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It Made the
Sacrifices Worth It:
The Latino Experience in Higher Education



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The Center for Community Capital is a non-partisan, multi-disciplinary research center housed within the University of North Carolina at Chapel Hill and is a leading center for research and policy analysis on the power of capital to transform households and communities in the United States. It is part of the University of North Carolina at Chapel Hill's College of Arts and Sciences.

The center's in-depth analyses help policymakers, advocates, and the private sector build and amplify knowledge concerning economic inclusion and opportunity to improve markets, public policies, and community development practice.

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It Made the Sacrifices Worth It:

The Latino Experience in Higher Education

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FOREWORDS

Janet Murguía, President and CEO, UnidosUS

Higher education is a key pathway to the American Dream and the opportunity to become financially secure. Though most Latinos have no experience with education beyond high school, the vast majority believe that education is essential to getting ahead in life. UnidosUS knows that educational achievement can transform lives, provide better economic security, and bolster our nation's workforce and economy. For the past 50 years, education has been fundamental to our work to advance opportunities for Latinos.

Today, more Latinos than ever are enrolling in higher education. In fact, Latino and White high school graduates are enrolling in postsecondary programs at the same rate, around 70%; a decade ago, that number was only 58.5% for Latino high school graduates. However, recent data show that Hispanic students are less likely to attend selective four-year institutions, more likely to be targeted by predatory for-profit colleges, and are less likely to complete school and earn a degree compared to their White peers. Even when they do complete a degree, Latinos still earn less than their White counterparts with similar education.

Simultaneously, college costs are higher than ever, the Hispanic community is still recovering from the Great Recession, and Hispanic families face a persistent and growing wealth gap: the average Latino family holds just 12 cents for every dollar of the wealth held by the average White family. Consequently, Latino families often invest a greater share of their scarce incomes in higher education, and more students are turning to loans. College is a valuable investment, but student loan debt too often becomes a nightmare for students, including many Latinos, who struggle to pay.

With so much at stake, the status quo is unacceptable. In this report, we look behind the data to hear directly from Latino students about their experiences with the current higher education system and identify which challenges affect them the most. The success of our students has implications for our community, and for the strength of our nation's future workforce and economy. As America's workforce increasingly depends on workers with postsecondary training, our country cannot meet the demand without ensuring that more hardworking Latino students can earn a degree. Policymakers must create opportunities for more Americans—especially those in communities of color—to access and complete postsecondary education, contribute to our nation's prosperity, and unlock greater economic opportunity.

*Mathieu Despard, Executive Director
UNC-Chapel Hill Center for Community Capital*

The promise of higher education is alive and well among Latinos. Earning a college degree remains a pathway for many Latino students and their families to experience upward mobility. Strong family ties and parents' aspirations for their children to succeed help students pursue their dreams, yet there are many bumps in this road toward college success. The need to work while in school, family obligations, a lack of financial and academic preparation, difficulty fitting in on campus, and onerous loan repayment obligations are among the challenges that students cite in this report.

These challenges—not to mention just what it takes to get into college—can be further exacerbated for undocumented students who come face to face with the day's anti-immigrant sentiments and an uncertain future. We can think of no better organization poised to address these challenges than our partner, UnidosUS, which for 50 years has been the trusted, nonpartisan voice for Latinos. We are pleased to present this report with UnidosUS, with the hope that our nation's leaders and institutions of higher education can ensure that a college education remains a good bet and not a burden for students and their families.

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EXECUTIVE SUMMARY

Both young and fast-growing, the Latino* population in the U.S. is enrolling in higher education in increasing numbers. Over the past decade, the rate of enrollment in higher education for Latinos ages 18 to 24 years old has increased by 15 percentage points, from 24% to 39%.¹ During this same time, the average annual cost of college has more than doubled, leading students to knit together college funds from many sources, including grants, scholarships, income from jobs, and assistance from family. Often, however, these sources are not enough to cover the total cost of college. Thus, more and more students turn to loans to make up the difference and to make college possible. The decision to take out student loans has lasting implications for students and their families, especially if students are unable to complete their degree and have difficulty repaying their debt. Hispanic students are less likely than White students to complete their postsecondary program and are at greater risk of falling behind on loan repayment.

To provide context to existing data regarding higher education and its impact on the finances and wealth-building abilities of Latinos and their families, UnidosUS partnered with the UNC Center for Community Capital to conduct 30 in-depth interviews across six different cities. Specifically, UnidosUS was interested in answering questions such as:

- What is the experience of Latino students who apply for and attend postsecondary institutions?
- What barriers to financing and completing a degree are faced by Latinos?
- What impact does paying for higher education and student loan debt have on their current and longer-term financial lives?

Latino students and their families faced barriers enrolling in, persisting through, and paying for college. While some of these challenges are faced by students, some of them are more pronounced for Latinos. Here are the key themes that emerged from the interviews:

Before entering the college classroom, Hispanic students must navigate a complex application process and make decisions that have lasting financial implications. **Many of the interview participants, particularly first-generation college students,[†] were learning about these processes alongside their**

* The terms “Hispanic” and “Latino” are used interchangeably by the U.S. Census Bureau and throughout this document to refer to persons of Mexican, Puerto Rican, Cuban, Central and South American, Dominican, Spanish, and other Hispanic descent; they may be of any race.

† “First-generation” is defined here as students whose parents have not obtained, at minimum, a bachelor’s degree.

parents, without the benefit of prior family experience. Instead, they frequently relied on high school teachers and counselors for guidance.

“[My parents were] not that involved. The only thing that they would provide me with was any documentation that I needed, tax forms for applying for help financially. I didn’t want to bother them with that question or add another expense...At my school we had a college center. They had guidance counselors that would help us. I know specifically for undocumented students there was a person from the district who would go around to the different high schools to help us with different things.”

—Gabriel, 24 years old

While in college, individuals were juggling heavy loads and balancing a range of obligations inside and outside the classroom, including managing “culture shock” and working one or more part-time jobs. While work helped finance their education, respondents described how these obligations cost them in a different way—namely, that they had to make substantial tradeoffs to manage schoolwork, family obligations, and even maintain their own health and well-being.

“It was really hard. I think senior year is the one that resonates the most with me. I was juggling two jobs, 18 credits per semester and an internship because I knew that I needed some experience. It was an unpaid internship. I did about 15 hours a week at that one, plus school, plus the two jobs that I had. It was pretty crazy.”

—Julia, 25 years old

Two critical elements made higher education accessible—the support of family and the use of student loans. Families contributed to student success in both financial and nonfinancial ways, by drawing on their own limited income and putting their own goals on the back burner. Even with family help, 60% of the interview participants have student loans, and many described them as “the only way” to access higher education.

“There was no way I could’ve gone without the loans, without my parents taking on those loans...so, it was essential. Had I been more financially mature and probably emotionally mature, I wouldn’t have...let them do that.”

—Elena, 37 years old

Those who carried debt reported feeling more strongly impacted by the cost of school and associated loans than those who did not. Many expressed a sense that their debt was not just a financial burden, but also an emotional one. Debt also affected short- and longer-term financial behaviors and decisions, including where to live, ability to save, and whether to marry or have children.

“If I do all of the sudden become ill, and I have hospital bills to pay, and I have my loans to pay as well, that would create more stress financially. It’s not too stressful [now], but it’s in the back of my mind constantly to figure out what my next step is and make sure that I’m okay and not running out of money.”

—Javier, 24 years old

When asked how they felt they were doing compared to their parents financially, the majority of participants said they were doing as well or better.

This perceived upward mobility reflects how access to a college education and the financial benefits associated with a postsecondary degree contribute in significant ways to movement up the economic ladder. However, the presence of student loan debt clearly moderated these gains.

“I’m hoping once [the loan] is paid off, it’s going to be worth it. When I started out, my debt load was a little over \$32,000. My thought was, at least I’m paying this chunk off and I can say I paid for a portion of my education, and that means something. At the same time, as I reflect on it, no one should have to owe money for an education. Today, I spend at least \$400 a month making these payments. I could imagine all the things I could be doing with that money: putting it to savings, taking trips. That’s certainly affected getting a new car. It affects a lot, so I’m hoping all this struggle and putting things off, at least in the long run, will be worth it.”

—Roberto, 25 years old



INTRODUCTION

Education remains the cornerstone of the American dream of opportunity and upward mobility. After decades of hard work by the Latino community and the implementation of smart policies, more Latinos than ever are getting better elementary and secondary education and are enrolling in institutions of higher education. In 2016, 72% of recent Hispanic high school graduates enrolled in college, compared to 70% of White high school graduates.² Even so, available data suggest that the college experience of Latinos is not equal to that of other students: only 53.6% of Latino students who are enrolled in a four-year college program complete their degree, compared to 63.3% of White students.³ Further, 31% of Latino student borrowers leave school with debt and no degree.⁴ These individuals are at particular risk for long-term financial devastation, even with a small loan balance. Even when Hispanic students do earn a degree, research suggests that many do not see a measurable return on their investment.⁵

While all students must navigate the decision points and challenges of higher education, the deck is stacked against Latino students. In 2016, nearly 3.2 million Latino undergraduates were enrolled in postsecondary institutions, and roughly three-fourths were first-generation college students.⁶ Financing postsecondary education can be daunting for most students and families; however, Latinos are more likely to live in poverty, have lower median incomes, and experience a widening wealth gap. Even so, Hispanic families still manage to help their children pay for college, with one study indicating they use savings and income to pay for 18% of college costs.⁷ In this precarious position, additional stress can drastically change a student's ability to succeed. With less money to finance education, more Latinos are turning to both federal and private loans to finance their degrees.⁸

The road to a postsecondary credential must be examined to learn where Latino student experiences diverge and inequality widens. UnidosUS and the University of North Carolina's Center for Community Capital have a long history of working toward equity to advance opportunities, including in education and economic security, for more Americans. This report aims to look behind the data on the postsecondary experience to explore factors affecting student decisions on higher education, completion, financing and repayment, and wealth-building opportunities. Key findings are presented in three sections, corresponding to how a typical student moves through higher education: high school preparation and the application process; experience navigating college life; and impact of student debt and education on post-college well-being and economic security. Finally, the discussion section outlines higher education principles that are essential to moving toward a more equitable system of opportunity.

To obtain data for this report, we conducted interviews of a sample of 30 people ranging in age from 21 to 74, with an average age of 30.* We interviewed 21 women and nine men across six sites: Austin, Chicago, Houston, Los Angeles, New York City, and San Antonio. Most of our interview participants were U.S. citizens or legal permanent residents, though several were undocumented, some being recipients of Deferred Action for Childhood Arrivals (DACA). While our sample is not intended to be representative of every U.S. Latino experience, we intentionally sought out and interviewed individuals who represent a diverse set of circumstances and backgrounds.

We acknowledge that this cohort of interviewees fared much better in the higher education system than many Latinos do today, as nearly all completed their degree, most benefited from programmatic or institutional supports, some continued on to earn graduate degrees, and many have annual incomes over the median for Latinos as a whole. However, their stories still illuminate the tradeoffs, costs, and benefits that Latino students experience in their pursuit of higher education. They also highlight the necessity of strong support networks at school and at home, and how programmatic interventions could better help Latino students complete college. The resiliency and resourcefulness of the Latino community make higher education possible, but not without significant personal and financial sacrifice.

* Interviews were structured with a consistent set of questions, but each participant was afforded the latitude to explore responses further and/or expand on relevant topics. Interview participants were recruited with assistance from UnidosUS Affiliates in each interview location. See the Methodology section for a full explanation.



BACKGROUND

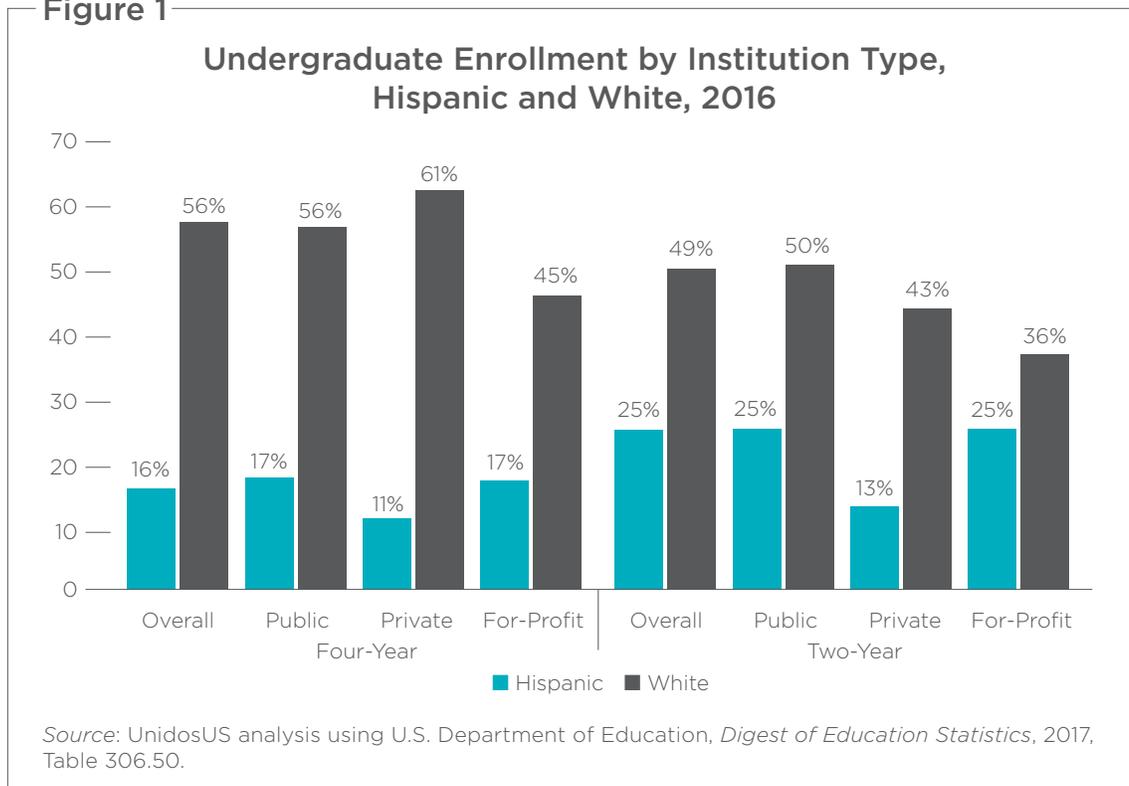
- **Latino enrollment in higher education is rising, even as the total cost of higher education is greater than ever.** The proportion of Latino students enrolling in higher education has grown. Hispanic students comprised 19% of total undergraduate enrollment in 2016, up from 6% in 1990.⁹ By 2025, it is projected that one in five of all undergraduate students will be Hispanic.¹⁰ Since 2000, the cost of college* has increased faster than inflation.¹¹ At that time, the average cost at a four-year public institution was \$11,993 per year. By 2016, the cost had risen to \$19,488 annually, a 62% increase. Tuition at two-year public schools, where most Latinos are enrolled, increased by 50% over that period.¹²
- **A growing wealth gap and rising costs of college make loans unavoidable for a growing number of Latinos.** Hispanic students and their families are already financially behind their White peers, with Whites holding 8.3 times the median wealth of Hispanic families.¹³ As college costs have increased, so has the proportion of Latino students taking out loans. From 2004 to 2012, there was an increase by seven percentage points in the number of Latino students taking on student loans (42% to 49%).¹⁴
- **Upon entering college, many Latino students are not equipped with knowledge of the higher education experience or for the academic rigor.** The majority of Latino students (75%) are first-generation, meaning they often must navigate the college application and enrollment processes without the help of their parents.¹⁵ Furthermore, many Latino students enter postsecondary programs behind academically, with the majority (75% at

* This includes tuition, fees, and room and board.

two-year schools and 53% at four-year schools) having to take remedial classes upon entering. This is compared to 64% and 36% of White students, respectively.¹⁶ Remedial courses often do not apply toward a degree, therefore extending the time and increasing the cost to complete a degree.

- Just under half of Latino undergraduate students attend two-year institutions, and they are overrepresented in that sector.** Out of total undergraduate enrollment at two-year schools, Latinos comprise 25%, while they constitute 19% of undergraduate enrollment overall.¹⁷ Two-year public and nonprofit institutions have lower completion rates than four-year programs. Additionally, at two-year for-profit institutions, where career outcomes are tenuous and default rates are higher, Latinos comprise 25% of students.¹⁸ (See Figure 1)
- Completion* rates for Latinos are lower than for their White peers.** In 2016, the graduation rate for Latinos in four-year programs was 54%, compared to 63% for White students.¹⁹ At two-year institutions, the completion rate for Whites and Latinos overall is about the same, just over 30%. However, when examining where most Latino students (45%) are enrolled—at two-year public institutions—a disparity emerges: only 19% of Latinos complete, compared to 25% of White students.²⁰

Figure 1



* Completion is defined here as those graduating from the first institution they attended within 150% of normal time.

- **Post-graduation outcomes for Latinos are still inequitable.** When controlling for educational attainment, lifetime earnings for Latinos still lag behind those of Whites: Latinos with bachelor's degrees earn 21% less over their lifetime than their White peers.²¹ There are also ethnic disparities in wealth accumulation: of those who attended college, Whites have a median wealth that is 3.9 times the wealth of their Latino peers.²²
- **Even though Hispanics have lower student loan burdens than Whites, they are more likely to be delinquent or to default.** Analysis of Experian data by Demos found that in 2014, 43.7% of Hispanic student loan borrowers in repayment were in default or seriously delinquent, 8% higher than the rate for White student loan borrowers.²³ A study by the Financial Industry Regulatory Authority suggests that 41% of Hispanic student loan holders with payments due had been late on their student loan payment at least once over the past year. This is compared to 32% of Whites.²⁴



KEY THEMES AND STORIES

In this section, we dig deeper into the data on Latino outcomes in postsecondary education by presenting themes that emerged from the interviews. In the students' own words, we hear about three distinct phases of the higher educational experience: before, during, and after college. First, we describe the sources of information and support students receive before college. Next, we discuss the experience that Latino students have in college, taking into account financial, emotional, academic, employment, and social aspects. Lastly, we discuss their experiences after graduation, with an emphasis on how loan debt impacts Latino students' current and future aspirations.

Navigating the Application and Financial Aid Process

Before students ever step into the college classroom, they must navigate the complex application process and make important decisions, such as which schools they should apply to, how to interpret financial information provided to them, and whether to take out a student loan. The majority of the interview participants were first-generation students, meaning that they were learning about these processes alongside their parents, without the benefit of prior family experience. In retrospect, many felt that they made these significant decisions largely independently, while they were young and lacking the relevant financial education.

Applying for School

Generally, individuals reported strong support and encouragement from their families to go to college. Many students mentioned that their parents were very supportive of their pursuit of higher education, and some even said that their parents immigrated to make education possible for them. One respondent stated, “...my parents coming to the United States, the first thing I thought was (that it was) my job to go to college because they came for that reason.” Another said, about her mother, that she will “tell me that I am her biggest achievement...It made me happy to go to school, but it also made my parents incredibly happy...For my mom, it made all the sacrifices worth it.”

Many Latino students are learning how to navigate the college application and selection processes alongside their parents. Because most of our participants were the first in their families to attend college, parents or siblings do not necessarily know how high school students should prepare for and consider college, let alone how they should pay for it. One respondent mentioned that her parents “didn’t know and still don’t really understand how college works,” and many other participants echoed this sentiment.

Many individuals benefited from formal supports, such as high school counselors and nonprofit college counseling programs, for information on applying for school. Several respondents reported high levels of involvement and personal attention from teachers and guidance counselors. Some mentioned teachers taking time out of class to work on college applications, financial aid forms, and scholarship applications. In several cases, teachers and counselors took students on college visits, helping them get a sense for what types of options existed in their states. In one extraordinary case, a teacher co-signed a student’s loan to make college financing possible. Others, especially first-generation and undocumented students, mentioned teachers and counselors doing research with them about specific eligibility requirements for scholarships or aid packages:

“I talked to my guidance counselor about being undocumented and wanting to go to college, and looking at options to figure out how to pay...she did the research. She didn’t know about [the specific laws for undocumented students and paying for school], but she was like, ‘Oh my god. We’re going to figure this out together.’”

FACT NO. 1



In 2016, 39% of Latino 18–24-year-olds were enrolled in college, compared to 42% of Whites.

Source: U.S. Department of Education, *Digest of Education Statistics*, 2017, Table 302.60.

Sources of Financing for Higher Education

Federal Loans

- *Perkins Loans* are undergraduate loans subsidized* with a fixed 5% interest rate, awarded based on financial need and administered by the education institution.
- *Direct Loans* are either subsidized or unsubsidized based on financial need. These loans have a variety of repayment options, including income-based plans and ten-year standard repayment.
- *Parent or Graduate PLUS Loans* are unsubsidized and are for parents of undergraduate students or graduate students. Repayment options vary but are generally ten to 25 years in duration. Loans are serviced by private companies contracted by the U.S. Department of Education, and borrowers must contact them for payments and repayment options.

Private Loans

- Banking institutions, state entities, and postsecondary institutions offer student loans at variable or fixed rates. Generally, interest rates are higher than for federal loans (as high as 16%), and repayment plans often do not include an income-based option.

Federal Grants

- *Pell Grants* are awarded to undergraduate students with demonstrated financial need. The maximum Federal Pell Grant for the 2017–2018 award year was \$5,920, with the amount depending on the student’s financial need, the college’s cost of attendance, the student’s enrollment status, and the length of the academic year.
- *Other* (very limited) grants include the Federal Supplemental Educational Opportunity Grants and the Teacher Education Assistance for College and Higher Education Grants.

Other

- *Work Study*. The federal work-study program creates on-campus jobs for students, allowing them to get work experience while earning money to cover the cost of college.
- *Merit-Based Awards*. States and institutions may also offer grants and scholarships to students based on merit or financial need.

* “Subsidized” here refers to when the federal government pays interest that accrues while the student is in college and in deferment.

Financial Decisions

There are many challenging aspects of the college financing experience, and students are generally very young when they are making decisions about loans and future repayment. First, many of the individuals we spoke with pursued college immediately after high school. As 17- and 18-year-olds, most of whom have little or no financial education, these students navigate a complicated financial aid application process and make financial decisions that can have long-term impacts on their lives. In only a few cases, interviewees described talking with their parents about college financing details or general money management. One student mentioned having to learn on his own about navigating the financial challenges associated with balancing school and other commitments:

“Educate yourself financially. Learn about different options. Don’t accept things as they are. I know your counselor might tell you that you are all set and you’re fine, but you might not be fine. [Learn] how to handle an emergency, what that kind of looks like if you have an emergency all of a sudden.

Accessing financial aid is complicated for any student and their family. For first-generation students, this process can be even more challenging. Filling out the Free Application for Federal Student Aid (FAFSA) requires answering more than 100 questions and can be more complicated than federal tax forms for many families. Researchers have determined that the federal financial aid system is so complex that it may discourage the very students that the aid system aims to serve.²⁵ Even worse, researchers have shown that many students are unaware of the financial aid they could access, so they neglect the FAFSA and miss out on Pell Grants or other potential aid options.²⁶ Put simply, students are likely to have trouble navigating the financial aid process, which is riddled with inefficiencies.²⁷ As previously mentioned, many students sought out help from teachers and counselors, and many mentioned getting one-on-one assistance with the FAFSA form itself.

“I had one teacher that took time out of her class time to actually help me with my FAFSA. She would also push, ‘Okay, we’re going to apply to these scholarships.’ She would actually take class time out to fill these out.”

FACT NO. 2



In 2012, 17% of Hispanic students who were eligible for a Pell Grant did not submit the FAFSA and therefore did not receive this important source of federal financial aid.

Source: Young Invincibles, *Race and Ethnicity as a Barrier to Opportunity: A Blueprint for Higher Education Equity* (Washington, DC: Young Invincibles, 2017), Figure 2.1, <http://younginvincibles.org/wp-content/uploads/2017/05/Higher-Education-Equity.pdf>.

Undocumented Students and DACA

Undocumented students often face even greater challenges when applying for and financing their higher education because they lack access to federal student loans, some types of financial aid, and are not usually eligible for in-state tuition. However, at least 20 states and the District of Columbia have passed laws making undocumented students eligible for in-state tuition. Furthermore, Deferred Action for Childhood Arrivals (DACA), implemented in 2012 by the Obama administration, allows individuals who were brought to the United States as children to attend school and work with a temporary reprieve from deportation. The program has opened up new opportunities for many undocumented students, even though DACA recipients are still ineligible for federal financial aid.

By 2016, almost 750,000 individuals had been approved for DACA. Over half of all recipients live in California and Texas, where approximately 214,000 and 119,000 have DACA status, respectively.²⁸ Results from surveys indicate that DACA has significantly improved the lives of recipients. A 2015 survey found that 65% of DACA recipients report working toward postsecondary or advanced degrees, and 92% of these students reported that they pursued educational opportunities that they previously could not have.²⁹ Another 2015 survey shows that 78% of respondents reported that DACA made it easier to pay for postsecondary education, and “three-quarters of current students said DACA made it easier to attend school and stay in school.”³⁰

Student Profile: Gabriel, 24

Status: Undocumented with DACA

First-generation student? Yes

Owes: \$17,000 of \$17,000 in student loans

Education: Current bachelor’s degree student at a 4-year public college

Was there a particular person who influenced your thinking about college?

“My physics teacher. He really helped me and guided me in a way...He really pushed me to go to college and get a degree.”

How involved were your parents?

“Not that involved, I mostly did everything. The only thing that they would provide me with was any documentation that I needed, so tax forms for applying for help financially. I think I tried to always figure it

out because I see how they had enough to just pay for the rent or for all the utilities and the different stuff they buy, groceries. I didn't want to bother them with that question or add another expense. I usually try to manage that on my own. From time to time I do ask them for help, like buying a book."

How did you get information about your school options?

"At my school we had a college center. They had guidance counselors that would help us with that. I know specifically for undocumented students there was a person from the district who would go around to the different high schools to help us...A counselor who would help us fill out the affidavit, help us get and figure out what we needed to submit to the different schools for financial aid, submitting the FAFSA."

Can you tell us about the specific sources you're using to pay for college?

"I use the College Access Loan,* which is a loan provided by the [Texas] Higher Education Board. I find that it's easier to get a loan from there because I cannot get any federal loans, and private loans can be more expensive. I also work and I use that money to pay for books or any expenses that I have for any class. Then also receiving grants, I find that really helpful. And I pay in-state tuition, because I wouldn't be able to come to this institution if I didn't pay in-state tuition... I had to take two years off in order to save up money to pay for school."

Do you feel like your documentation status has had an impact on your school experience?

"Yeah. I feel like if I would have received federal loans it would have been much easier to pay for my education. Just getting a loan can be difficult at times because of our status, and I have to find someone to cosign. And my family, none are citizens, so finding someone that can help me who is a citizen can be difficult. I don't want to be a financial burden or ask anyone that question or for help."

How did you do it?

"I asked close people that I know...who would be willing to help me. I asked the teacher that I had back in high school and then a lawyer that I work with. I asked him to cosign the loans."

* The College Access Loan Program provides alternative educational loans to Texas students who are unable to meet the cost of attendance. See more at www.hhloans.com/index.cfm?objectid=21A41908-C7D3-A868-66FB91774CF078CB.

Student Profile: Gabriel, 24 (Continued)

Is there any advice you would give to someone considering higher education?

“To really consider it. Even if they don’t think it’s for them they should give it a try for at least one year. They never know what could be... what could result out of that...College finances are just a small part of my life because I feel like the biggest part has been being able to be a part of this movement and being able to influence policy and politics [around immigration and the DREAM Act]. It’s shaped my future and my family’s future.”

Student Profile: Gloria, 31

Status: Undocumented with DACA

First-generation student? Yes

Owes: No student loan debt

Education: Earned a bachelor’s degree from a 4-year public college

How did you figure out how to pay for school?

“I’m really lucky. My mom’s a hustler and I was the baby in the family, so she didn’t have other kids to feed and things like that. My guidance counselor at school just talked to me about, like, ‘It turns out that you can apply for scholarships that don’t require a Social Security Number.’ She would just pull all of those out and she would give them to me, and then I would apply for them...I know that I could go to school and pay in-state tuition because that law [Illinois Public Act 093-0007 (HB 0060), which allows in-state tuition for undocumented students who graduated from public or private high schools in Illinois] passed in 2003. We found out about it...my guidance counselor found out about it and told me. She did research. She didn’t know about it, but she was like ‘Oh my god, we’re gonna figure this out together.’ So she did research, and then she would call the schools. We called my school together, and they were like ‘Yeah, it’s a law and we have no idea how to implement it.’ They just said, ‘Just leave things blank, just don’t answer anything you don’t want to answer.’”

How was the experience at school?

“The main thing that really impacted me was that I come from a small town of 9,000 people. I went to a school that had 40,000, so that was really shocking. The other thing was that I always think of how it was easier for me to be undocumented in my hometown because there were so many Mexicans and it was just so normal, how we were

undocumented, and some of my friends were. Then I went to school and I didn't know anybody, so I had to start making friends. Then you just have to figure out if you can tell them if you're undocumented or not.

I think the first couple of months were really isolating, to feel like I was the only undocumented person there. I had a lot of self-pity... Eventually I met other undocumented students, so it turns out I wasn't the only one, right? I think, for me, the idea of—that was my life-changing moment to realize that I'm not the only undocumented person in the world and that it's much better to be undocumented and with friends and with people that understand the difficulties, and that want to join together and take collective action to be able to change our situation. After that, the rest of my four years were about organizing to do work around immigrant rights.”

Did you work during college?

“In the summer I would take unpaid internships. My mom was like, ‘Just don't work, because it's hard to get a job as an undocumented person, and you're in school, so you might as well just go to school.’ I'm really lucky. I acknowledge my good fortune.”

How did you pay for school?

“My mom paid for most of my school, like almost all of my school. I did get scholarships, right? My mom and dad would just pay the tuition. Then towards the end, my middle brother, he had been working so he was helping and he would take on some of it too. They covered tuition, room and board, books, everything. The living was mostly the scholarships. The living was mostly my food and my clothes and my bills when I moved out into an apartment, but my mom covered my books. My mom, she believes that she brought kids to the world, so she's gonna pay everything until they're independent. She wanted to pay for school.”

Were they saving specifically for you to go to college?

“Some of it was savings. Some of it was [through an informal rotating loan club called] *tandas*.* My mom would take up *tandas*, then she would get the member that would correspond to around the time my tuition was due. My mom's always had two jobs. She worked in a factory and she would sell—she was a hustler—so she would sell jewelry.

* The *tanda* provided an alternative credit source. More information about *tandas* can be found at Karen Richman et al., “Confianza, Savings, and Retirement: A Study of Mexican Immigrants.” University of Notre Dame, Institute for Latino Studies. Accessed on May 8, 2017 at https://latinostudies.nd.edu/assets/95267/original/confianza_savings_retirement.pdf.

Student Profile: Gloria, 31 (Continued)

She would sell Tupperware. She'd sell everything, so all of that money is what she would do to...Some of it was savings, but most of it was money she was making at the moment to be able to cover my tuition. She's always been an entrepreneur. Also, I should add, around the same time I started school was when my parents finished paying off their mortgage, around the same time. I think there was one year overlap, so it made it easier for my mom to say, 'Instead of paying the mortgage, I pay my daughter's tuition.'

Do you have a sense of whether paying for school had an impact on your family's financial stress?

"Oh, for sure. I mean, my poor mom, right? God, I feel like...Sometimes I feel like a big guilt, but anyway she's the sweetest person. Yeah, I think so. I don't think my mom would have been able to make it had she still had a mortgage the last few years. I think it probably...I think they did have some savings and I think they completely used up all their savings to pay for my school. She doesn't tell me any of this. She also, it's part of her belief like that was her responsibility. They're getting older and that stuff...I think the impact was very immediate and it's something that, aside from the savings, everything else is stuff that they've been able to kind of work out. My mom stopped working in her factory and now she just does her business. Partially it's also because she can take it slower. They both have slowed down. I think if they wouldn't have had my [college expenses], they could have slowed down earlier."

If you could give advice to someone considering going on for higher education, what would you tell them?

"I don't know. I mean, I feel like anything I would say, it would be better for my mom to give advice...She would just be like, 'You go and you find other opportunities.' I always talk to people about how my parents came here for their dreams, and the biggest dream they had was that their kids would make it. I don't think my mom realized that meant her kids would leave her...I think for her it was really hard. She would cry every day. But she recognizes now, and she'll tell me that I am her biggest achievement... It made me happy to go to school, but it also made my parents incredibly happy...For my mom, it made all the sacrifices worth it."

In reality, many students made loan decisions without fully understanding the implications of taking on debt. For many of our interview participants, higher education would simply not have been an option due to cost, so they took out loans because it provided the only opportunity for pursuing a college degree. One student remembered that: "I signed everything off.

It wasn't until maybe halfway through my first year [in college] that I was like, 'Whoa, I'm getting myself into a deep financial burden here.'" Another mentioned, "I was super ignorant. I had no idea what thousands of dollars in loans meant. I had no idea of how much it cost."

Individuals took on debt with the expectation that it would pay off in the form of better paying employment options in the future. Many respondents indicated that their counselors and teachers stressed the importance of going to college to achieve greater financial and employment opportunities, even if doing so required relying on student loans. For example, one interview participant stated:

"I went to a low-income, mostly Latino high school and it was pretty much counselors and a couple of teachers pushing [higher education]. The message was: you could always take out a loan or do these things for a car, but when you invest in your education, that's a big investment that's going to pay off in the future. If you're going to take out money for something, do it for your education."

Another interviewee expressed a similar sentiment, but felt that merely receiving the encouragement to pursue higher education was not sufficient. She also expressed frustration about not receiving better preparation for what happens once you are in college.

"It's like the general things that you hear growing up. You're going to get more money. You'll get paid more. You're going to get a job. You'll get ahead. You do get more opportunities, but it doesn't mean that you don't have to work hard for them, so it just seemed so easy before, having counselors in high school tell us, 'Just go to college. Go to college,' so I did go to college, and then once I'm there, I'm like, 'Now what?' There's definitely more that should go into [college preparation] education before you go into college. Education in terms of giving people a real sense of what it's going to be like for them."

Many of our respondents who did not use loans to finance their education expressed a clear aversion to taking on that type of debt, yet at the same time, their families were not in a position to help them financially. Numerous studies have documented Latinos' aversion to debt generally, and debt to finance postsecondary education specifically.³¹ In offering advice to others thinking of pursuing higher education, one individual said:

"Certainly, loans should be a last resort. Exhaust every other means you can before turning to loans. Do those scholarships. They're tedious and having to write the same essay and reformat it each time is a pain, but do it. Certainly, I guess ask family. Ask, don't be afraid to ask. I know for myself, because I knew my family's financial situation, that was something I didn't do because of that. At the same time, I think if I had asked, at least they would help

in any way they could just so that I wasn't dealing with that by myself. I guess either read the fine print or find someone who can give you all that information and just put it out in plain English for you."

Experiencing Life on Campus

Once they have navigated the college application, aid, and selection processes, Latino students have already cleared several major hurdles. Moving beyond the pre-college experience opens the door to a whole new set of challenges. While some students felt they were prepared for the college experience on campus, others felt underprepared academically, socially, emotionally, and financially.

Academic and Social Preparation

Even those who had done very well academically in high school expressed a sense that they were not adequately prepared for the rigors of college classes.

Data show that over half of Latino students (53%) in four-year schools take at least one remedial course compared to 36% of White students.³² Remedial courses are meant to prepare students for college-level classes, but data show that half of students enrolled in remedial courses never finish, and only one-quarter go on to enroll in college-level classes.³³ One interview participant stated, "In high school, I was always top three kids in the whole school, and when I got there [college], I was doing average, maybe a little bit below average."

Many students asserted that they could have been more prepared for the social and emotional demands of college. Friendships and networks do not necessarily come automatically: the ties that are so important to a person's social capital must be nurtured. Some students, especially first-generation students and those at commuter schools, never built communities at school. Social capital can often lead to post-graduation internship or employment opportunities, so this was a missed opportunity for many. One student discussed being unable to build friendships because they had too many other demands, such as juggling work and family obligations:

"I would definitely try to build more relationships within the school. I feel like I just went to school trying to focus on school and trying to finish the four years and I didn't really have time to get to know people or even say that I have a college friend because I had so much to think about."

Many students pointed to their experiences with culture shock as they adjusted to the college environment. One student said:

"I [had] always heard about culture shock, and I didn't really understand it until I was there. Everybody didn't speak the way I did. They didn't look the way I did, and everybody seemed like they were speaking a different language...the English they were speaking was way more advanced than the one I was speaking."

Another student explained a similar feeling:

“Obviously, going into a place where I didn’t have any friends and feeling like I’m not Mexican enough for the Mexican groups. I grew up in a small town, not in a village or the hood. Then I’m not White, so I didn’t fit in...All of that was a shock to me. Yeah, I don’t think I was prepared at all.”

Some took advantage of a range of state-level or college-specific support programs to help adjust to college life and, in some instances, pay for higher education.

These programs included the Higher Education Opportunity Program (HEOP), the Search for Education, Elevation, and Knowledge (SEEK), and the Freshman Frontier Program, some of which were funded by schools and others by states. These programs, often geared toward first-generation students, low-income students, or both, help build relationships among peers and can even provide academic and financial coaching. As one student explained:

“I started the summer before. There was this preview program that I was in...I think that the preview program is targeted toward Hispanic students. My cousin was also in the preview program, too, and he was like, ‘Yeah, it’s great. You’ll meet people.’ It gave me a little bit of a head start. You took summer classes, too, so you had to get an idea of what the course material would be like. If anything, I think that programs like that probably help your transition from high school to undergrad.”

First-Generation Students

Students who are the first in their families to attend college face unique challenges when they arrive on campus. Three-quarters (75%) of Latino students are first-generation,³⁴ and the inability to draw on familial knowledge of the higher education system is one factor contributing to lower completion rates.³⁵ Research has shown that parents can provide the motivation to seek higher education, but often cannot provide the guidance to help first-generation students navigate the decision-making process when selecting a college or identifying the supports and information to help them complete.³⁶

Interview participants—70% of whom are first-generation students—reported benefiting from programs specifically designed for first-generation students. These programs enabled participants to transition to college more successfully than respondents who were not able to access such programs. The respondents described programs that generally took place before the student’s first semester and focused on academic preparedness and community-building.

Student Profile: Julia, 25

Status: Citizen

First-generation student? Yes

Owes: \$55,000 of \$60,000

Education: Earned a bachelor's degree from a 4-year private college

Did you have a particular person who influenced your thinking?

"I would say my mom. Her ultimatum for me was either I go to college or work at the factory with my dad. I think her giving me that ultimatum was what pushed me to go to college. Also, just hearing her experience when she applied to college and she only did one semester because that's all she could afford. Hearing her experience...is what motivated me."

Do you have other family members who pursued higher education?

"I come from a big family. My dad's side, there are maybe 60 first cousins. On my mom's side, there's about 30 first cousins. There's a lot of us that grew up together. When I was applying for college, four of us were applying at the same time. We were all the first in our families to go to college. There wasn't really anybody to talk to or to advise us about how to apply for college; how to pay for college; how to find the best fit. We were all just figuring it out together, which was good but also really hard."

Were there any other sources of information?

"I don't think so. Being the first in my family to go to college, I think I also just didn't know where to look. We were really just relying on our high school for as much information as we could...But no, we didn't know about financing school in any kind of way until I got to college."

Do you feel that taking loans had an impact on your opportunities while you were in school?

"My freshman year, I took out my first loan. I realized that if I deferred it, it would be this much, as opposed to if I had just made the minimum [payment] at that moment. I decided to just start making minimum payments my freshman year. So yeah, I do think that paying for college really did impact how I spent my time. I was working 40 hours a week my entire four years of college. But I decided to start paying my loans right away [to avoid interest]. That was just a sacrifice I needed to make."

Was it hard to juggle work and school?

"It was really hard. I think senior year is the one that resonates the most with me. I was juggling those two jobs, 18 credits per semester

and an internship because I knew that I needed some experience. If I wanted to graduate with this degree, I needed the experience. It was an unpaid internship. I did about 15 hours a week at that one, plus school, plus the two jobs that I had. It was pretty crazy.”

Did you sleep?

“Surprisingly, yes. I think I did manage that health aspect in terms of sleeping a little bit better towards my senior year...Freshman year, that was definitely hard to juggle, like ‘How do I eat healthy? Is sleep really important?’ Senior year, I got the hang of it finally, but it was hard. I didn’t realize how hard of a transition it was going to be, to be away from home and pay for college and do all of it. I think the more I met and talked to people who were also going through the same experiences, that’s how it got better, just knowing that I wasn’t alone.”

Looking back, do you think you made the right decision to take out loans?

“That’s a hard question. I appreciate my education very much. I don’t think I would be where I am had I not pursued higher education. In terms of the debt, I wish I had gone about it in a different way. If I could do it all over again without debt, that would be a huge help. I would have had to go to community college, then a four-year. It would have definitely taken more time in terms of being able to do what I did. I could not have done what I did without taking out loans.”

Is there anything else you want to mention?

“Being out of college has really helped me understand the difference between a first-generation Black or Latino student compared to the different demographics that are in college. I think we carry a lot of different weights with us when we go to college, the way that we define success is very different. The goals that we have are also very different from the typical affluent middle-class White students who many of us sat in the classroom with. Our outcomes are very different.”

How do you define success?

“I think, to me, it’s just being able to find a job that I enjoy. Again, just thinking about my dad or my parents, they sacrificed a lot to get us where we are. I can’t imagine that my dad was at all happy working at a factory for 40 years. I think, to me, success is being able to do something that I enjoy, despite whatever debt that I have.”

Financial Preparedness and Management

Individuals frequently mentioned feeling financially unprepared for college. This included paying for their education and decisions about loans, but also more general financial management. In response to a question about being prepared for college, one respondent mentioned that she did not know what to expect, what to consider, or what to ask when opening her own bank account for the first time. When asked whether had been prepared, she stated:

“Academically, yes. Financially, no. No. I know how to write papers really well. I managed my time well enough, but financially, I don’t think I was prepared. My freshman year, I opened my first bank account, and I remember calling my mom like, ‘This is what they’re offering me, a student checking account, and it’s going to be free.’ I didn’t even know what questions I had for [the bank teller].”

Most individuals were unprepared for managing their own finances and making decisions about budgets, loans, and credit cards while in school. Many students mentioned steep learning curves related to financial management, adding that they lacked basic skills related to budgeting, financial aid processes, and financial decision-making. Some students discussed piecing together their sources of financial support on a semester-by-semester basis and around loan disbursement schedules, and the cost of tuition was not the only expense that created financial barriers for students. Students learned these skills in haphazard ways, by trial and error, and largely alone. One student, reflecting this common theme, said:

“I wasn’t completely prepared, but I got prepared. I don’t think I was prepared for the experience itself, like what is required of you. No one puts into perspective what that means and the things you need to do for yourself. No one tells you that you have to do taxes. No one really tells you that [financial aid] is not like something you do the first year, but every year. No one really tells you that there are issues that arise sometimes in regards to money, and you are paying for books that you have to cover yourself when you are on your own.”

Student Profile: Roberto, 25

Status: Citizen

Owes: \$25,000 of \$32,000

Education: Earned a bachelor’s degree from a 4-year public college

How did you start thinking about pursuing higher education?

“I’d probably say my junior year of high school. I went to a low-income, mostly Latino high school and it was pretty much counselors and a

couple of teachers pushing that. The message was: you could always take out a loan or do these things for a car, but when you invest in your education, that's a big investment that's going to pay off in the future. If you're going to take out money for something, do it for your education. A lot of what I think I was going through was I wanted a better life for myself compared to growing up and the lives that my parents had. Having those teachers, those influences, certainly helped me push in that direction and hearing their experiences. Some of them also had similar backgrounds as me, so those probably stuck with me the most."

How was your experience in school?

"At first, it was really difficult, especially my first semester, just trying to get into it. I think at the time, too, I was definitely dealing with a lot of mental health issues, so that just added to the difficulty. Really, you could only find me in two places: either in my room in my bed or in class. That was really difficult. Eventually, I took those steps to try to establish a social life in college. That made things a little easier. It was still difficult because I didn't feel quite prepared for college."

How so?

"Especially around finances, for sure. How you manage that, making budgets, stuff like that. It made it difficult. Socially and emotionally...I felt like it was a lot, a lot to handle. You're going to class, trying to make friends, you're trying to do all these things at once and it's very overwhelming. It's just very overwhelming...What got me through was going to see family. That was my crutch at the time. It sounds kind of ridiculous now, I would go back home every two or three weeks...I would do it, because I had no social life here. Going back that often helped me get through that semester."

Do you think you made the right decision to take out loans?

"I'd say yes. Not a solid yes. I'm hoping once it's paid off, it's going to be worth it. When I started out, my debt load was a little over \$32,000. My thought was, talking with my mom, at least I'm paying this chunk off and I can say I paid for a portion of my education and that means something. At the same time, as I reflect on it, no one should have to owe money for an education. Today, I spend at least \$400 a month making these payments. I could imagine all the things I could be doing with that money: putting it to savings, taking trips. That's certainly affected getting a new car. It affects a lot, so I'm hoping all this struggle and putting things off, at least in the long run, will be worth it. It's, I guess, to be determined."

Student Profile: Roberto, 25 (Continued)

How has this debt impacted your financial decisions?

“I would certainly like to start saving. I’ve not been able to save much money at all...Prospects as far as homeownership, I don’t see that in my future, at least in the next ten years. I don’t see that for myself. I would love to, and, at the same time, as long as I’m paying these loans, at least in my current income, it’s not going to be an option for me. As far as helping younger siblings and my family, that’s something that’s very difficult. I see the situation like my family’s in. They’re making it, too, but it’s certainly not easy and I wish I was in a situation where I could help out. Any time I can, I do.”

How does the financial benefit of this degree compare to what it cost?

“I guess in the inherent value of education, that’s priceless for me. At the same time, with making income and the financial situation, I feel like I could have made a better choice in that sense.”

Families provided financial support during college in a variety of ways.

Parents often provided modest financial help, drawing on portions of their own income, savings, and/or Parent PLUS loans to cover costs like books and living expenses. While parents are not always able to contribute to larger costs such as tuition, many provided funding to their children in emergency situations or helped them cover gaps in their income or pay for costs in periods between loan disbursements.

“Some of it was savings. Some of it was *tandas*. My mom would take up *tandas*, then she would get the member that would correspond to around the time my tuition was due. My mom’s always had two jobs. She worked in a factory and she would sell—she was a hustler—so she would sell jewelry. She would sell Tupperware. She’d sell everything...Some of it was savings, but most of it was money she was making at the moment to be able to cover my tuition.”

Another interview respondent stated:

“My parents helped. I mean, they were amazing...I got a few grants for tuition, and the loans, though, my parents’ loans [Parent PLUS loans], covered everything else...so I had about \$20,000 in loans, but the bulk of it was on them.”

Parents and family members also provided significant nonfinancial support during college that played a key role in making the experience possible.

The nonfinancial forms of support are not easily quantifiable in terms of the contribution toward the overall cost of college; however, they were often an important factor in making college possible for many students. Some parents

supported their children by driving them to school, cooking for them, or letting them continue to live at home.

Overall College Experience

We asked two overarching questions about students' experiences while in school: first, how did students participate in the academic, extracurricular, and professional offerings at their institutions; next, how did students balance the demands of their academic work along with their obligations to family and other responsibilities outside the classroom, including employment or internships.

Students were juggling heavy loads during their time in college. Our interviewees worked hard to access higher education and complete their degree. Many could not explain how they managed to persist given the multiple demands on their time. With competing obligations, students frequently had to make tradeoffs that affected their success in school. Often, they had to decide what to neglect: some let their physical and mental health suffer and others did not make time to build community, take unpaid internships, or participate in extracurricular activities. The load for many students often felt extremely difficult to bear all at once.

“My coworkers and I talk about this all the time. It was like the three elements that go into college. You’ve got the social, the academic, and then the work. One of those eventually has to give. For me, it was the social aspect of it. I worked a lot. I went to school a lot.”

Nearly all participants worked while in school out of financial necessity.

Many students worked multiple jobs or many hours per week, and many described a tradeoff between work and the energy that they could devote to school. Many students explained how supportive supervisors—in both work-study and off-campus jobs—made their success in balancing school and work possible. These supervisors helped students manage schedules around tests or busy weeks at school. For example, one respondent commented:

“I didn’t find that difficult because, thank God, my boss at [company name], she’s very flexible and it was a part-time job, so that also helped a lot. When it did become difficult for me was my senior year when I was balancing two jobs, and schedules where maybe sometimes I would work from ten in the night to six in the morning. Then school and then my other job, so they offered me an extended job but I told them I couldn’t. It was just for the season because it was too hard for me to manage especially being my senior year.”

In addition to managing school and work, many students also had obligations to family. A majority of interview participants described having to manage many roles while in school, including student and employee, but also as a family member with responsibilities to parents, siblings, or

cousins. For many, strong family ties added complexity to decision-making around postsecondary education. In a few cases, the responsibilities meant contributing financially to the household by helping pay for groceries and bills, but, more often, individuals described responsibilities such as taking care of younger family members.

“I think that did impact my school experience...I’m the youngest but [my niece] was like my sibling, so I had to care for her. Sometimes I would tell my mom, ‘I’m not going home, I’m going to stay in the library to study.’ Because if I were to go home my niece would be knocking on my door and be like, ‘Can you come outside?’ Or I can just hear her say my name and my mom would be like, ‘No, she’s studying, let her study,’ but they don’t understand. That was a distraction for me as well.”

Interview participants described the difficulty of engaging in professional development while in school. Many students were unable to engage in professionally relevant but unpaid work and found it difficult to network and build connections—activities that were important professional development opportunities. Others mentioned that they were not able to participate deeply in extracurricular activities such as sports or clubs because of work obligations. Many of those who did get involved participated in politically or ethnically focused student groups that provided emotional support. One respondent described her involvement:

“No sports. I did go into a club which was Hermanas Unidas, so that’s pretty much a Latina club where we pretty much met every Wednesday at 7:00 through 10:00 and discussed our family issues, whatever we were going through.”

Individuals who are raising young children while in school face additional challenges in balancing school and family responsibilities. Only a few of our interview respondents were raising children while pursuing their degree, but they described the significant struggle of doing both simultaneously. They expressed a tension between their own pursuits and the need to prioritize the care of their children. The cost and logistics of childcare, in particular, created difficulties for people. However, children also served as a motivator for degree completion. One respondent stated:

“I think the most important thing was my daughter. Because when she asks me why you decided to come here and leave your family [in Argentina], I explain to her I want the American Dream, and what is the American Dream to me? It’s not just buy a house and buy a car. I think the American Dream is coming to this country, following your dream, continuing with education, and serving other people. Because right now the work that I do is exactly what, at some point in my life, somebody did for me.”

Several of the undocumented individuals discussed the establishment of DACA as an important turning point in their academic journeys. They mentioned that this type of political support allowed them to overcome some of the fear they felt as a result of their citizenship status and created hope about their post-graduation prospects for employment. These students discussed “coming out” as undocumented, participating more actively in their classes, and building deeper relationships with their classmates because of DACA.

“I think the first couple of months were really isolating, to feel like I was the only undocumented person there. Eventually I met other undocumented students, so it turns out I wasn’t the only one, right? I think, for me, the idea of—that was my life-changing moment was to realize that I’m not the only undocumented person in the world and that it’s much better to be undocumented and with friends and with people that understand the difficulties, and that want to join together and take collective action to be able to change our situation. After that, the rest of my four years were about organizing to do work around immigrant rights.”

Another interview participant highlighted the financial and employment benefits of DACA:

“No, I worked for about a year after college in admissions for a private school here on the west side of [City]. The reason for that was that I still hadn’t applied for DACA back then and when I did, I wanted to save money for grad school. So, for about a year I worked and lived with my parents, saved money, and when I applied for grad school I was able to get a teaching assistant position. The teaching position includes free tuition and I would pay for room and board and my living expenses. So again, having [DACA] then being able to work also helped me get the teaching assistant position, which, again, lowered the cost of grad school for me.”

A majority of our respondents noted that school helped them broaden their horizons and think in new ways. Beyond their academic achievements, some respondents described their college years as “consciousness building” and providing “life experience.” One respondent said that college “was definitely a moment of finding myself and figuring out who I am, what I stand for.” Another stated that, “If I wouldn’t have gone to college, I would have been in my hometown and I would have never been able to explore this world. In that sense, I feel like it gave me that avenue to be able to meet this world and to be able to understand it.”

Post-College Loan Repayment and Financial Well-Being

Previous research on borrowing trends has indicated that many Hispanic individuals are loan averse. However, as Latinos pursue higher education in greater numbers while the cost of college continues to increase, the percentage

of Latinos students taking out loans is also on the rise. Among those we interviewed who had student debt, the average loan debt amount was just over \$30,000, and monthly loan payments ranged from \$150 to almost \$800. Interviewees were using a range of repayment plans, but most plans were income-based. Placement into repayment plans, including income-based plans, generally happened without guidance or deliberate action by interview participants. Most respondents expressed a lack of knowledge about repayment plans. Few had taken any actions such as changing their plans, consolidating their loans, or refinancing. Many indicated an interest in pursuing loan forgiveness programs, but knew little about eligibility or how to apply.

Loan Products and Servicing

Respondents affirmed that without access to student loans, higher education would simply have been out of reach. Despite their serious concerns about taking on debt, many individuals believed that they would not have been able to go to college with relying on loans. One individual commented:

“There was no way I could’ve gone without doing the loans, without my parents taking on those loans...so, it was essential. Had I been more financially mature and probably emotionally mature, I wouldn’t have...let them do that.”

Another stated: “I think if it wasn’t for the student loan, I don’t know how me and my parents would have paid for college. I definitely think it was the only way to have gone and gotten to where I am now.”

The majority of students with loans felt that they did not fully understand loan repayment. Our interview respondents expressed uncertainty about the terms of their loans, their repayment options, and whether and how they might qualify for certain programs, such as income-based repayment and debt forgiveness. One student described how the loan education that he received in college was not very effective:

“Before you would get your disbursement of financial aid, if a loan was involved, there was loan counseling done online. No one reads through that. It’s online and all you’re thinking about is, ‘I want to get through this and just continue on with my life.’ Had I had someone to sit down and talk through those things. That would have helped.”

Many students did not have a clear understanding of exactly how much they owed and how long they would be paying off their student loans.

One recent graduate described the exit counseling that he received after graduation: “It pretty much said: ‘At some point, you’re going to have to start paying and we’re going to send you a bill and that’s when you start.’ Extremely vague. About the only solid information I have is that after six

months, expect that bill to come.” Another respondent stated, “Only thing I know about the loan is that after six months I’m charged interest. I’m not even sure what that interest looks like.”

Students did not uniformly know where to go to find the information they needed. Some felt completely lost and overwhelmed, and many indicated that they had questions on a range of topics including repayment options and what would happen if there was a time when they could not make a payment. When asked whether she felt that she knew where to find answers to questions about her loans, one participant answered:

“Well, no, I don’t know where to go. But, I know...I guess in talking with friends, immediate friends, and then also on Facebook...it was a friend’s post that told me about the [loan forgiveness program], so I was like, ‘Oh, I need to look into that.’ It’s not like whoever owns my loans is gonna tell me...I feel like there’s probably like people doing really good work on this, I just don’t know.”

Individuals who sought out help or information tended to prefer speaking to someone in person or over the phone. This is consistent with other research that indicates that Latinos prefer to conduct complex financial transactions in person instead of using online or mobile technology. One respondent said:

“I would prefer [to get information from a person, rather than Google it]. I can work better with a person. I think having someone understand my needs and the things that I’m looking for, it’s a lot better than just kind of like throwing a dart and just waiting for it to land somewhere because, like with Google searches or any search online, you can come up with many different things for organizations who are for-profit. I want to find organizations that are out there who would have my best interest in mind and not theirs.”

Overall, interactions with loan servicers were not common among our sample, but those who did interact with a servicer had a wide variety of experiences. In a few cases, individuals described calling their loan servicer with questions. Sometimes these interactions were positive and provided critical information in times of financial stress. For example, one interview respondent described a time when he was helping pay for his partner’s emergency medical expenses stating that the servicer was “able to work with me and give more of a timeline and program, extend the deadline. I was able to work more towards getting the money and so what worked for me was kind of like contacting them and telling them my situation...They were very helpful with that. There were able to give me different options and provide me with different ways that I could pay for it and waive the late fee.”

On the other end of the spectrum, one individual who was in default due to a job loss described some calls from the loan servicer as follows: “There were some other calls where [the servicer said], ‘You should be ashamed of yourself. Why would you take loans if you can’t pay them?’ It ran the gamut from the superficial calls to the nasty ones.”

Default and Forbearance

A few students we spoke to experienced financial emergencies and were not able to make their loan payments on time. These periods of nonpayment only happened in response to a crisis—no interviewee chose to go into default unless they had no other option. One individual had her wages garnished and had been contacted thousands of times by loan servicers; she thinks she will be paying off her loan for the rest of her life. Another individual ceased to make loan payments because she lost a home during the financial crisis after her tenants stopped paying rent. She stated:

“We had a house, we did a short sale on it...I think during that moment we just got so, you just forgot about everything else, you’re losing your home, you forgot and then like, ‘Oh yeah I have student debt that I have to pay.’”

Financial Stress

Stress related to repayment varied dramatically, with some students feeling little or no financial stress related to their debt, and others expressing very significant concern. Some individuals said that they tried not to think too much about their monthly payments and how much they owed because it led to significant stress. Others expressed anxiety about managing debt payments along with large unexpected expenses or what would happen to their debt if they died. One respondent stated:

“If I do, all of the sudden, become ill and I have hospital bills to pay and I have also like my loans to pay as well, that would create more stress financially. It’s not too stressful, but it’s in the back of my mind constantly to figure out what my next step is and make sure that I’m okay and not running out of money.”

Another respondent on an income-based repayment plan discussed the stress of larger loan payments as her salary increases:

“I guess what I will say is that the more I make, the more I have to pay in student loans...That’s probably the most stressful. I get excited about making more each year, but then I also realize that my student loan payments will also increase, so what’s the benefit?”

Many expressed a sense that their debt was more than just a financial burden and included a deep emotional component. In the interview sample, emotional stress was often associated with uncertainty about how long it would take to fully repay loans. In talking about their student loan debt, respondents made comments such as, “It’s always in the back of my head.” Another person stated that the burden was significant “not only monetarily or financially, but also spiritually. It’s something that weighs down on you to know that there is this debt that is out there, that is following you around like a cloud.” One respondent discussed automating her loan payments to avoid the mental and emotional aspects of making monthly payments: “It hurt me, it hurt my soul. I put them on auto payment...I try and put so much on auto payment because it’s not that I don’t want to actively do it, it’s just it kind of hurts you. It’s like tiny little stab wounds every month. So, I don’t want to think about it.”

Respondents indicated that if they knew then what they know now, they would have made the choice to start higher education at a less expensive community college before transferring to a four-year institution to save money and lessen their need for loans. One interview participant put it this way:

“Understanding [the term of the loan] would’ve been helpful...to know the whole course of starting at a community college and then going to a four-year. I think that’s good information for people to know, too, as an option. If I could go back, I would tell myself to go to community college for two years and then know what you want to do. Then go to a four-year public university.”

Impact of Debt for Students and Families

Interview participants shared whether and how much the cost of school impacted their future decisions. We asked each informant this question, regardless of their debt load, in order to understand how much the experience of debt changes a person's financial outlook and well-being. Not surprisingly, those who carried debt reported feeling more strongly impacted by the cost of school, as a loan is more expensive than paying college costs with savings, income, or other sources. In almost every category, those with student loans reported that the cost of school strongly or somewhat impacted future financial decisions. The differences are most striking when it comes to shorter-term financial items such as affording their own place to live, saving money, and taking out a loan for a car.

Savings

While many of our respondents were working hard to save, the ability to do so was clearly impacted by student loan repayment. When we asked individuals specifically about their current savings habits, a majority reported being able to save regularly or saving whatever is left over each month, but those with loans were more than twice as likely to report that they were not able to save at all. One respondent explained:

“You have expenses, and it's kind of hard to save for an emergency. I try to save as much as I can. Do I have money in case of an emergency, like to cover my full expenses for maybe three or six months? No. I think the cost of school definitely has an impact.”

Another stated:

“There's a whole lot of information out there, but the financial management is what seems to be a really key missing component, and that's something that I appreciate about the work that I do right now...Because they will tell you, 'Okay, here are some places where you could probably cash out some money,' or, 'These are some fee waivers,' or whatever. That's all great and super helpful, but managing the money, saving, how important it is to save, even to get yourself into grad school or getting out of grad school. I mean grad school had to be like one of the toughest financial times I've had in my life.”

Homeownership

Many of the individuals we spoke with felt that homeownership was out of reach, at least in the near future, though it is important to note that the people we spoke with were mostly living in large metropolitan areas where housing is expensive. Individuals with loans were more likely to report that the cost of college has impacted their thinking about homeownership. For example, one of our interview participants commented that, “I know that the amount of debt would definitely impact my ability to afford to purchase [a

home].” Another individual who was a current homeowner stated that, “...when I decided to go to school, at that point I was fortunate enough to have already purchased a home. I think had I postponed that decision and went to school first, that wouldn’t have even been an option for me anymore.”

Furthering Education

Several individuals discussed a desire to continue their studies in graduate school, but felt that it was not an option because of their current debt.

For most, pursuing graduate school felt necessary to improving career and financial goals, highlighting concerns that an undergraduate degree may not be sufficient for providing economic security and a path to financial mobility. One respondent stated:

“I’m interested in graduate school, but I’m not thinking about it anytime soon because I know I have this prior debt to pay off, so it sort of scares me off to try to continue. I know that for graduate school I won’t be getting any aid, and those numbers will just, maybe, quadruple.”

Perspectives of Other Family Members on Broader Family Finances

As part of our research, we spoke with parents of a few current students or recent graduates to better understand their perspective on their child’s pursuit of higher education, paying for school, as well as any impact that education financing may have on broader family finances. Hispanics often live in multigenerational households, with families collectively feeling the squeeze to cover education costs, daily living expenses, and often, elder care expenses for grandparents living in the home. Parents shared stories of postponing their own goals when household income was not sufficient to cover their children’s education and other family necessities. One parent was still paying off her own student loans as her daughter graduated from a four-year institution and started to make her own loan payments. In talking about what she wishes she knew when applying to school herself, the mother commented:

“As a matter of fact, my [own] parents were still paying student loans. I think my mom just finished a few years ago as well. It sounds like a family thing, to just to let the student loans run up and don’t think about it, and I really do wish that would have been a consideration, looking at prices of schools.” The same respondent talked about the stress of paying off multiple loans shortly after she and her husband both completed school: “We had, you know, I had loans. My husband had loans. We were paying all these different payments. Then I was having my children at the same time, so we had medical expenses. It was pretty stressful the first decade, then we got it under control and managed after my husband went to work.”

Parent Profile: Ana, 42

Status: Citizen

Employed: Full-time at direct-service nonprofit organization

Paying: Higher education costs for her two children (community college and certificate program)

Did you always want your kids to continue their education beyond high school?

“Always. It wasn’t optional. It was something that was embedded in them. It wasn’t if they were going to go to school. They’re going to go to school. The plan began early on to save for those things, and I’m very grateful that they did follow through.”

Why did you feel like getting that additional education was so important for them?

“I myself didn’t have that option. I come from a family that migrated to the United States...[education] wasn’t even something that was discussed. After high school, that was it. That was the end goal in my family. There was no other option. That’s one thing I did know that I wanted for my kids.”

You mentioned not having student loan debt. What sources are being used to pay for your kids’ higher education?

“The two that are currently in school, I’m paying out-of-pocket. I pay out-of-pocket, and the source is pretty much savings.”

Was paying for your kids’ education something you feel like you were planning for?

“Yes, but I did not realize how expensive it was. What I thought I had saved was sufficient, and it ended up being eaten by the first two semesters. One thing that I would say is that I didn’t plan accordingly. I didn’t have an idea how much tuition was.”

Are there ways you think helping pay for your children’s education is having an impact on your own finances or on decisions that you make now?

“Most definitely. I do save regularly, but pretty much I’m having to pull from that when it comes to paying another semester, and books or supplies. Since I got one [child] in school full-time, I’m taking over his insurance. I’m taking over his car payments. It’s just not the tuition itself, it’s everything else that comes along with that to give him the opportunity to focus on the studies.”

Has helping pay for college had any impact on your decisions about where to live, or owning a home or saving for retirement?

“I do own a home. My plan was to spend extra and pay it off sooner, but of course that’s on the back burner right now. I can’t complain because I do have enough to make ends meet, but definitely tighter than I would like.”

Do you think your experience helping your kids pay for school is typical or somewhat unusual of other people in the same position as you?

“In the Latino community, I think it’s very typical, very typical...everyone wants their kid to succeed, no matter the cost.”

Was it important to you for your kids to not have student loans?

“Yes, because in the field of work I am in, I do see a lot of individuals trying to purchase their house...the student loan debt is a huge obstacle. The amounts are enormous. They cannot afford a loan. I just don’t see how they can ever own a home with the large amounts of student loans that they have. Now since the mortgage industry changed a little bit, now it’s either 1% of their principal balance or 2%, depending on the lender even if the student loans are deferred. That creates a huge obstacle. I knew I didn’t want any student loans for the kids. If it came to it, and there was absolutely no other way we could do it, then that had to be done. Fortunately, so far, no student loans.”

Can you say a little bit more about how you feel student loan is impacting people’s lives that you work with?

“It’s definitely an obstacle. It’s a barrier for them to conquer more in life. A lot of people’s aspiration is to eventually be homeowners. That is a huge obstacle right now with the sizable amount of student loan debt. Even if they don’t want to buy a house, they have a car payment, and they have all these student loans to pay. That leaves very little surplus on their budgets.”

Is there anything else you want to mention about your experience either pursuing higher education yourself, or helping your kids pay for higher education?

“I do want to pursue [my] higher education, but right now I have to take a backseat until my kids finish. I was very, very fortunate to find a job that I love and am very passionate about without having a degree because pretty much my salary would require—it’s similar to someone with a degree. Just for my personal satisfaction, I would want to have something under my belt, some kind of degree. There is the fear of how many classes or courses am I going to have to take as remedial courses

Parent Profile: Ana, 42 (Continued)

because I've been out for so, so long, but it's worth it. That's a personal goal that I have. That's a promise that I made my daughter when she graduated. That's one that I intend to keep."

Life Planning

Many individuals mentioned that their debt strongly or somewhat affected their ability to provide financial support to their families and help their younger siblings. In talking about her desire to contribute financially to her parents, one of the respondents said:

"There's something that really stood out, and I think this one covers it: providing financial support to your parents or other family members. Something that was really stressed is that if you're not done paying off your loan, then you shouldn't be thinking about even buying a gift for someone. That was really strong for me. You don't have that luxury of trying to spend extra if you already have this loan."

Retirement preparation was also a concern for some of our interview participants, though this was more or less pressing depending on ages and stages of life. Those with student loans were more likely to indicate that their loans were affecting their ability to save for retirement compared to those without loans. In talking about retirement planning, one respondent with loans said:

"With my 401K, I was 32 years old when I started it. I am behind the eight ball. That is one area where I cannot slack on. Right now, time is still on my side. If I make the payments that I want to be able to make into my retirement, compounding interest over the rest of my life before I can take out my retirement, it should be enough...if I stay on course, and buy real estate and have passive income, and build up that part of my plan, I will be good. I've got a ten-year plan, right? These loans are holding me back."

Perceived Upward Mobility

When asked how they felt they were doing compared to their parents financially, the majority of the interview participants said they were doing as well as or better. This perceived upward mobility reflects the respondents' belief that access to a college education and the financial benefits associated with a postsecondary degree contribute in significant ways to economic gain. However, student loan debt clearly moderated these gains. All of those we interviewed without student loan debt (12 respondents) indicated that they were much or somewhat better off than their parents; of the 18 respondents with student loan debt, five indicated they were doing about the same or were somewhat or much worse off than their parents financially.



DISCUSSION

The interviews demonstrate the profoundly positive impact that a college education can have on individuals and families. At the same time, the rising cost of postsecondary education, coupled with persistent and growing income and wealth inequities, presents significant challenges to the Latino family's ability to achieve financial stability in the short term and build wealth over the long term.

Like the Hispanic postsecondary population, the majority of the interviewees (70%) were first-generation students and lacked parental support to guide them in the college selection, financial decision-making, and degree completion processes. Teachers and guidance counselors filled the information gap for some students, while others had to find their own way when choosing the right institution and figuring out how to finance their education.

While in school, these Hispanic interviewees faced myriad challenges as they balanced responsibilities both in and beyond the classroom. Most of the interview participants worked or had familial duties in addition to their academic studies. Many sacrificed the opportunity to create social networks, including relationships or experiences that could have helped them get ahead professionally, and as minority students, they had difficulty adjusting to the cultural and social rhythms of college life. This was especially true for the six participants who are not U.S. citizens, who reported feeling isolated on campus before finding social networks and becoming empowered by the experience of being the first in their families to attend college.

Despite the obstacles they faced in school, respondents showed great resiliency in their efforts to complete their degrees. One of the respondents we spoke to was in the process of completing their undergraduate degree, and a few individuals had gone on to obtain master's or law degrees. This

sample fared better than the national Latino student population, where only 54% complete their four-year degree within six years.³⁷ Our interviewees were recruited primarily through Affiliates in the UnidosUS network, so they had access to institutions and supports that may be unknown to the average Hispanic student. Even so, these students reported significant challenges, and the power of a strong support network and interventions is evident in their success.

Most of the participants described how their families contributed to their success as students, often with financial support, even though their parents had limited income. Even so, more than half of our interview sample (60%) used loans to pay for some or all of their education, and respondents described both the financial and emotional toll this debt has on their lives. Individuals who cannot repay their loans, even for a short period due to job loss or a financial emergency, can face consequences that endure long into the future, such as a lowered credit score. For borrowers who are repaying on time, overly burdensome monthly loan payments come at the expense of general financial security and future wealth-building opportunities.

Finally, when asked how they felt they were doing compared to their parents financially, the majority of the interview participants said they were doing as well as or better. While it is promising that postsecondary education provides a track toward upward mobility for many Latino students compared to their parents, when compared to their peers, Latino students still lag behind in various wealth-building indicators such as homeownership rates, median income even when controlling for level of education, and retirement savings assets.

FACT NO. 3



In 2014, median earnings for Latinos with bachelor's degrees was \$45,360, compared to \$50,380 for their White peers.

Source: National Center for Education Statistics, "Number, percentage distribution, and median annual earnings of 25- to 34-year-olds with a bachelor's or higher degree, by sex, race/ethnicity, and selected employment and occupational characteristics: 2014," January 2016, https://nces.ed.gov/programs/digest/d15/tables/dt15_505.15.asp.



CONCLUSION

Increased Hispanic enrollment in postsecondary programs is evidence that the hard work of Latino students and promising policy change can improve pervasive inequities in high school graduation and postsecondary access. Yet, that work is not complete. Despite progress, Latino students still lag behind their White peers in terms of enrollment, completion, loan repayment, and earnings.

As more Latinos take on the challenge of higher education in hopes of finding opportunity, existing and emerging disparities threaten their success, financial security, and well-being. We must have a more equitable, accessible, and effective higher education system that addresses the challenges identified in these stories and adheres to the following principles:

- 1. Preserve and expand access to higher education by helping students become college-ready.** More Latinos than ever are enrolling in and attending postsecondary institutions, but more can be done to ensure that Latino students have the foundation that will allow them to succeed, especially at more selective, four-year institutions. It is essential that the federal government continues to invest in programs like TRIO, GEARUP, HEP, and CAMP, which help underserved and low-income students prepare for and enroll in college so they enter postsecondary institutions prepared to succeed. Further, Hispanic students—most of whom are first-generation college-goers—and their families need transparent and complete information, delivered in a culturally competent and personalized way. Information should come from a variety of stakeholders who are engaged in the college decision-making process, such as high school guidance counselors, and college admissions and financial aid officers. Access to this information can help families make informed decisions and ensure that students are armed with the resources necessary to successfully complete their program of study.

2. Make college affordable for low-income students. As a variety of factors contribute to the increasing cost of higher education, a growing racial and ethnic wealth gap disadvantages Latino students and families as they finance college and manage the debt burden. Rising costs have been a barrier to enrollment and completion for low-income students, and the federal government should support efforts to improve affordability, including through increasing and improving the Pell Grant and streamlining the FAFSA. Furthermore, many students are already struggling under the burden of student debt, and the federal government should work to improve and preserve income-driven repayment plans that help students stay current on their loans, especially in an economy where wages remain stagnant. States can also address affordability barriers for undocumented students by offering in-state tuition that will allow them to earn a degree. Improved affordability and decreased loan burdens would make it easier for students and graduates to start businesses, save for retirement, and purchase homes, thereby growing the American economy.

3. Address barriers to college completion. While Latinos are closing the gap in high school graduation and college enrollment, they are still less likely than other students to complete their higher education programs. Barriers to completion, including financial, academic, and familial obligations, often leave students with debt and no degree, creating a potentially disastrous financial situation. The federal government should invest in efforts to improve completion rates through academic and nonacademic supports, and create pathways from two-year to four-year programs. Reforms should include remediation redesigns that allow students to enter college ready to enroll and succeed in credit-bearing courses. Postsecondary institutions can also contribute to Latino student success by providing supports such as childcare on campus, or nutritional assistance, to alleviate stressors that arise from work, family obligations, and children. Degree completion is crucial for students to benefit from the wage premium that comes from higher education, to better manage the debt burden associated with higher education, and to fully contribute to our nation's economy.

4. Protect students from financial exploitation. While most institutions of higher education want to serve students well, some prey on first-generation students and students of color through deceptive recruiting practices and false marketing claims. Studies have shown that these programs do not lead to wage gains for graduates, leaving them saddled with significant amounts of debt and no means with which to repay.³⁸ The federal government should enforce strong regulations against for-profit schools to ensure that students are not on a path to a low-quality degree and potentially ruinous debt. Federal and state protections are also needed to ensure that student loan servicers are transparent with and responsive to students, and to enable borrowers to access affordable repayment solutions.



METHODOLOGY

While our sample is not intended to be representative of the experience of every Hispanic student in the U.S., we intentionally sought out and interviewed individuals who represent a diverse set of experiences and backgrounds (Table 1). We interviewed 30 people ranging in age from 21 to 74, with an average age of 30. We interviewed 21 women and nine men currently living in Austin, Chicago, Houston, Los Angeles, New York City, and San Antonio. The majority of our interview participants were U.S. citizens or legal permanent residents, though some lacked documentation, and others were recipients of Deferred Action for Childhood Arrivals. The interviewees attended a variety of educational institutions (nonprofit, public, private, two- and four-year programs) and had different attainment outcomes: some were still working toward a degree, the majority had completed their undergraduate degree, a few individuals had gone on to earn a graduate or professional degree. More than half of our interview sample (60%) used loans to help pay for their education.

The majority (70%) of individuals in the sample were first-generation college students. Additionally, and perhaps relatedly, a large majority reported feeling somewhat or much better off financially compared to their parents. Nearly all were working full time, and many currently worked in advocacy-oriented organizations within the UnidosUS Affiliate network. We also spoke with some parents of current students or recent graduates to understand the impact of paying for college on the overall financial health of families.

Table 1. Interview Participant Summary Statistics (n=30)

	AVERAGE AGE	30
	SEX	
	Female	70%
	Male	30%
	MARITAL STATUS	
	Married or living with a partner	23%
	Divorced	4%
	Never married	73%
	EMPLOYMENT STATUS	
	Full-time	85%
	Part-time	12%
	Not currently working	4%
	FIRST-GENERATION STUDENT	70%
	LOAN STATUS	
	Used loans to help pay for school	60%
	Did not use loans to pay for school	40%
	CITIZENSHIP STATUS	
	Citizen/legal	81%
	Permanent resident	15%
	Undocumented/DACA	4%
	Other: visa	-
	ANNUAL HOUSEHOLD INCOME	
	\$10,000 - \$24,999	12%
	\$25,000 - \$34,999	19%
	\$35,000 - \$44,999	23%
	\$45,000 - \$54,999	8%
	\$55,000 or more	38%
	HIGHEST LEVEL OF EDUCATION	
	Still pursuing degree	8%
	Certificate program	4%
	Bachelor's degree or higher	85%
	Did not complete a degree	4%

ENDNOTES

- 1 U.S. Department of Education, *Digest of Education Statistics*, 2017, Table 302.60 (accessed January 2018).
- 2 U.S. Department of Education, *Digest of Education Statistics*, 2017, Table 302.20 (accessed January 2018).
- 3 U.S. Department of Education, *Digest of Education Statistics*, 2016, Table 326.10 (accessed January 2018).
- 4 Mark Huelsman, *The Debt Divide: The Racial and Class Bias Behind the "New Normal" of Student Borrowing* (Washington, DC: Demos, 2015), <http://www.demos.org/publication/debt-divide-racial-and-class-bias-behind-new-normal-student-borrowing> (accessed March 2018).
- 5 Research has shown that White high school dropouts hold more wealth than college-educated Latinos. See Matt Bruenig, "Why White High School Drop Outs Have More Wealth Than Black College Graduates," Demos, October 24, 2014, <http://www.demos.org/blog/10/24/14/why-white-high-school-drop-outs-have-more-wealth-black-college-graduates>.
- 6 U.S. Department of Education, *Digest of Education Statistics*, 2017, Table 306.60, and UnidosUS calculation using U.S. Department of Education, National Center for Education Statistics, "National Postsecondary Student Aid Study, NPSAS: 12." Washington, DC, 2012 (accessed January 2018).
- 7 Sallie Mae, "How America Pays for College 2017," (Newark, DE: Sallie Mae Bank, 2017), https://salliemae.newshq.businesswire.com/sites/salliemae.newshq.businesswire.com/files/doc_library/file/How_America_Pays_for_College_2017_Report.pdf (accessed March 2018).
- 8 Brenda Calderon, *Latinos in New Spaces: Emerging Trends & Implications for Federal Education Policy*, (Washington, DC: NCLR, 2015), <http://www.nclr.org/Assets/uploads/Publications/education/Latinos-in-New-Spaces.pdf> (accessed October 2016).
- 9 UnidosUS calculation using U.S. Department of Education, *Digest of Education Statistics*, 2017, Table 306.50 and U.S. Department of Education, *Digest of Education Statistics*, 2016, Table 306.30 (accessed January 2018).
- 10 U.S. Department of Education, *Digest of Education Statistics*, 2016, Table 306.30 (accessed January 2018).
- 11 The College Board, "Average Rates of Growth of Published Charges by Decade," <https://trends.collegeboard.org/content/average-rates-growth-published-charges-decade-0> (accessed October 2016).
- 12 U.S. Department of Education, *Digest of Education Statistics*, 2017, Table 330.10 (accessed March 2018).
- 13 Lisa J. Dettling et al., "Recent Trends in Wealth-Holding by Race and Ethnicity: Evidence from the Survey of Consumer Finances," (Washington, DC: Board of Governors of the Federal Reserve System, 2017), <https://www.federalreserve.gov/econres/notes/feds-notes/recent-trends-in-wealth-holding-by-race-and-ethnicity-evidence-from-the-survey-of-consumer-finances-20170927.htm> (accessed February 2018).
- 14 UnidosUS calculation using "National Postsecondary Student Aid Study, NPSAS: 12."
- 15 Ibid.
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