



Financial Experience for Graduate and Professional Students: Variation by Race and Ethnicity

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Executive Summary

This report summarizes findings on graduate and professional students' financial resources and debt practices from the 2010 Student Affairs Graduate and Professional Student Survey. Students' financial resources and debt practices were explored by assessing students' self-reports on their financial resources, including access to funding information, and how they fund their graduate education. Major findings included:

- Overall, graduate and professional students did not feel that they had received sufficient information on securing financial support for their graduate work.
Less than 50 percent of the students expressed that they had sufficient income to cover their expenses. Asian students were slightly more likely than graduate students as a whole to report that their total income did cover their expenses.
Latino and Black students entered their degree programs with a total amount of debt significantly higher than average of all graduate students.
Black students reported receiving a significantly higher amount of need-based and merit-based aid than their peers.
The average amount of debt incurred by all graduate students during the past year fell in the category of \$10,001 to \$15,000. Black students were significantly more likely than their peers to report incurring more debt.
The average amount of debt graduate and professional students expected to incur by degree completion fell in the category of \$15,001-\$25,000. Black and Latino students expected to incur more debt than the average of all students.

## Introduction

The goal of this summary is to utilize data collected through the 2010 Student Affairs Graduate and Professional Student Survey to provide a broad perspective of how graduate and professional students are funding their education and their financial needs. Seven key items from the survey are highlighted. The items assessed students' financial resources and student debt. The racial and ethnic groups included in the analyses were: Asian American/Pacific Islander, White, American Indian/Alaskan, Black, and Latino. The results presented in the text and charts highlight areas of significant difference ( $p < .01$ ). Differences across racial/ethnic groups are summarized in Table 1.

## Financial Resources

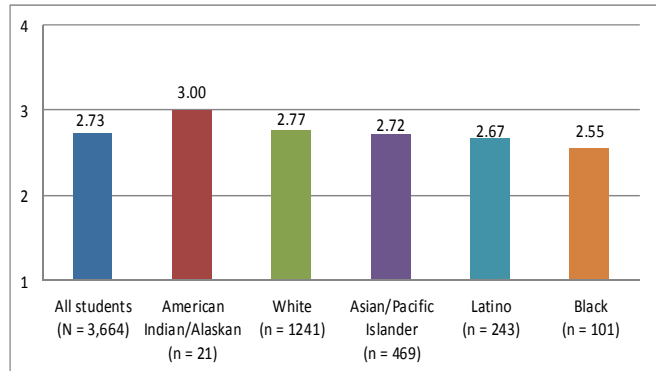
Financial resources were assessed using five items addressing: information on funding, having sufficient income to cover expenses, personal and family resources, as well as need and merit-based aid.

### *Information on Funding Graduate Work*

Respondents were asked whether they agreed they had "received sufficient guidance/assistance with obtaining information on how to secure financial support for my graduate work." The item utilized a four-point scale, ranging from one being "Strongly disagree" to four being "Strongly agree."

As a whole, the graduate students' average response fell under the category "Disagree" in regards to having received sufficient information regarding funding. There were no significant differences by race/ethnicity on this item (see Figure 1).

Figure 1. Mean Level of Agreement: Received Sufficient Information Regarding Funding



Note: No significant differences ( $p < .01$ )

Scale: 1=Strongly disagree to 4=Strongly agree

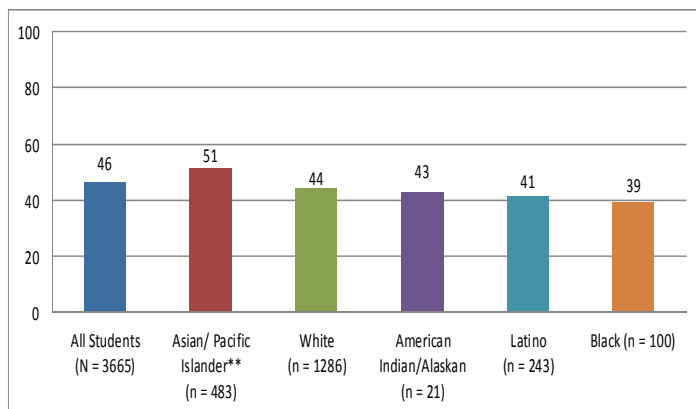
### *Sufficient Income to Cover Expenses*

Students were asked if their total income (e.g. employment, fellowships, etc. excluding loans) had been sufficient to cover their expenses during the academic year. The item utilized a Yes/No response scale. Only

	Asian /PI	White	Am. Indian	Black	Latino
<b>Financial Resources</b>					
Funding Information					
Sufficient Income	+				
Personal/Family Resources				-	
Merit-based Aid				+	
Need-based Aid				+	
<b>Debt</b>					
Debt Prior to Program				+	+
Debt This Year				+	
Anticipated Total Debt				+	+

46 percent of all of the students expressed that they had sufficient income to cover their expenses (see Figure 2). Asian/Pacific Islander students were more likely than all graduate students to report that their total income did cover their expenses during the year.

Figure 2. Percentage of Students with Sufficient Income to Cover Expenses during the Academic Year



\*\*Significantly different from percent of all students ( $p < .01$ )

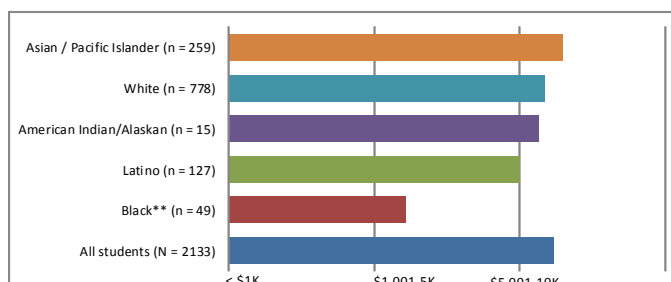
### Sources of Resources

A bank of items on the survey asked students to indicate how much financial support they received from a variety of sources in the past year, including “personal/family/spouse or partner,” “merit-based aid (e.g., fellowships)<sup>1</sup>,” and “need-based aid (e.g., financial aid, loans, work-study).” A six-point scale ranging from “Less than \$1,000” to “more than \$20,000” was utilized, and a “not applicable” response was also included. Overall, approximately 50 percent of students reported receiving each of these types of aid (see Table 2).

As a whole graduate students who reported receiving financial resources from a personal/family source

( $n=2133$ ) reported receiving an average amount that fell in the category of \$5,001-\$10,000. Black students reported receiving an average amount that fell in the category of \$1,001-\$5,000, significantly less than the average of all students (see Figure 3).

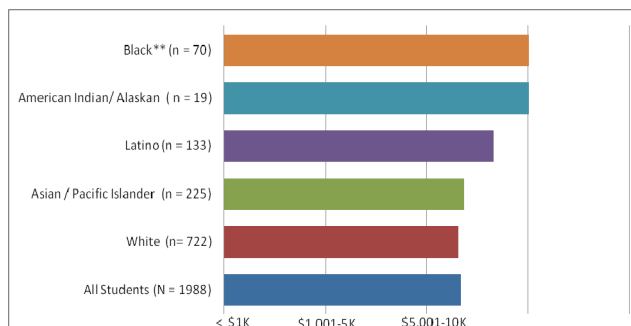
Figure 3. Mean Amount of Personal and Family Financial Resources Received in the Past Year



\*\*Significantly different from mean of all students ( $p < .01$ )

Students who reported receiving Merit-based aid ( $n=1988$ ) reported receiving an average amount that fell in the category of \$5,001-\$10,000. Black students reported receiving an average amount that fell in the category of \$10,001-\$15,000, significantly higher than the average of all students (see Figure 4)

Figure 4. Mean Amount of Merit-based Aid Received in the Past Year



\*\*Significantly different from mean of all students ( $p < .01$ )

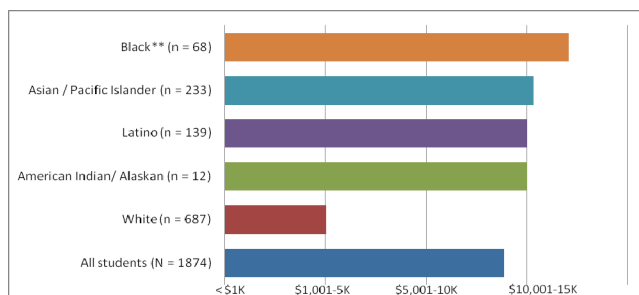
Table 2. Number and Percent of Students Reporting Receiving Aid from Various Sources

	Personal/Family		Merit Based		Need Based	
	n	%	n	%	n	%
All Students	2133	52.4	1988	48.9	1874	46.1
Asian/Pacific Islander	259	49.1	225	42.6	233	44.1
White	778	56.5	722	52.5	687	49.9
American Indian/Alaskan	15	65.2	19	82.6	12	52.2
Latino	124	47.3	133	50.8	139	53.1
Black	49	42.6	70	60.9	68	59.1

<sup>1</sup> This category did not include TA/GSR ships which were asked about in a separate item.

Among graduate students who reported receiving need-based aid (n=1,874) the average amount fell in the category of \$5,000-\$10,000. Black students reported receiving a significantly higher average amount (falling in the category of \$10,001-\$15,000) (see Figure 5).

Figure 5. Mean Amount of Need-based Aid Received in the Past Year



\*\*Significantly different from mean for all students ( $p < .01$ )

## Debt

Acquired and expected debt was assessed using three items addressing debt accrued prior to entering the current degree program, and estimated debt expected to incur this year and by completion of the current degree.

### Debt Prior to Entering Degree Program

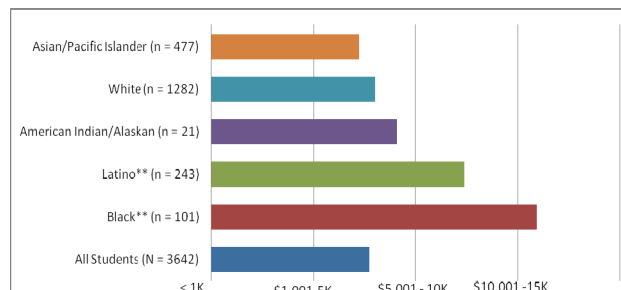
Survey respondents were asked how much debt they had incurred prior to entering their degree program at UCLA. The item utilized a six-point scale, ranging from one being “less than \$1,000” and six being “more than \$20,000.” The average for all graduate students fell in the category of \$1,001 to \$5,000. Latino students entered their degree programs with debt falling in the category of \$5,001 to \$10,000, significantly higher than the average for all graduate students. Black students reported entering their degree programs with debt falling in the category of \$10,001-\$15,000, also significantly higher than average (see Figure 6).

### Debt Incurred this Year

Graduate and professional students were asked how much debt they had incurred in the past year. The item utilized a six-point scale, ranging from one being “less than \$1,000” and six being “more than \$20,000.” The average amount of debt incurred by all graduate students during the past year fell in the category of \$10,001 to \$15,000. While the average

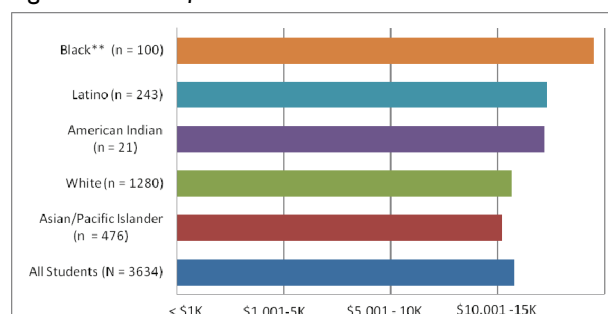
amount of debt incurred by Black students fell in the same category as the average of all graduate students, they were significantly more likely than their peers to have incurred more debt, as their average was closer to \$15,000 (see Figure 7).

Figure 6. Mean Amount of Incurred Debt Prior to Entering Degree Program



\*\*Significantly different from mean for all students ( $p < .01$ )

Figure 7. Mean of Estimated Debt Incurred in the Past Year

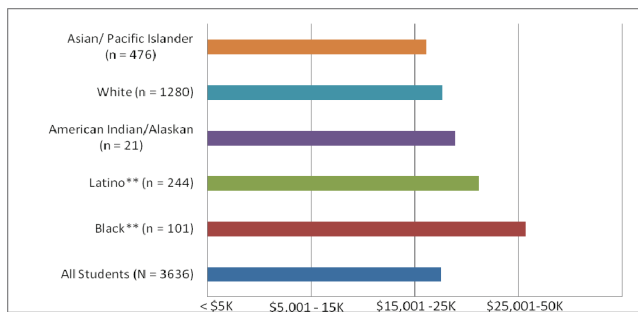


\*\*Significantly different from mean for all students ( $p < .01$ )

## Total Debt

Students were also asked how much debt they expected to incur by the completion of their current degree program at UCLA. The item utilized a six-point scale, ranging from one being “less than \$5,000” to six being “greater than \$100,000.” The average amount of debt graduate and professional students expected to incur fell in the category of \$15,001-\$25,000. Both Black and Latino students expected to incur more debt than the average of all students, with Black students reporting the largest amount of debt overall—a mean falling into the category of \$25,001-\$50,000 (see Figure 8).

Figure 8. Mean Expected Debt by Degree Completion



\*\*Significantly different from mean for all students ( $p < .01$ )

## Conclusion

The findings revealed that overall graduate and professional students are desirous of more information and guidance about how to fund their graduate studies. Many students report that their income is insufficient to cover their expenses, requiring that they do something to resolve the gap. Black and Latino students entered their degree programs at UCLA with more debt and expect to acquire more debt than their peers. Black students' financial burdens appear to be somewhat offset by their greater level of need- and merit-based aid, but the number of students receiving such aid is a smaller subset of the overall population. These results reveal that Black and Latino students enter their degree programs with fewer financial resources and more debt than their peers. As a consequence, Black students and Latino students increase their debt as they continue to further their education.