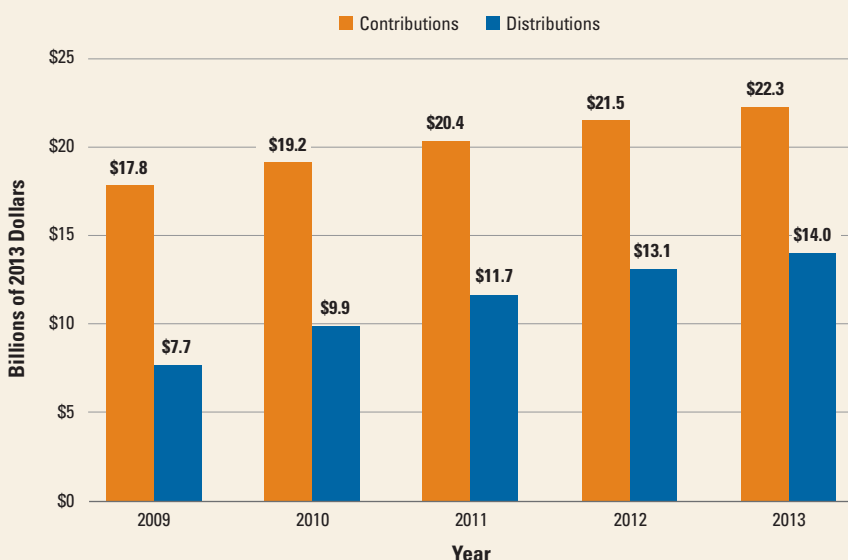
ALSO IMPORTANT:

- Both public and private institutions use their financial aid dollars for multiple purposes. In addition to making it possible for students with inadequate financial resources to enroll, these institutions seek to attract students with strong academic credentials and other characteristics they consider important.

College Savings Plans

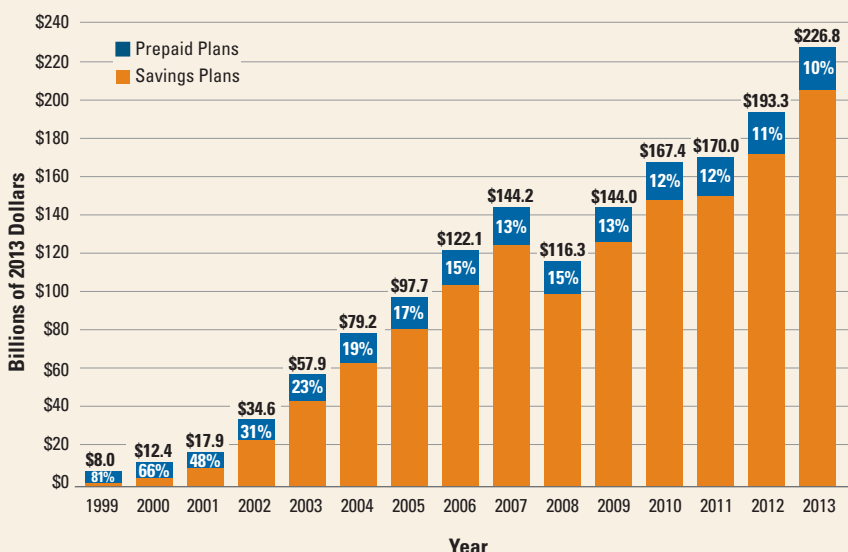
In 2013, \$14 billion was withdrawn from 1.6 million state-sponsored 529 college savings accounts to pay college expenses.

FIGURE 32A 529 College Savings Accounts: Contributions and Distributions in 2013 Dollars (in Billions), 2009 to 2013



SOURCE: College Savings Plan Network (www.collegesavings.org).

FIGURE 32B Total Assets in State-Sponsored Section 529 College Savings Plans in 2013 Dollars (in Billions), 1999 to 2013



SOURCE: College Savings Plan Network (www.collegesavings.org).

- Total assets in state-sponsored 529 college savings accounts were almost twice as high (after adjusting for inflation) at the end of 2013 as they were at the end of 2008.
- The percentage of 529 account assets held in prepaid tuition plans declined from 81% in 1999 to 15% in 2006 and to 10% in 2013.
- Funds in state 529 accounts grow tax free and distributions to pay college tuition are exempt from federal taxation. Changes in the value of regular 529 savings plans depend on market performance. The value of prepaid plans is fixed relative to the price of in-state public colleges.

ALSO IMPORTANT:

- Although 17 states have prepaid tuition plans, 44% of the total assets in these accounts are in Florida. Virginia has the largest 529 savings plan, with 23% of the total assets.
- Eleven states provide matching grants for low- and middle-income families who contribute to 529 savings accounts. (www.savingforcollege.com)
- More than 270 private colleges and universities have joined a prepaid tuition plan that carries the same tax benefits as the state-sponsored 529 plans. As of December 2013, the assets in the 8,000 accounts in this plan, which are not included in Figure 32B, were \$301 million. (www.privatecollege529.com)
- Other forms of saving for education that are granted special tax status by the federal government include Series EE and Series I Savings Bonds and Coverdell Education Savings Accounts, as well as IRA withdrawals for education expenses.

Number of 529 Accounts (in Millions) with Contributions and Distributions, 2009 to 2013

	2009	2010	2011	2012	2013
Contributions	5.9	5.5	5.6	5.4	6.0
Distributions	1.8	1.1	1.4	1.3	1.6

SOURCE: College Savings Plan Network (www.collegesavings.org).



Notes and Sources

DATA DEFINITIONS

Federal Aid:

FSEOG. Federal aid amounts include only federal funds allocated for the Federal Supplemental Educational Opportunity Grant (FSEOG) Program. Institutional matching funds required since 1989-90 are reported under institutional grants.

LEAP. Formerly known as the State Student Incentive Grant (SSIG) program, the Leveraging Educational Assistance Partnership (LEAP) monies reported under federally supported aid include federal monies only; the state share is included in the state grant category. Funding for the LEAP program ended with the 2010-11 academic year.

Veterans. Benefits are payments for postsecondary education and training to veterans and their dependents, including the Post-9/11 Veterans Educational Assistance program established in 2009-10 and all programs established earlier. The Iraq and Afghanistan Service Grants program began in 2010-11. These grants provide non-need-based grants for students whose parent or guardian was a member of the Armed Forces who died in Iraq or Afghanistan as a result of performing military service after Sept. 11, 2001.

Military. Includes educational expenditures under the F. Edward Hebert Armed Forces Health Professions Scholarship Program; Reserve Officers' Training Corps (ROTC) programs for the Air Force, Army, and Navy/Marines; and higher education tuition assistance for the active duty Armed Forces.

Other Federal Grants. Includes Higher Education Grants for Indian Students; American Indian Scholarships; Indian Health Service Scholarships; National Science Foundation predoctoral fellowships (minority and general graduate); National Health Service Corps Scholarships; National Institutes of Health predoctoral individual awards; the Jacob K. Javits Fellowship Program; and college grants provided to volunteers in the AmeriCorps national service programs, for which funding began in 1994-95.

Perkins Loans. Since FY06, no funds have been appropriated for new federal capital contributions. Perkins Loans are funded from past federal and institutional capital contributions as well as collections from borrowers. All Perkins Loans awarded are included as federal loans.

Subsidized and Unsubsidized Stafford Loans. Prior to 1993-94, Stafford Loans for students were made by banks and other private lenders and guaranteed by the federal government. From 1994-95 through 2009-10, the guaranteed loan program, known as the Federal Family Education Loan Program (FFELP), continued as part of the Stafford Loan program, alongside the Federal Direct Loan Program (FDLP), which lends federal funds to students. Beginning in 2010-11, all of the loans are Federal

Direct Subsidized or Federal Direct Unsubsidized Loans. The term "Stafford Loans" refers to whichever of these programs were in effect at the date in question.

Direct Subsidized Loans are need-based student loans for which the federal government pays the interest while the student is in school and during a six-month grace period thereafter. Prior to June 2012, these loans were available to both undergraduate and graduate students, but the Budget Control Act of 2011 eliminated the program for graduate students, whose federal loans are now all unsubsidized or Grad PLUS loans. Interest accrues on Direct Unsubsidized Loans from the time they are disbursed.

Other Federal Loans. Includes loans from the Health Professions Student Loan Program, Disadvantaged Student Loans, the Nursing Student Loan Program, and the Teacher Education Assistance for College and Higher Education (TEACH) grant program. The TEACH grant program is operated as a loan program with 100% loan forgiveness upon completion of a service requirement. Current estimates suggest that approximately three-quarters of participating students will not complete the required service and thus will have their grants converted to Direct Unsubsidized Loans.

Tax Benefits. Data on education tax credits are IRS estimates of the volume of Hope, Lifetime Learning, and American Opportunity credits for tax years 1998 and later. A portion of nonrefundable dollars claimed on nontaxable returns is excluded to account for credits that do not reduce tax liability. Tax deductions are based on IRS Statistics of Income Table 1.4, with associated savings estimated by the authors based on the marginal tax rates applied to the taxable income of the taxpayers in each income bracket claiming the deduction on taxable returns. Calendar year amounts are split between the two associated academic years.

Full-Time Equivalent (FTE) Students: Enrollment numbers based on a federal formula that counts each part-time student as equivalent to one-third of a full-time student.

Graduate and Undergraduate Aid: The breakdown of aid between undergraduate and graduate students is estimated based on the National Postsecondary Student Aid Study (NPSAS) when not available from other sources.

Inflation Adjustment: The Consumer Price Index for all urban dwellers (CPI-U) is used to adjust for inflation. We use the CPI-U in July of the year in which the academic year begins. See the U.S. Department of Labor's Bureau of Labor Statistics Consumer Price Index table for changes in the CPI-U over time.

Loan Totals: Nonfederal loans from private lenders, states, and institutions are included in Table 1 and several other figures and tables as an important source of funding for students, but are not considered financial aid because they provide no subsidy to students.

SOURCES

Campus-Based Aid (FWS, Perkins, and FSEOG), Iraq and Afghanistan Service Grants, and ACG/SMART Grants: U.S. Department of Education, Annual Federal Program Data Books.

Education Tax Benefits: Income Tax Returns, All Returns, Tables 1.3, 1.4, 2, and 3.3, and additional Statistics of Income sources.

Federal Direct Subsidized and Unsubsidized Student Loans: Unpublished data from U.S. Department of Education staff and the National Student Loan Data System (NSLDS).

Full-Time Equivalent (FTE) Enrollment: Based on computations by Integrated Postsecondary Education Data System (IPEDS) staff at the National Center for Education Statistics (NCES).

Institutional Grants: Estimates based on IPEDS data through FY12, information from NPSAS, and data from the College Board's Annual Survey of Colleges. These figures represent best approximations and are updated each year as additional information becomes available.

Military: Estimates based on available data from F. Edward Hebert Armed Forces Health Professions Scholarship Program amounts from the Office of the Assistant Secretary for Defense (Health Affairs). ROTC program data from the Air Force, Army, and Navy/Marines program offices.

Nonfederal Loans: Estimates for 2011-12 through 2013-14 provided by MeasureOne and the Consumer Financial Protection Bureau. Earlier data based on information provided by lenders. Data from NPSAS 2008 and 2012 are also incorporated. Data on lending also collected from the major credit unions and their associations. Estimates of institutional lending are based on NPSAS, 2008 and 2012, as well annual surveys of institutions conducted for the College Board by the National Association of Student Financial Aid Administrators (NASFAA). Data on loans from states are based on information collected from staff of state-sponsored private loan programs or state grant agencies, in addition to the National Association of State Student Grant and Aid Programs (NASSGAP).

Other Grants and Loans: Data collected through conversations and correspondence with the officials of the agencies that sponsor the programs.

Pell Grant Program: Data from U.S. Department of Education staff. Other data are from *Federal Pell Grant End-of-Year Reports* and from the Federal Student Aid Data Center.

Private and Employer Grants: Estimates based on data included in NPSAS and on annual National Scholarship Providers Association surveys of major private student grant providers, supplemented by information from Scholarship America, annual reports of selected scholarship providers, and data from institutional financial aid offices.

State Grant Programs: 2013-14: Estimates based on an annual College Board survey of all states. 1988-89 to 2012-13: 20th through 44th NASSGAP Annual Survey Reports.

Veterans Benefits: Benefits Program series (annual publication for each fiscal year), Office of Budget and Finance, U.S. Veterans Administration and unpublished data from the same agency.

For more details on data sources and methodology, please see the *Trends in Student Aid* website at: trends.collegeboard.org

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Trends in Student Aid and its companion report, *Trends in College Pricing*, are supplemented by a website that makes detailed data available for reference and downloading. The PDF versions of these reports, along with PowerPoint slides of all the graphs, are available on the Web: trends.collegeboard.org.

Hard copies may be requested by contacting trends@collegeboard.org.

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