

Supplemental Notes and Background for “Veterans Borrow for Private and Public Higher Education Despite GI Bill Benefits”

“[Veterans Borrow for Private and Public Higher Education Despite GI Bill Benefits](#)” compares borrowing outcomes among undergraduate student veterans enrolled in different sectors of the higher education system. This supplement provides additional background and context.

Focus: Prior-Enlisted Undergraduate Student Veterans

The subpopulation of post-9/11 veterans analyzed in this piece consists of veterans who enlisted and then enrolled in an institution of higher education after discharge or deactivation from military service to pursue a bachelor’s degree or a lower-level credential or certification.

Pew focused its analysis specifically on these prior-enlisted veterans pursuing a bachelor’s degree or a lower-level credential or certification because (1) 80% of prior-enlisted student veterans in our sample were undergraduates and (2) undergraduates encounter different costs, financial aid offerings, and program timelines than graduate students. Student loan borrowing patterns among graduate student veterans will be the subject of forthcoming work.

Identifying the Most Commonly Attended Sectors

The piece focuses on the four higher education sectors that undergraduate student veterans most commonly attended between 2016 and 2020. This section explains Pew’s approach to identifying those sectors.

Survey respondents were asked to enter up to five schools that they attended after military service. These institutions were then categorized into public four-year, public two-year, nonprofit four-year, for-profit four-year, and all other sectors based on the institutional characteristics/sector variables available in the [Integrated Postsecondary Education Data System \(IPEDS\) for the 2019-20 academic year](#). If an institution was not listed in IPEDS, Pew assigned a sector according to its online profile. However, many [for-profit institutions converted](#) themselves into nonprofit and public institutions in recent years; [recent conversions](#) may not be reflected in this analysis since the sector classification is current as of the 2019-20 academic year.

Based on Pew’s analysis of the Veterans Engaging in Transition Studies (VETS) Survey, the most commonly attended sectors among undergraduate veterans between 2016 and 2020 were: 1) public four-year, 2) public two-year, 3) nonprofit four-year, and 4) for-profit four-year.

Pew confirmed this ranking by using two approaches to view enrollment patterns among undergraduate veterans. Both approaches resulted in the same ranking.

The first approach (see Table 1) assigned each veteran to a single sector and excluded those who had ever transferred between any two sectors. Approximately 30% of veterans had transferred at least one time between sectors from 2016 through 2020, and the remainder (70%) attended one or more institutions within a single sector.

Table 1

Distribution of Undergraduate Veterans by Sector, Excluding Those Who Transferred Between Sectors (2016-20)

Sector	Frequency	Percentage
Public four-year	393	35%
Public two-year	233	21%
Nonprofit four-year	218	19%
For-profit four-year	197	18%
All other sectors	84	7%

Note: The “All other sectors” row combines multiple sectors that were less frequently attended by undergraduate veterans: private nonprofit two-year, private for-profit two-year, public less-than-two-year, private for-profit less-than-two-year, Department of Defense-funded institutions, and other private and public institutions that offer shorter training and certification programs.

© 2023 The Pew Charitable Trusts

The second approach (see Table 2) captures the enrollment distribution of all undergraduate student veterans, including those who had enrolled in two or more sectors, by calculating the percentage of veterans who had ever attended a given sector between 2016 and 2020. For example, a veteran who attended a community college (public two-year) and subsequently enrolled in a public four-year university was counted among the 517 undergraduate veterans who ever attended a public two-year school and was also counted among the 655 veterans who ever attended a public four-year school. The percentages shown in Table 2 are based on a total of 1,485 undergraduate veterans. Because a veteran could be counted in two or more rows in Table 2, the percentages sum to more than 100%.

Table 2

Distribution of Undergraduate Veterans by Sector, Including Those Who Transferred Between Sectors (2016-20)

Sector	Number of undergraduate veterans who ever attended ...	Percentage of undergraduate veterans who ever attended ...
Public four-year	655	45%
Public two-year	517	37%
Nonprofit four-year	321	21%
For-profit four-year	266	17%
All other sectors	175	12%

Note: The “All other sectors” row combines multiple sectors that were less frequently attended by undergraduate veterans: private nonprofit two-year, private for-profit two-year, public less-than-two-year, private for-profit less-than-two-year, Department of Defense-funded institutions, and other private and public institutions that offer shorter training and certification programs.

© 2023 The Pew Charitable Trusts

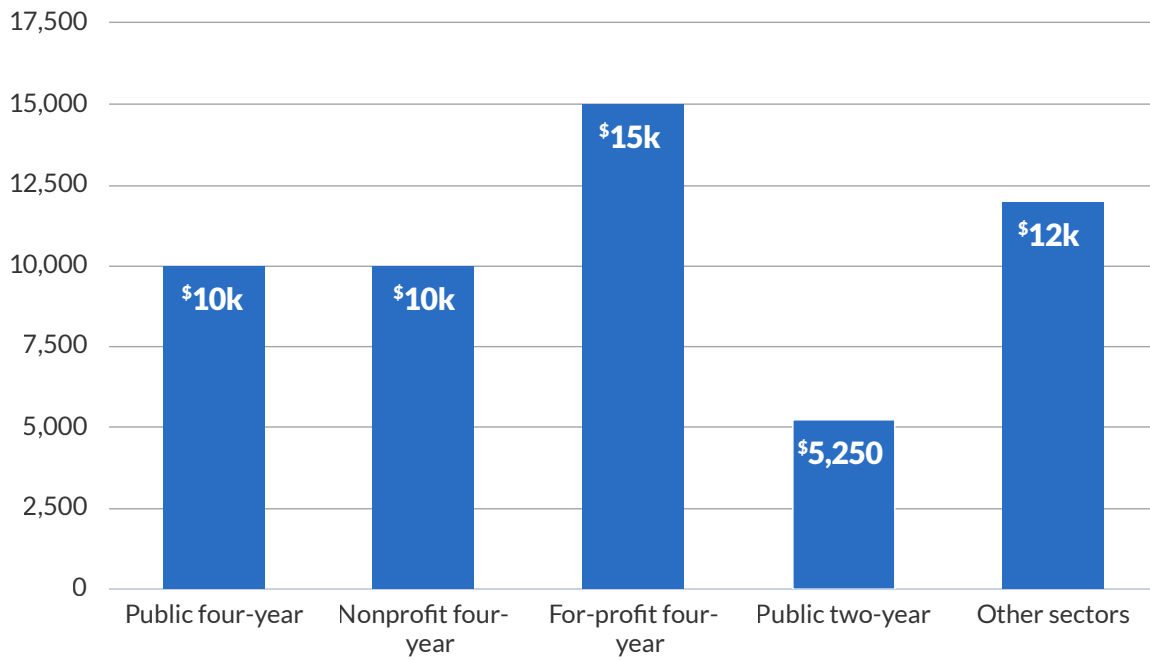
Median Loan Amount Borrowed by Undergraduate Veterans

Among the four most popular higher education sectors, the highest median loan amount borrowed by undergraduate veterans between 2016 and 2020 was at for-profit four-year institutions (\$15,000), while the lowest was at public two-year institutions (\$5,250), such as community colleges. Meanwhile, the median amount borrowed at public four-year and nonprofit four-year schools was the same—even though tuition at nonprofit schools is typically higher than at public institutions.

Figure 1

Among Undergraduate Veterans, Median Student Loan Borrowing Highest at For-Profit 4-Year Institutions

Amount borrowed from 2016 through 2020 varied widely by institution type



Notes: The “All other sectors” category includes private nonprofit two-year, private for-profit two-year, public less-than-two-year, private for-profit less-than-two-year, Department of Defense-funded institutions, and other private and public institutions that offer shorter training and certification programs.

If a respondent borrowed student loans while enrolled in two or more sectors, then each loan amount was included in the calculation of the median amount borrowed for each respective sector. For instance, if a veteran borrowed \$4,000 while enrolled at a public two-year college, and then borrowed \$11,000 while enrolled at a public four-year university, then the \$4,000 would be included in the calculation of the median amount for the public two-year sector and the \$11,000 would be included in the calculation of the median amount for the public four-year sector.

Source: Veterans Engaging in Transition Studies Survey of 3,180 veterans discharged in 2016, conducted by Penn State’s Clearinghouse for Military Family Readiness on behalf of The Pew Charitable Trusts

© 2023 The Pew Charitable Trusts

A possible explanation for those veterans attending for-profit four-year schools borrowing more than those attending public or nonprofit four-year institutions is that tuition and fees at for-profit schools sometimes exceed the maximum covered by the Post-9/11 GI Bill—even with the added benefits offered by the Department of Veterans Affairs through the [Yellow Ribbon Program](#).

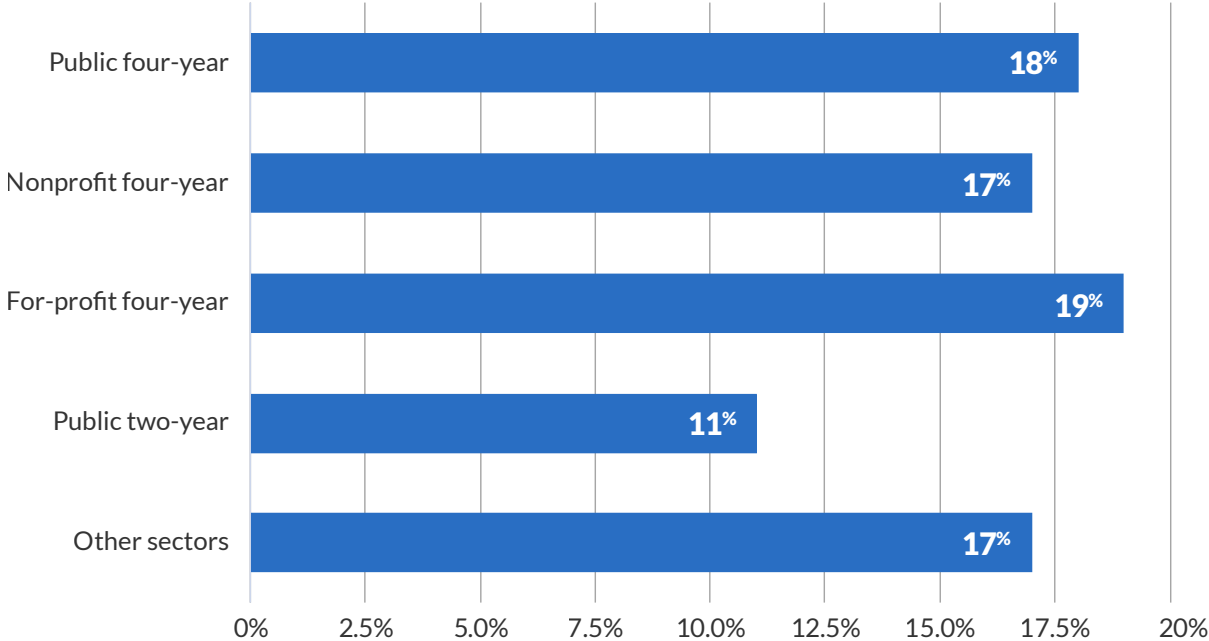
Because the time covered by the VETS Survey was four years (2016 through 2020), the borrowing estimates in this analysis do not necessarily reflect the full amount that some veterans may have borrowed to complete their degrees. According to the [National Student Clearinghouse Research Center](#), in the 2014-15 academic year, students spent an average of 3.3 academic years of full-time-equivalent enrollment to complete an associate’s degree. Furthermore, students took an average of 5.1 years of full-time-equivalent enrollment to complete a bachelor’s degree. Pew will examine the borrowing patterns among those who did and did not complete their degrees in a separate analysis.

Proportion of Veteran Student Loan Borrowers Across Sectors

Figure 2

Proportion of Student Loan Borrowers Among Undergraduate Veterans Roughly Equal Across All Three Types of 4-year Institutions

Percentage of borrowers lowest at public 2-year institutions



Notes: The “All other sectors” category includes private nonprofit two-year, private for-profit two-year, public less-than-two-year, private for-profit less-than-two-year, Department of Defense-funded institutions, and other private and public institutions that offer shorter training and certification programs.

If a respondent borrowed student loans while enrolled in two or more different sectors, then each instance of borrowing combined with an enrollment was included in the calculation of the percentage of borrowers for each respective sector. For instance, if a veteran borrowed a student loan while enrolled at a public two-year college, and then borrowed another student loan while enrolled at a public four-year university, then that student veteran would be counted among the percentage of borrowers for both the public two-year sector and the public four-year sector.

Source: Veterans Engaging in Transition Studies Survey of 3,180 veterans discharged in 2016, conducted by Penn State’s Clearinghouse for Military Family Readiness on behalf of The Pew Charitable Trusts