

Exploring Student Experiences with Debt and Educational Expenses

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Abstract

This paper considers how students use different financial sources to pay for school. Findings from focus groups held with undergraduate students across four campuses within a public university system in the Midwest revealed findings in three key areas: (1) perceived versus actual costs of attending college, (2) feelings about carrying debt, and (3) effects of debt on students. Implications for research, practice, and policy are suggested, and center of stronger efforts for financial literacy on campuses.

Keywords: student debt, ELT, financial aid policy

Exploring Student Experiences with Debt and Educational Expenses

College students today incur higher amounts of debt to fund their postsecondary pursuits than previous generations of students (Cheng & Reed, 2010; Dillon & Carey, 2009), with the current debt level among current and former students estimated to be as high as one trillion dollars across the US (Chopra, 2012). Though startling, these findings are not surprising given recent trends of exponential tuition increases across all sectors of higher education and simultaneous shifts in federal support for students from grant aid to loans (Boushey, 2003; Choy & Carroll, 2000; Dillon & Carey, 2009; Mortenson, 2000; Reed & Cheng, 2009). Concerns regarding the repercussions of these trends have brought attention to the longer-term consequences of debt on students' post-graduate options and choices for careers and enrollment (Andrew, 2010; Carlson, 2005; Choy & Carroll, 2000; Cooke, Barkham, Audin, Bradley, & Davy, 2004; Fox, 1992; Millett, 2003; Purcell & Elias, 2010; Rothstein & Rouse, 2011). However, much of this work is quantitative in nature and may not actually consider the qualitative element in the decisions students make. Little research has focused on how students experience debt.

Although some work has considered experiences of students who do not borrow and why (i.e., Cunningham & Santiago, 2008), learning from the experiences of students who do borrow contributes a different perspective grounded in the realities of students who live through those experiences. This paper contributes to the national understanding of college costs and affordability by focusing on students' experiences with debt of all kinds and how they experience issues around debt. Based on focus group interviews with students from different campuses within a public university system in the Midwest, this study examined how students experience paying for college, and their thinking about multiple forms of debt. Students' make meaning

from their experiences with financing their education, and this study chose to focus on how that meaning making occurs for students and how they think about loans and other types of borrowing. Implications for further research, policy, and practice are made based on the results of the study.

Conceptual Framework

Two bodies of research literature were used to frame this study and guide research decisions. The first provides a framework for understanding how students make meaning of their experiences, and how we can learn from their own meaning-making processes. The second body of work informing this study considers the influence of different forms of financial aid on the undergraduate college student experience.

How Students Make Meaning of Experiences

The decision to consider students' experiences emerged from a study by King and Frishberg (2001), who found that students who know less about borrowing and repayment processes tended to have larger debt amounts. This prompted the thinking that perhaps students learn much more about debt through their experiences rather than just taking in information or relearning processes. Therefore, attention to how actual experiences with debt influence decisions about financing higher education could be worthy of consideration.

These considerations led to the use of experiential learning to understand how individuals make meaning from experiences (Kolb, 1984). Though Kolb is best known for experiential learning theory (ELT) which describes the process of acquiring and capturing experiences with modifying of behavior as a result of the learning from the experience, it is the propositions involved with ELT that are of greater interest in this study. The theory, as a whole, presents a learning cycle which involves experiencing a situation; reflecting on that experience;

conceptualizing a theory to provide an explanation; and planning a course of action and taking risk. Though some studies in higher education have used ELT as a framework for educational intervention, (e.g., Claxton & Murrell, 1987; Kolb, Boyatzis, & Mainemelis, 2001), little work has applied ELT or the experiential learning propositions to understanding students' experiences with financial aid and how it influences their collegiate journey.

ELT is built on six propositions; this study is particularly interested in two, with the potential application of a third. The first proposition of interest is that learning is facilitated by drawing out students' beliefs and ideas about a topic (Kolb & Kolb, 2005). The second is that learning occurs as a result of the interaction between a person and her/his environment. This occurs when a person is able to accommodate new ideas into preexisting conceptions (Kolb & Kolb, 2005). While these ideas are found among other theories, the combination of these ideas together puts forth the concept that when an individual has little to no previous knowledge about a topic, she/he will draw from his/her experiences to understand the new idea.

The third potential proposition is focused on the ideals that higher education should engage students in a process that includes feedback on effectiveness of their own learning processes. This proposition is only a potential because there are limited opportunities for feedback around financial aid understandings during the data gathering process, and therefore it is unfair to consider it as being fully employed in this study. Rather it may be useful in understanding the implications from this study, as we provide feedback in the form of direct suggestions for policy and practice to address the challenges students face in their experiences with debt and funding their education.

The Influence of Different Forms of Financial Aid on Students' Experiences

Much work has examined the relationship between financial aid and student outcomes (Alon, 2005; DesJardins, Ahlburg, & McCall, 2002; Dowd & Coury, 2006; St. John, Paulsen, & Carter, 2005). Other studies have examined effects based on types of aid received (Hossler, Ziskin, Gross, Kim, & Cekic, 2009). In particular, the literature centers on three main effects that student loans have on college students, with a lack of consistent findings in any area: (a) effects on completion, with different findings across studies, and no to negative effects for underrepresented students (Gross, Torres, & Zerquera, in press; Kim, 2007); (b) enrollment in graduate and professional school, with both increased (Fox, 1992) and decreased (Millett, 2003; Purcell & Elias, 2010) proclivities to enroll as a result of student loan debt; and (c) employment and life decisions after graduation, with mixed effects on the relationship of debt with decisions such as home ownership, marriage, having children, and type of career pursued (Andrew, 2010; Carlson, 2005; Choy & Carroll, 2000; Purcell & Elias, 2010; Rothstein & Rouse, 2011).

Most work in this area has used survey and student record data to examine student experiences with loans and other debt sources, with only a few using qualitative data to understand students' experiences with paying for college (e.g., Cunningham & Santiago, 2008; Matus-Grossman & Gooden, 2002; McDonough & Calderone, 2006; Santiago, 2007; Somers & Cofer, 1998; Ziskin, Fischer, Torres, Player-Sanders, & Pellicciotti, 2009). Still, these studies focus primarily on student and family perceptions of loans and other types of aid. For instance, Cunningham and Santiago's (2008) findings reported primarily on students' and families' different perceptions of loans as a form of aid for college and the alternative approaches chosen to finance students' education. More generally, Ziskin and colleagues (2009) focused on strategies for paying educational expenses, with particular attention to the role work had on

making decisions. Much is still needed to understand student borrowers' experiences in particular and consider other types of borrowing and debt in.

While research has found that students are increasingly using credit cards to finance their education (Baum & Saunders, 1998; Williams, Waterwall, & Giardelli, 2008), relatively little attention has been given to credit card debt and loans from other sources (Grasgreen, 2012; Williams, Waterwall, & Giardelli, 2008), or how this debt influences students' experiences while in college. Gaps exist in our understanding of what students perceive as their educational expenses and how they pay for them (Ziskin, Fischer, Torres, Player-Sanders, & Pellicciotti, 2009).

This study focuses explicitly on students' experiences with borrowing, considering the many expenses students have while they are in school and the different types of debt they carry. This study acknowledges that students learn from their experience in different ways. Though some students experience adversity while paying for college, the experience does not transition to learning unless meaning is made of that experience. We applied components of ELT in this study to structure the questions we asked of students to stimulate focus group discussions, to trigger their meaning-making, and be able to glean from that process. These accounts of what expenses they have, how debt interacts with their daily lives as students, the strategies they employ to navigate that debt, and their lessons learned throughout the process provide rich insights into student debt as experienced by those who carry it.

Methods

This paper draws from a larger mixed-methods, system-wide study that combined data from student unit records, original survey, and focus groups to examine students' experiences with debt and paying for school. This paper reports solely on the focus groups conducted within

this larger study. Five focus groups were held across four institutions within the same multi-campus university system. In total, the accounts of 31 undergraduate students of diverse racial/ethnic backgrounds, ages, class standing, and educational experiences were captured and analyzed for this work.

Case Study Methodology

Case studies are holistic and context-sensitive forms of inquiry (Creswell, 1998; Patton, 1990). They are holistic in that they strive to understand the unit of analysis in its entirety and as a complex system; they are context sensitive in that they utilize the setting within which the unit being analyzed is situated as the framework and reference point from which data and observations can be interpreted (Patton, 1990). Case studies can either focus on a single or on multiple cases, and be holistic or embedded (Yin, 1989). Both embedded and holistic designs capture the entire case in question, but do so through different approaches. Holistic designs are appropriate when studying at an abstract or global level or from a conceptual perspective, when logical subunits are unidentifiable or when the underlying theory of the case is in itself a global concept. On the other hand, embedded case studies focus on a particular unit and its subunits within a case. Further, multiple-case studies examine more than one single case using the same methodology for each and then involve between-case analysis (Yin, 1989).

For this study, we employed an embedded case study methodology. This approach is appropriate when tackling an understudied phenomenon, such as that of student debt, enabling us to examine the issue more holistically and provide a richer understanding of students' experiences (Yin, 1989). This approach enabled us to draw from students' institutional contexts to help understand and compare their experiences within and across study sites (Patton, 1990;

Yin, 1989). Each of our four study sites serves as a separate case; the experiences of students within each site are embedded within their institutional contexts.

Recruitment

Undergraduate students were recruited across four campuses of the same multi-campus university system during May of 2012. Key personnel on each campus assisted with site orientation for researchers and recruitment of study participants. Student participation was solicited via on-site recruitment, posting of flyers around each campus, and speaking to students directly in high student-traffic areas such as campus student centers, libraries, and food courts. Students received \$10 Walmart gift cards for participating in focus group discussions, which varied between one and two hours in length.

Study Sites

The campus sites for this study were intentionally selected, and vary widely in terms of characteristics of their respective regions, missions, and student characteristics. See Tables 1 and 2 for more details regarding institutional and student characteristics across the system and our study sites.

Table 1

Institutional Characteristics 2011-2012 Academic Year, By Campus.

	Carnegie Classification Status	Urbanicity	Size and Setting	Average Cost of Tuition (Undergraduate, In- State)
Campus A*	RU/VH: Research Universities (very high research activity)	City: Small	L4/R: Large four- year, primarily residential	\$9,523
Campus B*	RU/H: Research Universities (high research activity)	City: Large	L4/NR: Large four- year, primarily nonresidential	\$8,243
Campus C*	Bac/Diverse: Baccalaureate Colleges--Diverse Fields	City: Small	S4/NR: Small four- year, primarily nonresidential	\$6,323
Campus D*	Master's M: Master's Colleges and Universities (medium programs)	City: Small	M4/NR: Medium four-year, primarily nonresidential	\$6,408
Campus E	Bac/Diverse: Baccalaureate	Rural: Fringe	S4/NR: Small four- year, primarily	\$6,281

	Colleges--Diverse Fields		nonresidential	
	Master's M: Master's Colleges and Universities (medium programs)	City: Midsize	M4/NR: Medium four-year, primarily nonresidential	\$6,507
Campus F				

Two of the sites for this study were research universities, one established in the traditional agrarian-model, and the other a primarily nonresidential campus located within a large, urban area. The two other sites for this study were located in small cities, one located within a larger metropolitan region that includes several other public and private colleges and universities in close proximity. Further, as displayed in Table 1, these campuses differed notably by cost of attendance for undergraduates, with undergraduate students at the smaller campuses paying less for tuition than those on the research campuses.

Table 2

Overall Student Characteristics 2011-2012 Academic Year, By Campus.

	Proportion of Undergraduate Student Enrollment that is White	Proportion of Undergraduate Student Enrollment 25 or older	Proportion of Undergraduates Receiving Pell Grant
Campus A*	76%	4%	21%
Campus B*	20%	34%	44%
Campus C*	83%	33%	42%
Campus D*	57%	37%	54%
Campus E	90%	38%	46%
Campus F	79%	31%	47%

Notes. Asterisks denote campus sites for the study. Data drawn from Integrated Postsecondary Data System (IPEDS).

Student demographics varied across the multi-campus system overall and across the campus sites for this study (see Table 2). While the urban, research campus reflects the greatest amount of racial/ethnic diversity, with just 20% of their students being majority students, residential students overall are largely White and under the age of 25, with about one-fifth reflecting financial need (as represented by those receiving Pell Grant aid). Other campuses are more similar in terms of students' ages and proportion of financially needy students, however vary widely in terms of racial/ethnic diversity.

Sample

We held five focus groups with 31 undergraduate students from across the four campuses in this study, with focus group sizes varying from two to fourteen participants within each (see Table 3). A majority of participants were female and between the ages of 18 and 25. A number of students from White (13), Black/African American (10), and Latino (7) backgrounds participated, as did one Asian American student.

Table 3

Focus Group Participant Distribution by Campus.

	Number of Participants
Overall	31
Campus A	4
Campus B	7
Campus C	6
Campus D	14
Gender	31
Male	12
Female	19
Age	
18-25	21
Over 25	10
Race/Ethnicity	
White	13

Black/African American	10
Hispanic/Latino	7
Asian/Asian American	1

Data Collection and Analysis

Focus groups were conducted in a semi-structured format. This approach is guided by a script of prompts or topics for the interviewers to address, allowing for flexibility to delve into related topics and probe comments of interest as they arise in discussion with study participants (Creswell, 2009). Further, this approach is appropriate with focus groups as it supports and facilitates fluid conversation across groups of diverse individuals. Consistent with the propositions in experiential learning, the questions focused primarily on students' experiences in three areas: how students pay for educational expenses and how those means have changed over time; experiences with debt in the forms of loans from federal, state, and private sources, as well as with consumer debt; and awareness, use, and critiques of resources and sources of support used to navigate paying for school. The semi-structured protocol is included in Appendix A.

Interviews were transcribed verbatim. Analyses was conducted through an iterative process that began with research team discussions and low-inference coding, and followed with selective, theory-defined coding following further discussions among research team members (Carspecken, 1996; Strauss & Corbin, 1990). Coding was assisted by *Atlas.TI* qualitative software.

Findings

Considering the propositions of experiential learning, this study explored student experiences with debt. Participant comments centered on three main themes: 1) students' perceptions versus the actual costs of attending college, 2) feelings about carrying debt, and 3) effects of debt on students. We first take a holistic approach and focus on understanding students' common experiences. Later discussion includes between-case comparisons across campuses. Each theme is discussed below and supported with data gathered during the focus groups.

Perceived vs. Real Costs of Attending College

Participants described ways they think of their lives as students being intertwined with their lives “outside of school.” Unexpected costs came in various forms not accounted for in students' financial planning for college, such as transportation (e.g., gas, car maintenance, car insurance); living on or in closer proximity to campus—where rent can be higher than in areas further away from campus; and co-curricular experiences, such as unpaid practica and internships which require hours away from work. In some cases, these experiences were located far from campus and home. As captured by one student on the residential campus:

They sell you on [the university]. They don't sell you on what's good for you...they forget to tell you that [the residential campus] may be more expensive ... or ...living on campus is a lot more than maybe you living at home or, hey, [a commuter campus] is an option.

This comment might also suggest what a handful of students described—that postsecondary options should be considered in light of cost. However, as with the unanticipated costs associated with their collegiate experience, these decisions may not have been adequately informed.

Even in situations where students' families attempted to support them financially while they were in college, the rising costs of college exceeded what families considered to be feasible. A student at the residential campus described her experience transferring from another institution as a result of this cost discrepancy:

For me when I was at [my previous institution] my mom had a lot more [funds]. She had a pot of money that was for me to go to college. However, since [at my previous institution] the tuition was I think at that time \$35K a year, that money went through very quickly.... Then it was quite apparent that whether you're at [my previous institution] or [residential campus] that you actually need money outside of maybe loans to pay for school.

For this student, financial aid, loans, and even family savings were not sufficient to support her educational pursuits. This comment suggests that the perceived versus actual costs of college impacts families' efforts to support their children in college, even when financial sacrifices have been made to support students. Further, the incongruence of costs (perceived vs. actual) increases financial burdens and limits students and their families' ability to adequately plan ahead for students' while they are in college.

Additional sources of financial strain described by students came in the form of family emergencies and unexpected changes in financial circumstances. Some participants described these disruptions as impediments to their continued enrollment and graduation. A number of students described experiences with job loss—particularly parents' jobs—resulting in students having to abruptly adjust their financial situations.

Students described these challenges as being directly related to their ability to attend and/or pay for school. Their comments suggest that they consider most, if not all, expenses

incurred while enrolled to be *educational expenses*. Given that many of these students had not had previous experience with higher education, they applied previous beliefs to the current context (Kolb & Kolb, 2005). For example, the student at the residential campus assumed recruiters (authority figures) would tell him/her what living options were available; instead they focused on the option available at their campus (living on-campus). Without the previous experience or knowledge, they made assumptions based on unconscious beliefs that could have increased their cost. Furthermore, their experiences paying for costs—whether the expense is books for classes or health care bills for hospital stays—similarly affect their experiences in school.

Feelings about Carrying Debt

Students described debt in different ways, with their perceptions informed by their own experiences as well as those they observed in their parents and older siblings. Students primarily fell along a continuum that ranged from debt aversion to debt acceptance.

Debt aversion. At one extreme there were students who avoided debt completely or did not consider it. These students had developed their own understandings of debt as something to be avoided, as captured by one student “I’ll cry if I have to take out a loan.” Many student participants actively circumvented debt as a form of aid altogether. These students described taking steps to do so despite financial necessity, by working or making efforts to reduce their expenses. As captured by one student in describing aversion to debt of all kinds, “You’ve got to sacrifice upfront.” Participants describe sacrificing comfortable living conditions or convenience in order to avoid excessive debt. One student at a commuter campus described living in a three-bedroom house with five other students:

Still, 300 for rent and then utilities because it’s an old house, somewhere between like 74

something a month, each of us, so in like the winter we didn't even turn on the heat, so it's like 41 degrees in the house. It sucked.

This comment captures what was shared by other students as well, depicting how debt and wanting to avoid it influenced their prioritizing and level of comfort. They were willing to live in “utter poverty,” as described by a student on the residential campus, in order to avoid debt.

Some students described wanting to avoid for themselves the negative effects of debt they saw experienced by parents or siblings. A student from the residential campus acknowledged that her family had a long history of balancing various forms of debt. She discussed her strategy to abstain from it:

I don't have a checking account because I know if I have a checking account I will be tempted to use it. So I just have a savings to make it a hassle so whenever I want to buy something I have to go to the ATM or just like oh I don't want to go to the ATM so I just won't buy it.

The strategy that she detailed demonstrates her ability to incorporate creative solutions into her lifestyle to avoid debt. This student also described not living beyond her means as another debt aversion strategy. As captured here, for some students, the meaning-making around debt was shaped by their observations of others' experiences with it.

Debt intermediates. While some students completely avoided debt, other students viewed carrying debt as a necessary aspect of their college experience. Some participants made intentional efforts to minimize the amount of debt they carried. These students often described wanting to carry as little debt as possible when they graduated:

I don't want to graduate with a bunch of debt and already, before I get out of the batting cage, like I already have this huge sum of money that I have to pay back... I want to kind of move forward rather than catching up with my parents.

This same student also described making payments towards her loans while still in school as a debt-minimization strategy, and emphasized the debt her parents and older sibling carried as influencing her perceptions of carrying debt.

Several students referred to the "refund check"—the lump amount of aid returned to students after tuition and fees are taken out by their institution—as their method to minimizing the amount of debt they had. Refund checks served as the intermediary to cover other debt payments. One participant at a commuter campus described the importance of the refund check:

You go out and you may have to use your credit cards or whatever and then that student loan refund or whatever comes in and you're able to pay off those debts right then.

You're postponing the inevitable but it gets you out of a bad situation at the current time where you can survive and keep your head above water.

Further, as alluded to by this student and echoed by others, as refund checks for borrowers can include student loans, it was used to manage various forms of debt and educational expenses—paying off credit cards and other money owed in one lump sum at the beginning of the semester. Despite serving as a debt intermediate, using the refund check was not universally understood as an adequate debt minimizing strategy. A student from the residential campus shared his sentiment regarding this strategy:

I do understand that's like a flawed logic. Obviously you're using a loan to pay off another debt of some sort. However, everyone associates student loan debt with being something that's more positive-ish than just plain old credit card that you use at Macys

because you wanted this top. You can defer a student loan. You can't really defer these creditors.

Some students understood that some debt, in whatever form, was necessary in pursuing a college degree. Further, this also captures what was similarly described by other students; not all debt is thought of in the same way, and some types of debt is preferred over others. One student at a commuter campus described taking out a student loan for the sole purpose of paying off credit card debt, "I got [the credit cards] paid off and now I don't have to worry about paying money back." This balance was a feature that distinguished these students from others.

Debt acceptance. At the other end of the continuum were students who fully accepted carrying debt of all kinds as a standard part of the college-going experience. Contrary to others who differentiated between types of debt, these students described seeing no difference in the types of debt they accumulated. As one student stated, "I don't separate it. I have school loans and credit card loans, but it's all the same." Throughout these discussions it became apparent that for many students going into debt to pay for education is unavoidable, despite having other forms of aid or working, which was the case for the majority of participants. Moreover, some students saw debt as necessary and accepted in order to maintain a specific type of lifestyle. In describing balancing expenses with working and carrying debt One student at the urban, commuter campus shared the level of significance that carrying some debt had in her life:

That's like I would rather keep my little cable and work my three jobs to live comfortable versus living with 20 people or 10 people just because, you know, I want to save money, because, yes, you're saving money but I feel like I grew up.

These comments were made in direct contrast to those made by debt averters and underscored the different approaches to managing debt each type of student had. These students also

described the effect carrying debt had on them, the topic of the next section.

Debt's Effects on Students

Students discussed debt in multiple ways. Although students described carrying debt primarily in the form of federal loans, they mentioned other types of debt as well, including credit cards, medical bills, and car loans. One participant portrayed her stress surrounding debt in the following, "All of it fits in one little big boat. It's stressful and you feel like you're not floating, you're drowning." Similar imagery was used to capture an overwhelming feeling many experienced when they thought of the debt they carried to pay for school. These students described suffering emotionally and academically because of their amount of debt and the consequences associated with certain types of debt.

Most borrowers described their debt as a "burden," and one which for some was shared with their families. One student captured what others described as feeling the burden of "emotional debt." These feelings were associated with the increased financial demands that were placed on her parents, speaking to the loans her parents had taken out to help support her while in school. A nontraditional student at a commuter campus described the options he and his family had to consider while he pursued his bachelor's degree:

I forego. I see everybody has got these Androids and whatnot. I'm like do I really need internet if I can look at it right here at school? I have internet at the house but I don't do cable, I don't do none of that stuff. I told the boys, look, dad doesn't want to work, I still try to get all A's and I don't want to stress about money.

The comment adds additional context to what was described earlier, and that an entire family's lifestyle can be affected by debt minimization strategies. Whether a student is nontraditional or traditional, families are impacted by the financial costs of higher education.

Participants questioned the value of their degree and college experience in the context of discussing the “burden” of their debt. Students weighed their student debt against expected earnings, chances of securing a job, and broader well-being after graduation, expressing deep concerns about their debt’s effect on future plans:

I’ve taken out student loans and now I’m worried about is there going to be jobs to pay it back... with the way the jobs are going and if you keep upping minimum wage are people actually going to need a college education?

Further, as described in this students’ statement, some students questioned whether their degree and debt associated with paying for it would be “worth it” in the long run. This was further discussed in the context of decisions about graduate school. In discussing the return on investment of a degree, one student described the experiences of a friend who had obtained a master’s degree but maintained two part-time jobs outside of her career to be able to sustain herself and her debt payments. Conversely, several students mentioned graduate school as a way of evading debt payments, at least in the short term:

Student 1: I’m going back to get my Masters. But I just feel like a lot of students, you know, feel comfort in saying if I go back I don’t have to pay all that money.

Student 2: And the debt almost doesn’t seem real while you’re in school.

The last comment may also speak to a different point related to students who carry debt, that they may be procrastinating their concerns surrounding certain types of debt carried.

Others who carried debt described programs and opportunities that they had enrolled in or were considering because they included a loan forgiveness component. Some students had enlisted in the military or expressed interest in doing so, while others said they intended to join

AmeriCorps. Both help pay off enlistees' student loans. As one participant noted, "I can donate 27 months of my life to be debt free."

Discussion of Comparisons Between-Cases

Different institutional context factors were particularly salient to students' experiences and understandings surrounding debt. The framing of this study enables us to gain a deeper understanding of students' experiences and explore the influence of these different factors in two ways. First, by drawing from our embedded case-study design we are able to give attention to students' experiences per study site. We combine this with the second proposition of experiential learning in particular which states learning is an interaction between a person and his/her environment (Kolb & Kolb, 2005). This provides a framing through which to compare the ways students made meaning of their experiences by drawing from their distinct institutional settings. The following provides analysis of key points of difference between cases, focusing on residential proximity of students to their campus and the economy of the institution's region.

Proximity of Students to Their Campus

As described earlier in the findings, students shared similar accounts regarding their perceptions of educational expenses across all campuses—utility bills, food, books, supplies, car payments, etc. However, students on certain campuses emphasized particular expenses over others, related to their institutional contexts and how far they lived from campus. One interesting finding was the variance in participant's experiences with transportation costs. Students on one of the commuter campuses located in a small city, surrounded by predominantly rural areas, and which lacks extensive public transportation options lamented these costs especially. These participants stressed the cost of gas and car maintenance, as some drove over 50 miles a day round-trip to go to class. Similarly, though the urban, research campus was located in a dense

metropolitan region with some public transportation options, many students could not afford to live in areas close to campus and had extensive commutes. One student articulated his struggle with balancing student teaching, class, and travel between:

I'm spending 50, 70 bucks a week on gas. And then when I was student teaching, I got placed at [public middle school] which is another 20 minutes from here. So 40 minute daily commute, I'm paying 70 bucks a week on gas.

Participants did not account for these expenses when planning financially for school, which challenged their perceptions of the costs associated with attending college and highlights the ways students within different institutional contexts made meaning of what an educational cost was to them.

Economy of Surrounding Region

Both of the smaller campus sites are located in regions of the state that have faced recent economic downturns, with drastic changes in local economies and employment availability. This was particularly evident in comments from nontraditional student participants, who made up about a third of the students in this study overall. For some students, their understandings of the debt they carried appeared to be shaped by their understanding of employment options available after graduation. A student described how return to school programs in the region as a result of a downtrodden economy had flooded the local area with individuals with college credentials:

I'm trying to hold off on the student loans for as long as possible just because I have ... concerns of what job is going to be out there once I graduate ... When the recession started they put everybody through college ... so you're virtually going to have to have an associate's degree to even work at McDonald's, which is going to be a minimum wage

job. You're going to have a bachelors or something higher to get paid what you want to get paid.

This comment suggests that financial strategies are shaped by perceptions of employment opportunities after students leave school.

Comments surrounding returns of investment in education were even more pointed for students when they talked about the amount of money they owed. Though amount owed was an important consideration for students on other campuses, the concerns were different. As stated by one student on the residential campus, "I have to go to college to get a job. I have to do well in college to get a good job." This reflects an understanding that a college degree will lead to employment opportunities, which was not mirrored in the comments by students on the other campus. Collectively, the themes discussed in this section and those before it highlight ways students experience debt while attending college and how it affects their understandings and outlook on life opportunities after graduation.

Discussion and Implications

This study contributes to the research literature in understanding how students approach and understand borrowing while in school. It uses concepts from experiential learning to glean from students' processes of making meaning of their own experiences. The following section discusses main contributions of this work, providing recommendations for policy and practice.

Triage and Procrastination

A key finding from this study was in regards to the ways students navigate the different types of debt they carry. Many participants' descriptions of their understandings of debt depicted a triage strategy in which students identified and prioritized debt into well-defined categories: (1) debt that requires immediate attention, e.g., higher interest rates, involving creditors or other

undesirable consequences; and (2) debt that can be addressed later or after graduation. Although the described strategies for navigating debt represented a range of financial literacy among participants, these strategies also reflected students' thinking on ways to balance their debt with their current and expected levels of income. Though this effort mitigated the potentially negative impacts of carrying consumer debt, such as stress from persistent creditors or accumulation of high interest, it is important to consider how educational interventions might benefit students who incur large levels of debt of any kind.

Further, some students' accounts suggested their lack of understanding of the amount of debt they actually carried. This is consistent with findings from King and Frishburg (2001) regarding borrowing and awareness. However, the findings from our study provide deeper insights into how they think about that debt, and support that students may not be completely ignorant of the severity of their debt, but are instead procrastinating their concerns about it until a later time (i.e., after graduation). Both approaches taken by students—triage and procrastination—call for greater financial literacy among students.

Financial Literacy as Capital

One important finding from this work is how students from across all campuses discussed financial literacy as a form of cultural capital. Cultural capital refers to non-economic factors associated with class and wealth that can be inherited from family (Bourdieu, 1986; Wells, 2008). Students' descriptions suggested that their understanding of financial literacy was inherited from their families. This understanding is consistent with the first proposition of experiential learning – that learning is facilitated by drawing out previous beliefs and ideals. What could be enhanced is the potential of institutions to provide feedback on those beliefs and ideals. Through financial literacy tools or resources, institutions could help students bring forth unconscious beliefs and

evaluate them to see if they would hold in the new higher education environment. By providing direct feedback to students, institutions could facilitate the knowledge-creation process and proactively help students adapt previous beliefs to the rules and expectations of paying for college. This learning process could enable students in making financial decisions and help them avoid carrying large amounts of debt. For students who demonstrated different levels of access to resources, financial literacy tools that provide feedback could assist them in managing their debt options, understanding ways of avoiding debt as much as possible, and confirming their beliefs. Though the access literature has considered capital (Perna, Gonzalez, Stoner, & Jevol, 2003), less has considered financial literacy as a form of capital and as a tool to help students with their experiential learning.

Debt Influences Students' Choices After Graduation

Lastly, this study finds that carrying debt today influences how students think about their future plans, both in terms of graduate school and career. Debt carried shaped students' considerations of graduate school as an option. It deterred students—at least in the short term—who wanted to avoid carrying more debt than they already had, or who did not see a sufficient enough return on investment from the degree. For some, debt seemed to influence their understanding of the benefits of graduate school positively. This came for students who described graduate enrollment as a way of delaying repayment, or for better payment opportunities to be able to pay off their debt more quickly. Additionally, a number of students described enrolling in programs with loan repayment benefits as a desirable option for after graduation, instead of pursuing employment opportunities in their field. As such, the findings in this study contribute to previous work that has explored the relationship between debt and student choices after graduation (e.g., Choy & Carroll, 2000; Millett, 2003; Purcell & Elias,

2010; Rothstein & Rouse, 2011). This study contributes to the research literature and adds further context to those findings.

Financial aid and career advising practitioners could learn from these findings to inform their work with students. As student debt levels increase overall, guiding and informing students through their meaning-making process as they weigh out and balance their postsecondary decisions in light of debt levels is important. Advisors have a distinct opportunity in their roles for students, in that they are uniquely positioned to be able to meet one-on-one with students; as such, more so than other practitioners on campus, they are in key positions to tease out students' understandings and provide them feedback on their meaning-making process. Doing so also provides opportunities to fill-in the gaps in students' understandings and promote responsible financing strategies to support student success.

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Appendix A: Semi-Structured Interview Protocol

- I. This study is intended to learn about how students manage different types of debt. Let's begin by talking in general about the types of educational expenses you have as a student.

Potential Follow-Up Questions:

- i. How do you pay for these expenses?
- ii. Has the way you've paid for expenses changed since you started school?

- II. We are interested in the type of debt students incur and carry with them while in school. What are your experiences with debt?

Potential Follow-Up Questions:

- i. Have you taken out loans? What kind: federal—subsidized and unsubsidized, through private lenders, parent loans?
- ii. How about consumer Debt? Talk a little bit about the credit cards you have, when you got them, how you manage your payments.

- III. Thinking back on your experiences and what you are aware of, what kinds of services and programs regarding financial aid are you aware of at [this university]?

Potential Follow-Up Questions:

- i. Are there services you think are missing?
- ii. What are some things you wish you would have known when you were starting school that you know now? What advice would you give a new student about managing their debt and paying for school?