



Student Loans in Arkansas:

An investigation by University
of Arkansas Journalism
Students

For the BC Dems

June 24, 2019

Sanders to propose canceling entire \$1.6 trillion in U.S. student loan debt, escalating Democratic policy battle



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Question:

How does student loan
debt affect the
lifestyles of recent
graduates and career
choices?

The series:

<https://razorbackreporter.uark.edu/>

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NEWS FOR THE UNIVERSITY OF ARKANSAS AND BEYOND



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Arkansas Student Loan Debt Continues to Grow

Americans owe approximately \$1.6 trillion in student loan debt, according to the latest statistics from the Board of Governors of the Federal Reserve System. That is 225 percent higher than in 2006. The following stories by the Razorback Reporter staff describe in Arkansas the different dimensions of student loan debt among African Americans, beauty schools, historically black colleges and universities and women.



Digital Media Lab, Fall 2018

Digital Media Lab

- Gerald Jordan, Associate Professor, editing, writing.
- Rob Wells, Assistant Professor, data, coordinate project
- Ray Minor, Instructor, social media
- Brandon Bouchillon, Assistant Professor, visual media

Process

- Learn Data Journalism Skills: Excel, Tableau, WordPress
- Learn / Analyze Student Loan Database
- Find People To Talk
- Report, Write, Visualize

How They Did It

- Background articles, Dept. of Education, Inside Higher Ed, others.
- Data: Bureau of Labor Statistics, the Department of Health and Human Services and the National Center for Education Statistics, College Scorecard.

How They Did It

- Data Analysis: Microsoft Excel to filter data and determine what demographics and types of institutions we should focus on.

Data Visualizations: Exploratory Data Analysis.
Maps, charts

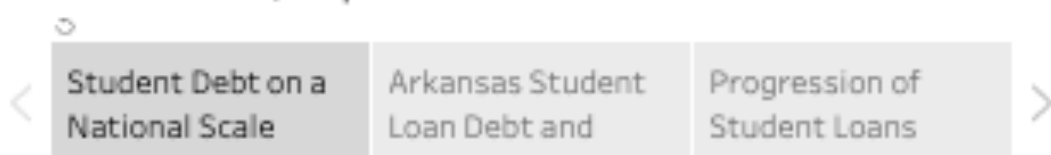
- Interviews: 45 sources - current students, graduates and faculty across the state



National student loan debt crisis hits home for Arkansas graduates

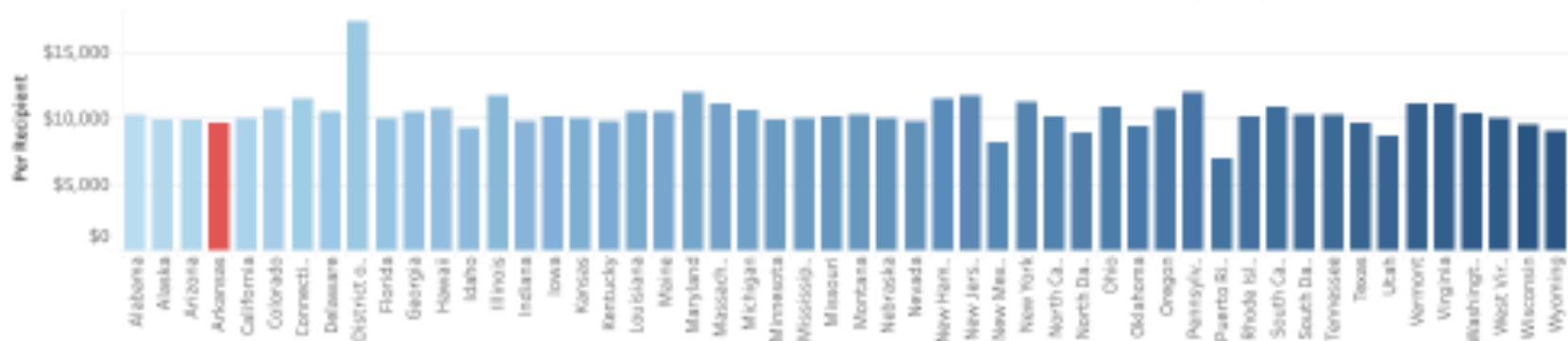
By Katie Beth Nichols & Haley Ruiz

Student Debt, Explained: National and Arkansas Debt



Grants and Loans Per Recipient by State, 2018

As of June 30, 2018, Data Source: Common Origination and Disbursement (COD) System



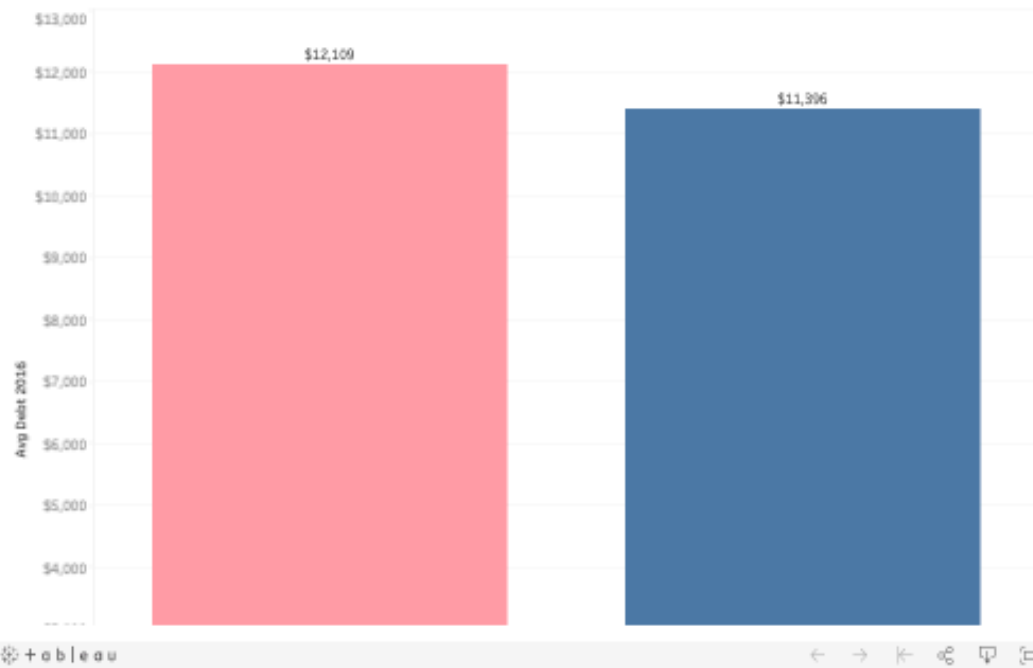
Nationwide Loan and Grant Disbursements by State, 2016-17

Gendered Student Loan Debt Disparity

Caitlin Lane | Samantha Van Dyke

< Women Have More Student National Student Loan Gap Between Female-Male Arkansas Colleges With >

Average Student Debt in America, 2016-2017
(collegescorecard.ed.gov/data/)



Gender Disparity in Student Loan Debt: Is There A Pink Tax on Student Loans?

By Samantha Van Dyke and Caitlin Lane

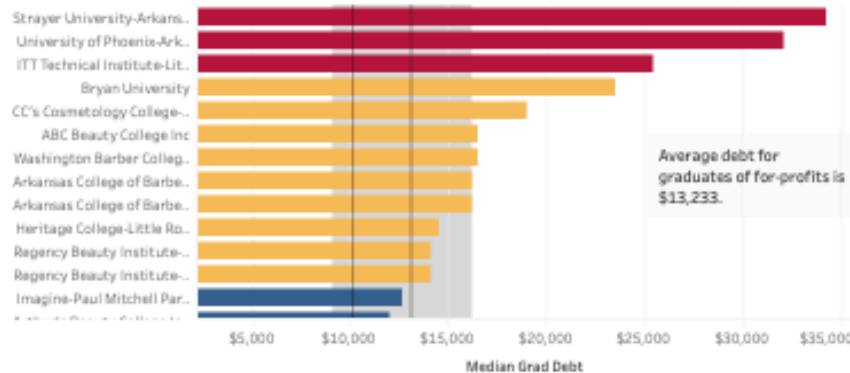
For-Profit Institution Student Loan Debt

2016 Data Source: <https://collegescorecard.ed.gov/data/>

[Their stories.](#)
[Cost of attendance at](#)
[Map of median debt at for-](#)
[Debt and default rates](#)

Debt for For-Profit College Graduates in Arkansas

2016 Data Source: <https://collegescorecard.ed.gov/data/>

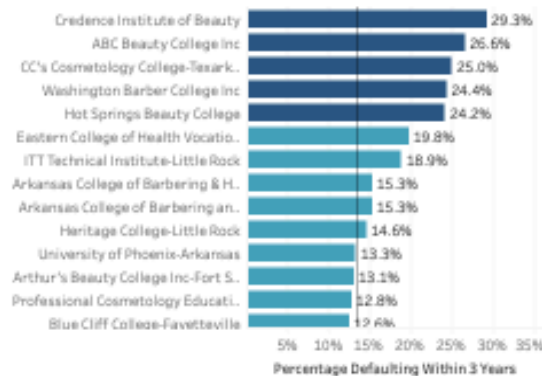


Graduates of Strayer University, the University of Phoenix and ITT Technical Institute have the highest median debt amounts out of all other for-profit schools in Arkansas.

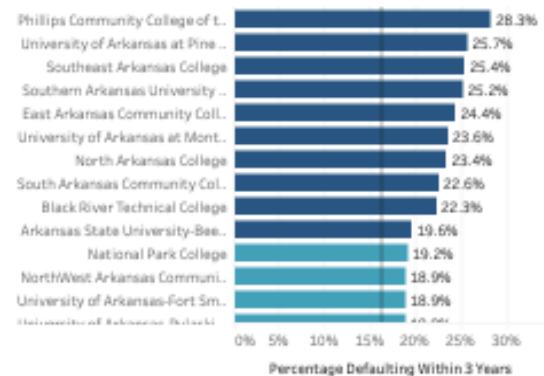
The overall average amount of debt for graduates of for-profit schools is \$13,233, while the average for public nonprofits is \$11,790.

The average 3-year default rate at for-

3-Year Default Rate for AR For-Profit College Graduates, 2016



3-Year Default Rate for AR Public College Graduates, 2016



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A Degree, and Thousands of Dollars Later; For-Profit Schools Leave Many Students Feeling Cheated

By Elizabeth Green and Grant Lancaster

The Razorback Reporter

Graduates of for-profit schools in Arkansas have more student-loan debt compared to those who attend public nonprofits,

Historically Black Colleges and Universities Student Loan Debt

< Arkansas Institutions Student Loan Debt and Student Loan Debt and Locations of Historically >

Student Loan Debt by Race, Historically Black Colleges



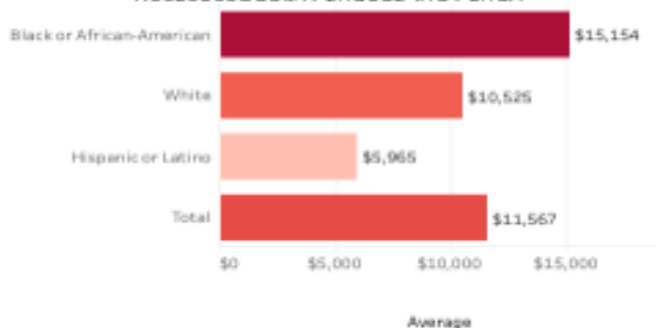
Photo by Halie Brown

Kabryn Williams, a sophomore at the University of Arkansas Pine Bluff, expects that he will graduate with \$20,000 in student loan debt. While financial aid from the University of Arkansas Pine Bluff covered some of his tuition, he still had to take out student loans to pay for his education, he said.

Arkansas African-American students borrow on average \$15,109 in student loans, \$3,000 more than white students, although making up 29 percent of the median student population at post-secondary institutions, according to the U.S. Department of

Estimated Average Amount of Student Loans Borrowed by Race in Arkansas 2012

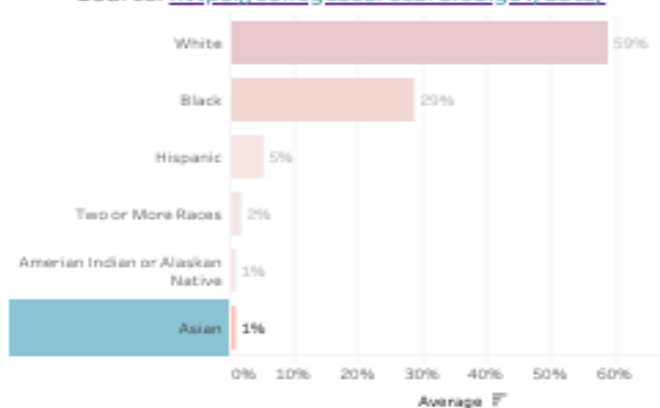
Source: U.S. Department of Education, National Center for Education Statistics, 2015-16 National Postsecondary Student Aid Study



Data from 2012 was used to provide a broader comparison of the estimated average amount of student

Average Amount of Students at Arkansas Universities and Colleges by Race

Source: <https://collegescorecard.ed.gov/data/>



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Arkansas African-American College Students

Shoulder Extra Debt Burden

By Kris Smith and Halie Brown
The Razorback Reporter

Students at all four of Arkansas' historically black colleges and universities accumulate higher student loan debt than other state



By Haley Ruiz and Katie Beth Nichols
The Razorback Reporter

Even though the cost of college continues to rise, and student debt levels are higher than ever, some managed to graduate with minimal or zero debt.

Ewald Visser, 25, is an employee at Readerlink, the main book distributor to Target, Walmart and others. He graduated from the UofA with a chemical engineering degree in 2015. Visser said he paid for college through scholarships and receiving financial assistance from his family. He graduated with no student debt.

Visser said he has friends who are still repaying their loans.

"I can see that it's something that weighs on them," Visser said.



Omar Kasim, a UA graduate with no student debt and business owner:
"All throughout school, you should work on paying that loan down, so you don't have this big hurdle that you can't overcome."

Some college graduates have student loans, but they don't have to pay them off to sooner pursue their careers.

Ryan Burton, 29, is the owner of Ryan's Creamery in Fayetteville. He graduated from the University of Arkansas with a kinesiology degree in 2008. He paid for college through scholarships and working during the summers and he received financial assistance from his family. He graduated with no student debt. Burton is an elementary school teacher and has no student loan debt.

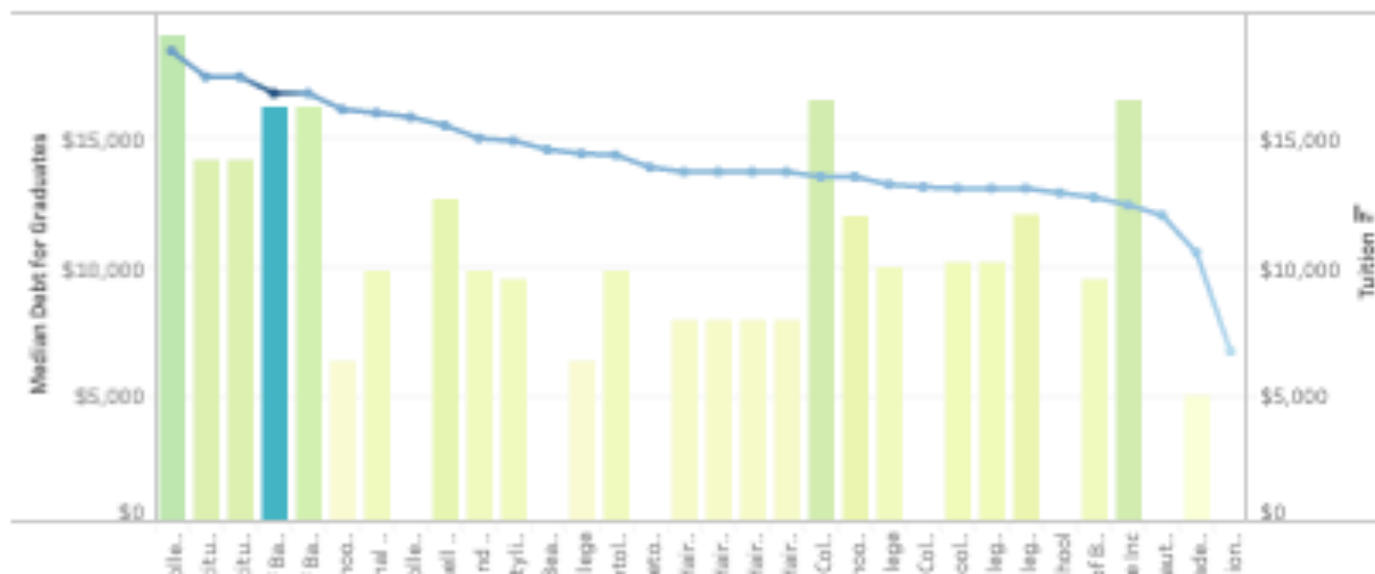
Beauty School Students Have More Debt Than Income

Megan Wilson



Median Debt at Arkansas Beauty Schools Compared to Median Tuition

Tuition
(All)



Student Loan Explainer

By Katie Beth Nichols, Hailey Ruiz, Samantha Van Dyke and Caitlin Lane

Many students do not know understand the details or long-term consequences of student loans, let alone the different types of loan offerings.

Autumn Jester, a junior at the UofA, said that she wished she had done more research before taking out loans before entering college.

"Freshman year, I wasn't aware of subsidized and unsubsidized loans." Jester said. "I didn't know that one accrued while you were in college and one didn't."

After learning more details about her existing loans, Jester said she changed borrowing options for the following year to reduce the financial pinch.

Subsidized and unsubsidized loans are federal student loans available to eligible students, according to the Federal Student Aid website. The purpose of the loans is to assist students with the cost of higher education, like at a university or technical school.

Undergraduate Students with financial need can receive direct subsidized loans, according to the Federal Student Aid [website](#). Direct unsubsidized loans are available to undergraduate and graduate students, and there is no requirement to demonstrate financial need.

Repayment of direct subsidized loans is deferred while the student is in college, according to the Drew University [website](#). Yet for direct unsubsidized loans, interest begins accruing as soon as the loan is taken out.

Similarly, private and federal student loans are abruptly different in a few distinct ways.

First, private student loans are offered by private lenders such as local banks, credit unions or national banks. Federal loans, however, are only offered through the U.S. Department of Education, according to the Student Loan Hero [website](#).

Private student loans can also be used to cover both an undergraduate or graduate student's costs of higher education. They can cover other expenditures such as students who are completing their residency after medical school or law students taking the bar exam.

Many lenders offer private student loans to both students and their parents but students may have a harder time qualifying for a loan on their own if a student does not have a good credit score as proof of income, according to Student Loan Hero. A student could also qualify by having a parent or another person co-sign the loan.

Private student loans can also have fixed or variable interest rates and may have lenders to lender. Federal loans have more all

How We Did It

Americans owe approximately \$1.6 trillion in student loan debt, according to the latest statistics from the Board of Governors of the Federal Reserve System, which is 225 percent higher than in 2006. Student loan debt is the second highest consumer debt category, higher even than credit card loans.

This semester a group of University of Arkansas journalism students set out to research student loan debt in Arkansas. We wanted to answer a basic question: how does student loan debt affect people's lifestyles and career choices after graduation? We wanted to understand the struggles of living with student debt, as well as why certain institutions leave some students with more debt than others. Specifically, we looked at how it affects different genders, races and people of various socioeconomic backgrounds.

Some sources we spoke with expressed frustration over how higher education is financed. Patricia Swinton, a former Philander Smith College professor, said she thought that education should not cost as much as it does. Educational institutions should be something students attend to get a better life, she said.

"It's difficult to have a better life if your life is filled with debt and that debt is from going to college," Swinton said.

A variety of background articles about student loan debt helped us prepare to write these stories and reach out to sources, including "Why Would They Choose For-Profit?" and "Report: Education Dept. Will End 'Gainful' Rules" by Inside Higher Ed, among others.

To supplement our findings, we examined reports from sources such as the Bureau of Labor Statistics, the Department of Health and Human Services and the National Center for Education Statistics Fall 2015 report on Employment and Employees in Postsecondary Institutions and Financial Statistics and Academic Libraries.

We built data visualizations using data statistics from College Scorecard, a website of the U.S. Department of Education, an online tool that compares the cost and value of higher education institutions in the U.S. We also looked at the U.S. Bureau of Labor Statistics and the National Center for Education Statistics. We used Microsoft Excel to filter this data and determine what demographics and types of institutions we should focus on. We then divided our findings into five separate stories regarding student loan debt in Arkansas. We used Tableau, an interactive data visualization product, to create charts, maps, graphics and story boards to share our findings in a straight-forward and visually appealing way.

Some data could not be found on College Scorecard, so to find student loan debt by race we had to use the National Center for Education Statistics Powerstats Tool.

After analyzing all of our data, we spoke with 45 sources, including current students, graduates and faculty across the state. Each of these individuals helped create a perspective on the student debt crisis in America. Some are working multiple jobs to pay off

Main Findings

- Arkansas Median Student Loan Debt: \$14,615
- National Median*: \$11,237

Source: College Scorecard. Provided details by school

Overall:

Arkansas Average: \$26,799

National Average: \$27,857

Main Findings

- Lack of financial literacy: HBCU students taking out unsubsidized loans from banks.
- Gender disparity: higher debt for women
- Racial disparity: UAPB, Philander Smith, Arkansas Baptist College, Shorter students all had higher debt and default rates

Challenges

- Complexity of the data: 1,826 columns
- Steep learning curve for undergraduates
- Millennials, interacting with strangers
- Staying organized with multiple iterations
- Lost media partner



Highlights

- Katie Beth Nichols: Speaks at NICAR (National Institute for Computer Assisted Reporting) with Holly Hatcher of Dallas Morning News (center) and Annie Waldman of ProPublica
- KUAF Ozarks at Large interview

How Julian Castro's student debt forgiveness proposal stacks up against Elizabeth Warren's



The field of 2020 Democratic presidential candidates includes, in top row, third from left, Sen. Elizabeth Warren (Mass.) and in the middle row, second from right, former HUD secretary Julián Castro. (Reuters) (Reuters File Photo/Reuters)

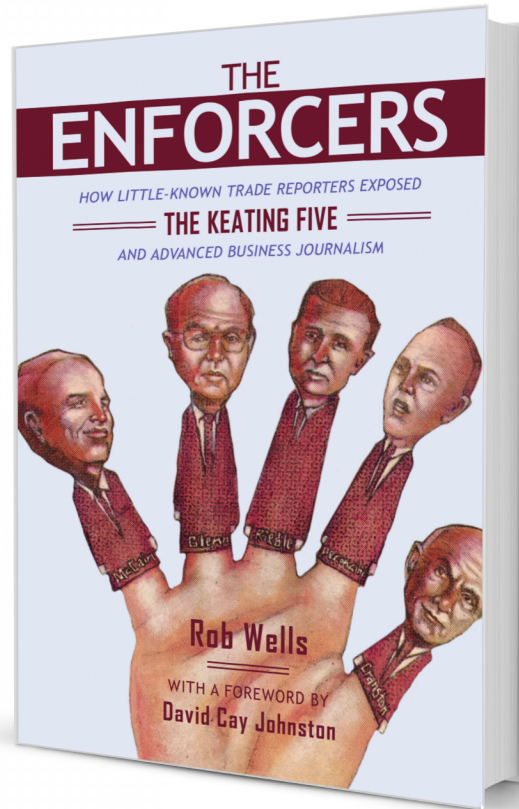
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- 5 A father saw

What's Next:

- Focus on Racial Disparity, Financial Education
- Average default rate (3 year): 15%
- HBCUs much higher: Shorter, 47%. UAPB, 26%

Shameless Plug



Questions?

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