

ADVANCED POLICY ANALYSIS

**Understanding the Next Generation of Nonprofit Employees:
The Impact of Educational Debt**

A Study Conducted for Kim Klein and
The Building Movement Project

by

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SPRING 2005

The author conducted this study as part of the program of professional education at the Goldman School of Public Policy, University of California at Berkeley. This paper is submitted in partial fulfillment of the course requirements for the Master of Public Policy degree. The judgments and conclusions are solely those of the author, and are not necessarily endorsed by the Goldman School of Public Policy, by the University of California or by any other agency.

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I. Executive Summary

Educational debt rates have skyrocketed in the past decade, raising concern that educational debt will deter graduates from public service careers. However, the findings presented in this report tell a remarkably different story about debt and graduates who choose to enter public service in the nonprofit sector. It is a story about an extraordinarily dedicated workforce drawn to the sector by non-monetary rewards, but who are struggling to meet growing financial responsibilities with significantly lower salaries than their classmates entering the private sector or government. This generation of graduates enters the nonprofit workforce with greater financial obligations than any previous generation. The strong majority of graduates entering the nonprofit sector are burdened with educational debt, which forces graduates to stretch low salaries even further.

An analysis of data from the Baccalaureate and Beyond national longitudinal survey yielded surprising results:

- **74.5% of graduates who enter the nonprofit workforce graduated with educational debt.** This is a higher portion than those entering the private sector or government.
- **Average salaries for graduates entering the nonprofit workforce were 21.5% lower than those entering the private sector and 10.9% lower than those entering the government.** There was substantial variation in wages across industries. Those entering the nonprofit sector in the health and education industries made on average 25% more than those entering the nonprofit sector in other industries.
- **Nonprofit workers tended to pay off debt more slowly, possibility delaying other major purchases.**

These results have important implications for nonprofit leaders during this period of reduced resources. The findings suggest that younger workers are drawn to the sector for non-monetary rewards and are fairly unresponsive to changes in financial circumstances. While this is encouraging news for nonprofit employers trying to recruit graduates to enter the sector, it raises concerns about the retention of younger workers. More research is needed to assess the impact of educational debt on turnover rates among younger workers.

II. Introduction and Background

At no point in recent history have we required young people to shoulder so much of the burden of their post-secondary education through a lien on future wages. ... For many, rising loan burdens will mean abandoning their first career choice or graduate school in favor of more financial stability.

Heather Boushey
Debt Explosion Among College Graduates

Virtually every report about skyrocketing educational debt rates includes the warning that increasing educational debt is likely to deter graduates from pursuing a career in public service. However, the findings in this report tell a different story about the impact of debt on graduates' choice to pursue a public service career in the nonprofit sector. It is a story about an extraordinarily dedicated workforce drawn to the sector by non-monetary rewards, but who are struggling to meet growing financial responsibilities with significantly lower salaries than their classmates entering the private and government sectors. Using data from the Baccalaureate and Beyond national longitudinal survey, this report analyzes differences in educational debt burden among those entering the nonprofit, private and government sectors.

Contrary to prediction, debt does not appear to deter graduates from seeking and securing jobs in the nonprofit sector. Three fourths of graduates entering the nonprofit sector graduated with educational debt, a higher portion than graduates entering the government and private sector. The true impact of education debt on the nonprofit workforce has been the increased financial hardship for those drawn to service in the nonprofit sector. This is particularly true for those entering the nonprofit sector in industries other than health and education. These graduates had similar debt rates to those entering other fields, yet made 24% less than those entering the health and education industries and 34% less than those entering the private sector.

A. National Trends in Student Debt

Between 1993 and 2000 the total dollar amount of all student loans increased nationally by 73%, adjusted for inflation.¹ Over this period the percentage of students who graduated with educational debt increasing from 49.2% to 65.5%.² Average student debt also increased substantially, from \$11,955 in 1993 to \$19,337 in 2001, adjusted for inflation.³ It is important to

¹ Boushey, Heather, "The Debt Explosion Among College Graduates," *Center for Economic and Policy Research*, 2003

² Data from the 1993/1997 and 1999/2000 Baccalaureate and Beyond national survey

³ Data from the 1993/1997 and 1999/2000 Baccalaureate and Beyond national survey

note that lower interest rates have cushioned the impact of these increases; average payments have only increased 23% from 1993 to 2000, while average debt rates have increased 63%.⁴

Increases in educational debt level are a direct result of rising tuition costs and a policy shift away from grants and towards loans. College enrollment has increased substantially over the past two decades, driven primarily by the increased labor market value of a college degree.⁵ State governments have not been able to maintain funding levels in the face of increasing enrollment and diminishing public resources, resulting in less funding per student.⁶ This has resulted in a significant difference between the actual increase in the cost to educate students and tuition increases at public institutions. The General Accounting Office estimated that in the period between 1980 and 1996 the cost to educate students at public institutions increased by 20%, while tuition at public institutions increased by 91%.⁷

In addition, federal student financial aid programs have not kept pace with increasing enrollment and tuition costs. Over this same period the real value of the maximum Pell grant an individual could receive decreased by 36%.⁸ There has also been a policy shift in how financial aid resources are allocated. Over the past 20 years the percentage of student aid dedicated to grants has decreased steadily, while the percentage going towards loans has increased steadily.⁹ Reauthorization of the Higher Education Act in 1992 increased the availability of unsubsidized loans, which have no income eligibility requirements. Between 1993 and 2000, student debt increased across all income groups, but the largest increases were for students in the top income quartile. For these students educational debt may be driven more by a choice about how to structure payment than by financial hardship. However, those from the lowest quartile of family income continue to have the highest debt levels.

Together these trends have shifted some of the burden of paying for higher education from the public sector to individuals. Students and their families now have much more responsibility for the cost of higher education than they did in the past and the majority of students are using loans meet this increased obligation.

⁴ Boushey

⁵ The National Center for Public Policy and Higher Education, "Losing Ground: A National Status Report on the Affordability of American Higher Education," 2002

⁶ Kane, Thomas J. "Beyond Tax Relief: Long-Term Challenges in Financing Higher Education" *National Tax Journal*, Vol 50 no. 2, June 1997

⁷ Ibid

⁸ Ibid

⁹ Ibid

B. The Nonprofit Workforce

The nonprofit sector will survive the current crisis because it has the most dedicated workforce in America. It is a workforce that comes to work in the morning motivated primarily by the chance to do something worthwhile, savoring the change to make decisions on its own, take risks, and try new things, and puts mission above all else.

Paul Light

The Content of their Character: The State of the Nonprofit Workforce

In 2004, the nonprofit sector employed 11.7 million people, around 9% of the nation's workforce.¹⁰ The nonprofit workforce is remarkably diverse, ranging from literacy tutors to psychiatrists, and including nearly every occupation in between. Researcher Paul Light recently declared the nonprofit workforce "the healthiest workforce in America" pointing to high employee satisfaction with both the substance and structure of nonprofit work. However, Light warns that a persistent lack of resources threatens the health of the nonprofit workforce. Recent research focused on nonprofit recruitment of recent college graduates suggested that while college students are attracted to the substance and independence offered by the nonprofit sector work, they are concerned about the low pay offered by most nonprofits.¹¹

There have been a series of economic studies focused on understanding and measuring the differences in wages in the nonprofit and for-profit sectors. Recent studies have suggested that the sector level wage differential, commonly called the wage gap, is around 11%. However, this sector level wage gap is driven by the concentration of nonprofits in low paying industries. In their widely cited National Bureau of Economic Research study, "Compensation in the Nonprofit Sector," Christopher Ruhm and Carey Borkoski found that the wage differential varies considerably by industry. The wage gap is not driven primarily by the organization's status as nonprofit or for profit, but rather by the type of products or services the organization provides. In industries with many nonprofit and for profit agencies competing, like hospitals and educational institutions, there is little difference in the wages between sectors. However, when comparing wages between industries dominated by nonprofit agencies and industries dominated by private sector enterprises there is a substantial wage gap.

While many surveys show that college seniors are looking for the type of substantive and meaningful work the nonprofit sector offers, there are some indications that the sector is having trouble recruiting and retaining younger workers. In her study, "Recruiting and Retaining the

¹⁰ Independent Sector "Nonprofit Almanac: Facts and Findings."
<http://www.independentsector.org/PDFs/npemployment.pdf> downloaded May 2005

¹¹ Light, Paul. "The Content of Their Character: The State of the Nonprofit Workforce." *The Nonprofit Quarterly*, Fall 2002.

Next Generation of Nonprofit Leaders,” Shelley Cryer identifies perceptions of low pay and concern about paying back student debt as top deterrents to college graduates seeking employment in the nonprofit sector. While college seniors reported positive views about the work performed by nonprofit agencies, they associated the sector with very low pay. Cryer also found that nonprofit employers were hesitant to recruit recent college graduates because of higher turnover rates among younger nonprofit employees. The employers interviewed blamed both lack of opportunity for upward movement and low salaries for higher turnover among younger employees. Research on Master of Public Policy graduates shows that those entering the nonprofit sector were more likely to change jobs in the next five years than those entering the private sector or government.¹²

C. Current Debt Relief Policies

Publicly financed debt relief programs are a popular policy tool designed to increase interest in public service careers where there is a shortage of qualified personnel. While these programs bring much needed debt relief to some graduates, they reach only a small minority of graduates entering the nonprofit sector. In 2001 only 3% of graduates entering the nonprofit workforce reported participating in any type of loan forgiveness program.¹³ In the current political climate it is unlikely that broader debt relief policies will be funded.

There are several existing debt relief programs targeted at graduates entering public service in the nonprofit and government sectors. Most publicly financed debt relief programs are designed to increase recruitment and retention of college-educated workers in specific industries such as those that serve a targeted client population, usually low-income children. Existing loan forgiveness programs fall into four categories: (1) programs designed to improve recruitment of federal employees, (2) programs designed to increase recruitment and retention of certain classes of workers serving target populations, (3) programs designed to encourage graduates of specific universities to pursue public service careers, and (4) volunteer service based programs. See Figure 1 for a summary of major educational debt relief programs.

There are two major types of publicly financed debt relief programs benefiting nonprofit workers. The first type benefits those who serve low-income clientele in specific industries, typically industries where a post-secondary degree is required. These include loan forgiveness for teachers in low-income areas, nurses in rural areas and pilot programs for social workers and childcare providers. The other publicly financed debt relief benefiting many nonprofit workers

¹² Light, Paul. *The New Public Service*. Brookings Institution Press, Washington, DC. 1999

¹³ Data from 1999/2001 Baccalaureate and Beyond

is the education reward provided by Americorps. During Americorps service, participants' educational loans are deferred and at the completion of the two year program participants receive a educational grant that can be used to pay back student loans or for future educational expenses. Many graduates are using Americorps as a way to gain work experience in the nonprofit sector without having the burden of paying back student loans.¹⁴

III. Data and Methods

All findings in this report are based on analysis of data from the 1993/1997 and 1999/2001 Baccalaureate and Beyond national longitudinal survey. Several recent reports have utilized this data to analyze aggregate trends in educational debt.¹⁵ Baccalaureate and Beyond is a nationally representative longitudinal survey of approximately 11,000 college graduates conducted by the United States Department of Education, available to the public through the Center for Education Statistics. The survey follows two cohorts of college graduates, those who graduated in winter 1992/spring 1993 and those who graduated in winter 1999/spring 2000. It reports data from financial aid records, an initial series of interviews during the respondent's senior year and a series of follow-up interview dates, beginning in April one year after graduation and repeating every three years.¹⁶

It is important to note that the Baccalaureate and Beyond survey offers a snapshot in time, following two individual classes, and may not represent a general trend. The Class of 1993 graduated during a recession when the job market was very tight. In contrast the Class of 2000 graduated at the end of the technology driven economic boom when there was still optimism about the future of the economy. For these graduates, entering the nonprofit sector was an active choice since the job market was still strong. It is possible that the Class of 1993 is more representative of current graduates, exiting college at the tail end of a recession. However, this report focuses on findings from the Class of 2000 because they were among the first classes to be impacted by dramatic increases in educational debt.

The statistics in this report were generated using the National Center for Educational Statistics online Data Analysis System. This system allows users to generate statistics based on the relationship between two variables, typically reported as a percentage of graduates in each

¹⁴ Based on interviews with former Americorps members.

¹⁵ See Boushey, American Council on Education Issue Brief. "Debt Burden: Repaying Student Debt" *American Council on Education*, Sept. 2004, Thomas, Scott. "Deferred Costs and Economic Returns to College Major, Quality, and Performance" *Research in Higher Education*, 2000

¹⁶ Data from the April 2004 check-up for the Class of 2000 was not yet available at the time of writing.

category.¹⁷ A *t*-test was used to determine statistically significant differences in means at the 95% confidence level. This test distinguishes differences in means that indicated a true difference between two groups from differences that are not large enough to indicate a true difference.

To analyze sector level differences, the employer type variable provided by Baccalaureate and Beyond was reclassified into three groups; nonprofit, private and government, which lumped all three levels of government and included those entering military service. For the Class of 2000 these categories are based on the primary job held by graduates in April of 2001.

IV. Findings

The Baccalaureate and Beyond survey provides a great deal of information about the cohort of students entering the nonprofit sector and how they differ from their classmates who entered the private and government sectors. This section profiles graduates of the Class of 2000, with a special focus on those who were employed in the nonprofit sector in April of 2001. Overall, 15% of graduates were working in the nonprofit sector, 14.6% in the government sector and 70.4% in the private sector.

A. Differences Among the Cohorts

Graduates entering the nonprofit and government sectors differed in several statistically significant ways from their classmates entering the private sector. For a summary of these differences, see Figure 2. Graduates entering the nonprofit and government sectors were on average older, more likely to be financially independent as students, and more likely to want to attend graduate school. The most dramatic difference between the cohort entering the nonprofit sector and those entering the other two sectors was gender proportion. Seventy percent of graduates entering the nonprofit sector were women, compared to 50% entering the private sector and government.

The cohort of students entering the nonprofit workforce also had markedly different academic preparation than those entering the private sector. While each sector attracted students from the entire range of undergraduate majors, there were pronounced differences in the proportion of majors in each sector. This trend reflects the link between academic preparation and a first job. Eighteen percent of the nonprofit entry-level workforce studied health science and 20 percent were education majors. In contrast almost one third of those

¹⁷ The online data system does not report sample size because of confidentiality restrictions on educational data, but does not report statistics for groups with too low of a sample size.

entering government service were education majors and almost one third of graduates entering the private sector studied business administration. In addition, graduates entering the private sector were more likely to have taken a traditional path through higher education, entering post-secondary directly from high school and completing in four to five years. Graduates entering the nonprofit sector and government were more likely to have taken time off and to have attended more than one undergraduate institution.

B. Industry and Wage

Over 80% of the nonprofit cohort went to work in four industries: education, healthcare, professional and related services, and entertainment and recreation services. Figure 3 details the industry breakdown for graduates entering the nonprofit sector. Almost half of graduates entering the nonprofit sector went to work in the health and educational industries. These industries are characterized by larger organizations and have funding sources similar to private sector competitors, such as billing insurance or Medicaid. Many people associate the term nonprofit with smaller agencies working to address local problems. These types of agencies are more likely to reside outside of the health and education industries.

On average graduates entering the nonprofit sector made 21.5% less in wages than those entering the private sector and 10.9% less in wages than those entering the public sector. In addition, those entering the nonprofit sector were significantly less likely to make at least \$30,000 per year; only 45.9% of nonprofit workers earned at least \$30,000, while 67.5% of those entering the private sector and 58.3% of those entering government did, as outlined in Figure 4.

There was significant variation in both average wages and the wage differential across industries. Figure 5 outlines average wages in the private and nonprofit sectors, highlighting differences in the industries in which both sectors operated.¹⁸ There was no significant difference in wages between the nonprofit and private sector in the health and education industries. This finding supports Ruhm and Boroski's finding that in the health care industry nonprofit employees tended to have a positive wage differential, they were actually paid more than their private sector counterparts. However, for graduates entering the nonprofit sector in industries other than health and education there was a substantial wage differential. On average these graduates earned 26% less than those entering the health and education industries and 30% less than those entering the private sector in industries other than health and education.

¹⁸ Baccalaureate and Beyond codes all government workers as "Public Administration/Public Safety" preventing a industry level wage comparisons between the government and other two sectors.

C. Debt

Graduates entering the nonprofit sector were more likely to have borrowed to finance their education than graduates entering the private sector and government. A surprising 74% of graduates entering the nonprofit sector graduated college with educational debt, compared with 64% of those entering the private sector and 67% of those entering government. Average debt for Class of 2000 graduates entering the nonprofit sector was \$19,557, up a shocking 64% from average debt in 1993, adjusted for inflation. Figure 6 compares average debt rates and increases between 1993 and 2000 across all three sectors. Trends across the sectors were similar, but increases were more dramatic for those entering the nonprofit sector and government.

These findings challenge the argument that increasing debt rates deter graduates from entering public service careers in the nonprofit sector. In fact, graduates with higher levels of debt were more likely to enter the nonprofit sector than those who graduated with no educational debt. As illustrated by Figure 7, there is a slight upward trend in the portion of graduates entering the nonprofit sector as student debt levels increased. Within the nonprofit sector, debt levels were fairly consistent across industries and did not correspond to differences in wages across industries.

Debt Burden

A useful way to understand how educational debt impacts graduates' standard of living is to examine the portion of monthly income paid to student loans, also called debt burden. Most analysts agree that 8% is a reasonable debt burden, based primarily on standards in the home mortgage market.¹⁹ As might be expected, debt burden is highest the first year after graduation. Average debt burden for the Class of 2000 one year after graduation was around 9.4% in all three sectors.

In industries where both sectors operated, graduates entering the private sector tended to pay a higher portion of monthly income to student loan payments, as illustrated by Figure 8. Perhaps the most interesting example of this is the health industry where graduates entering both sectors had similar average debt levels and similar average entry-level salaries. However, graduates working in the private sector were paying a much higher portion of monthly income to loan payments, paying almost double what those in the nonprofit health industry were paying. This means that graduates entering the nonprofit health industries were more likely to

¹⁹ Baum, Sandy and Marie O'Malley. "College on Credit: How Borrowers Perceive Their Educational Debt." NASFAA Journal of Student Financial Aid, Vol. 33, No.3, 2003.

extend the repayment period of their loans and pay them off less quickly.²⁰ It is hard to know what drives this trend, but part of it is likely driven by the fact that those entering the nonprofit sector are slightly older and more likely to have dependents, increasing current financial obligations.

V. Understanding the findings: Why are debt rates higher for graduates entering the nonprofit sector?

In many ways it is not surprising that high debt rates do not appear to deter graduates from entering the nonprofit sector. This finding suggests that graduates entering the sector are not drawn by financial considerations, but rather by the chance to do meaningful work. While Baccalaureate and Beyond does not provide a lot of information about respondents' personal values, there are some indications that graduates entering the nonprofit sector found their work more substantive and meaningful. There are also several indicators that suggest that low pay and flat organizational structures lower the overall satisfaction rates for graduates entering the nonprofit sector and may contribute to higher turnover.

The survey asked a series of questions related to job satisfaction one year after graduation. Graduates working in the nonprofit sector and government reported higher levels of satisfaction on questions related to the substance of their work, such as, "do you feel your work is important?" and, "do you use your educational training at work?" Graduates entering the nonprofit sector were also more likely to say their job closely related to their undergraduate field of study. However, graduates in the private sector reported higher satisfaction on questions related to pay and promotion opportunities. Graduates working for the government reported the highest overall satisfaction rates.

Although this evidence supports existing research on what motivates people to enter the sector, it does explain why those entering the sector have higher debt rates. While there is no clear answer to this question, it is likely that two factors contribute to higher debt rates among graduates entering the nonprofit sector. First, some of the difference is likely because of a desire for graduates from low-income communities to want to give back to their community by working in for a nonprofit serving that population. Graduates who entered the nonprofit sector had statistically significantly lower parent income levels, although the difference was small.

²⁰ As student debt levels have increased loaning institutions have created a variety of payment options with the goal of keeping default rates low. Many of these options allow borrowers to decrease monthly payments and extend the life of the loan.

They were also more likely to be financially independent as students, and those who are financially independent as students have higher average debt rates.

Second, some of the difference is also likely because graduates entering the nonprofit sector and government were more likely to say they were planning to attend graduate school. Almost three fourths of graduates entering the nonprofit sector and government said they were planning to enroll in graduate school, compared with 63% of those entering the private sector. These graduates may be less concerned with entry-level salary because they do not see themselves in their first position for long. They may also be less concerned about debt rates because they are planning to incur more educational debt in the future.

VI. Conclusion and Recommendations

For many readers this report tells an unexpected story. It is a story about what economists might call “irrational actors,” people whose actions are not explained by the financial incentives they face. However, those working in the nonprofit sector will surely see their own experience reflected in these findings. Most nonprofit employees are drawn to the sector by non-monetary rewards. For some it is a passion to address a pressing social problem, for others it is a workplace culture that meets their needs. These findings indicate that non-monetary factors continue to outweigh the financial hardship experienced by many graduates entering the nonprofit sector. While this is encouraging news for nonprofit employers trying to recruit graduates to enter the sector, it raises concerns about the retention of younger workers.

As the sector once again strives to “do more with less,” nonprofit leaders should be aware of the financial hardship recent graduates are offering to make when they seek employment in the sector. This generation of graduates enters the nonprofit sector with greater financial obligations than any previous generation. The strong majority of graduates entering the nonprofit sector are burdened with educational debt, forcing graduates to stretch low salaries even further. These graduates may be more sensitive to cuts in benefits and salary freezes. The mismatch between the financial obligations of indebted graduates and low entry-level salaries in the nonprofit sector may cause increased turnover rates among graduates entering the nonprofit sector. More research is needed to understand if educational debt contributes to higher turnover in the nonprofit sector.

Recommendation: Research Turnover in the Nonprofit Sector

It is important to know if increased educational debt has contributed to higher turnover rates. While many sector leaders point to turnover as a key challenge facing their organization,

there has been almost no research about turnover in the sector. There is a perception that the mismatch between the financial obligations of indebted graduates and low entry-level salaries in the nonprofit sector may contribute to higher turnover rates among younger nonprofit workers.²¹ Unfortunately, the 2000/2001 Baccalaureate and Beyond dataset does not provide enough information to clearly identify turnover rates among college graduates.²² This would most effectively be done with a longitudinal study following workers in similar industries in the nonprofit and private sectors over a period of time. However, it is also possible that a less comprehensive study could utilize Baccalaureate and Beyond in the future to track the career changes of graduates from the Class of 1993 and Class of 2000. While a study using Baccalaureate and Beyond data could not provide as much information about what led graduates to change jobs and may not provide enough data to do a detailed analysis of differences among industries, it could provide initial estimates of turnover among recent graduates in each sector.

²¹ Cryer, 21-23

²² Data on the Class of 1993, who graduated before the large increase in educational loans that occurred in the late 1990's, indicates that turnover rates were similar for graduates entering the nonprofit and private sectors.

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Figures

Figure 1

Publicly Funded Debt Relief Programs

Program	Eligibility	Purpose	Award Type
Federal Student Loan Repayment	Any federal employee, except those exempt from civil service because they have confidential policy related jobs	Recruitment or retention incentive for candidates or current employees	Loan payment, not forgiveness
Teacher Loan Forgiveness Program FFEL and Direct Loan Programs	Teachers at schools designated “low-income” and teachers in math, science and special education. Must teach for five consecutive years to receive full benefit.	To address teacher shortages in low-income schools and certain subjects by creating an additional incentive to serve.	Forgiveness of up to \$5000 of FFEL and Direct Loans for teachers in low income and up to \$17,500 for math, science and special education teachers.
Federal Perkins Loan Teacher Cancellation	Teachers at schools designated “low-income” and teachers in math, science, foreign language, bilingual or any other subject with shortage in recipient’s state. Special education teachers including those serving infants and toddlers.	To address teacher shortages in low-income schools and certain subjects by creating an additional incentive to serve.	Up to 100% of outstanding balance of Federal Perkins Loan
Childcare Provider Loan Forgiveness Demonstration Program	Childcare providers at eligible facilities that provide services to low-income families.	To bring more highly trained individuals to early childcare profession.	Up to 100% of outstanding balance of FFEL and Direct Loans.
National Health Services Corps – Loan Repayment Program	Medical professionals who agree to provide health care services for a minimum of two to four years in areas of the country with the greatest shortage of medical professionals.	To bring more medical professionals to underserved areas.	Loan repayment
Nurses Reinvestment Act	For nurses who agree to serve in critical need areas.	To bring more nurses to areas with shortages.	Loan repayment

Figure 2

Summary of differences between cohorts entering each sector

Who enters the nonprofit sector?				
Class of 2000: Personal Attributes				
	Overall	Nonprofit	Private	Government
% Female	<i>57.4%</i>	70%	50.6%	50.4%
Average Age	<i>25.15</i>	26.15	24.9	27.21
% White	<i>79.1%</i>	80.1%	81.9%	72.2%
% Asian	<i>6.4%</i>	5.0%	6.7%	5.6%
% Black	<i>8.8%</i>	10.8%	7%	15%
%Hispanic	<i>8.9%</i>	6.4%	7.5%	7.8%
% Any Community Service	<i>43%</i>	53.3%	38%	49%
%Gap in attendance	<i>28.3%</i>	32.3%	27.7%	39%
% Plan to attend graduate school	<i>70.3%</i>	72.1%	65.1%	77.1%
Average GPA	<i>3.16</i>	3.18	3.11	3.14
%Dependent as Student	<i>56.6%</i>	52.5%	60%	48.3%

Figure 3

Nonprofit Industries

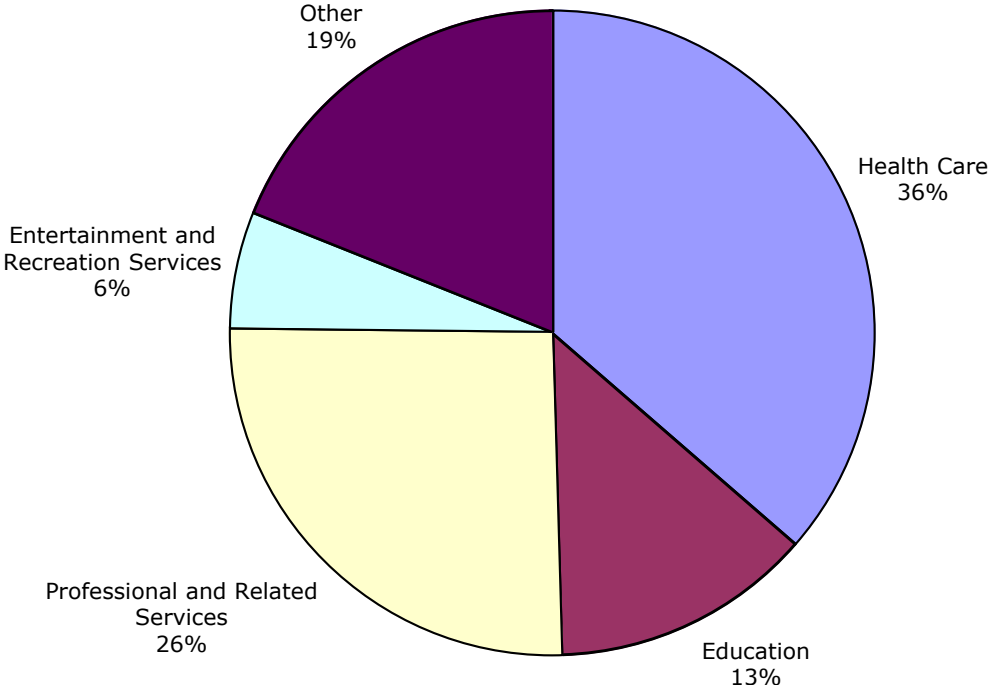


Figure 4

Percent of Graduates Earning at Least \$30,000 Per Year

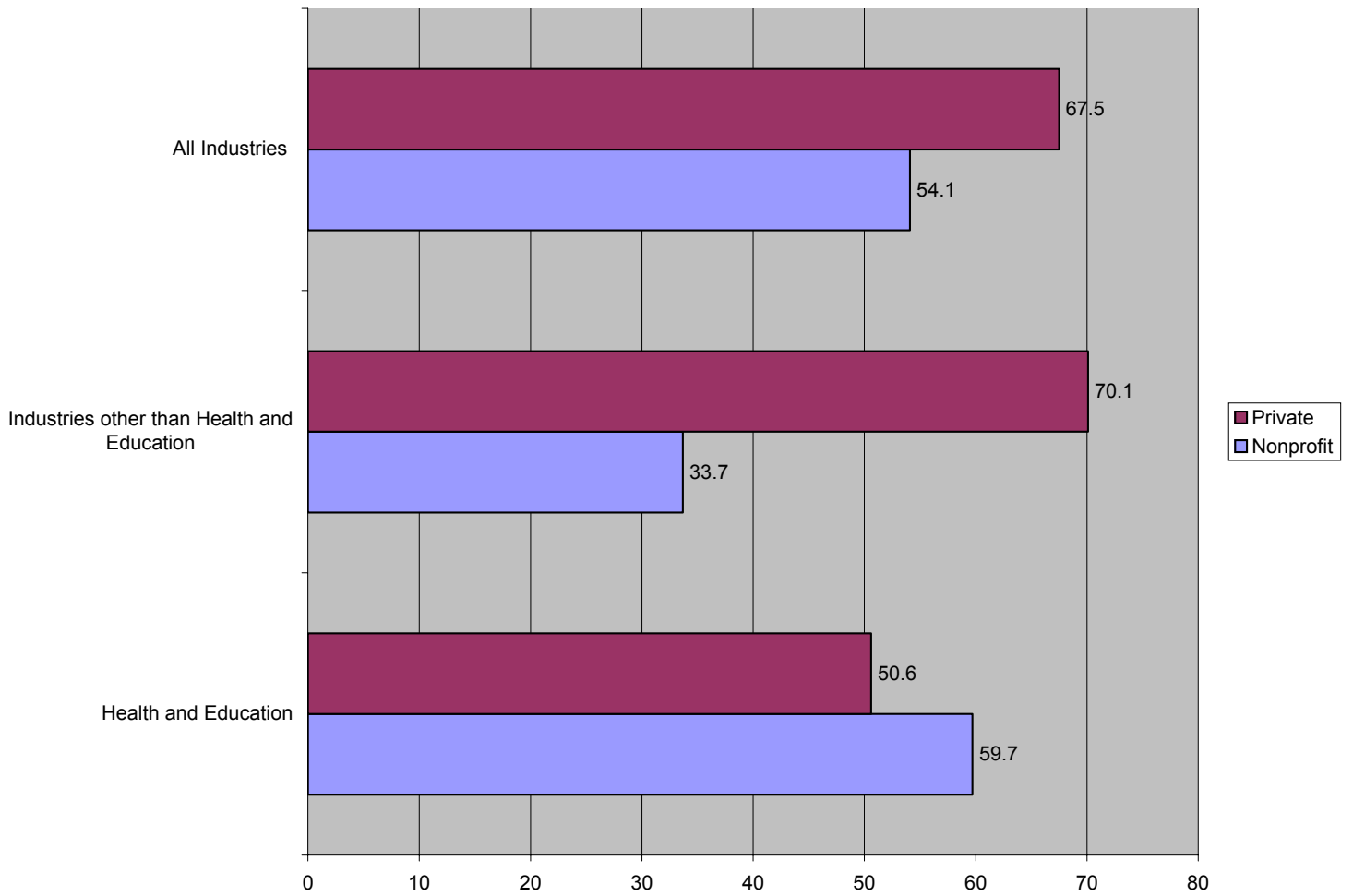
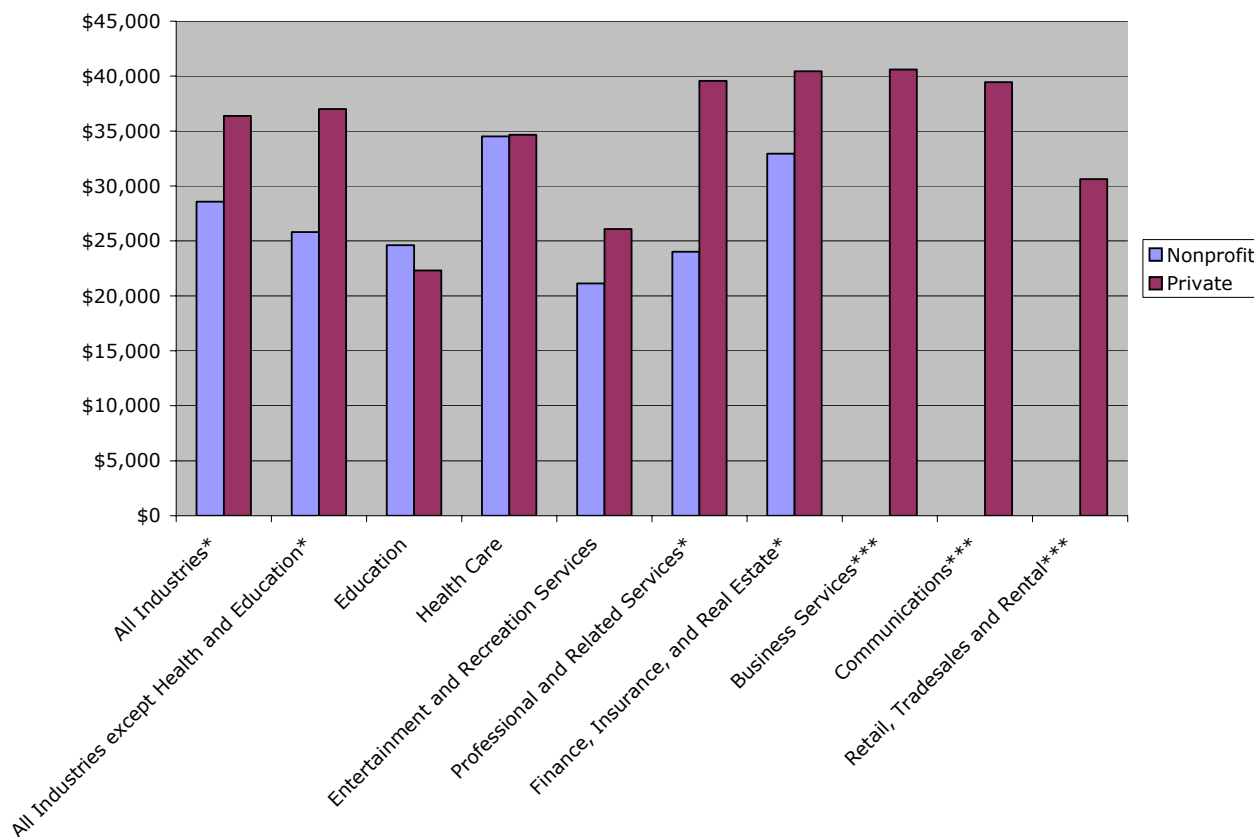


Figure 5

Average Annual Salary April 2001



	Nonprofit	Private
All Industries*	\$28,567	\$36,374
All Industries except Health and Education*	\$25,825	\$37,008
Education	\$24,613	\$22,322
Health Care	\$34,520	\$34,669
Entertainment and Recreation Services	\$21,138	\$26,074
Professional and Related Services*	\$24,014	\$39,580
Finance, Insurance, and Real Estate*	\$32,937	\$40,447
Business Services***		\$40,599
Communications***		\$39,441
Retail, Tradesales and Rental***		\$30,625

* Indicates statistically significant difference in average salaries

*** Indicates industries with low numbers of nonprofit employees

Figure 6

Educational Debt Burden By Sector			
Class of 2000			
	Nonprofit	Private	Government
% who borrowed	74%	63%	67%
% change from 1993	+18%	+8%	+20%
Average Debt	\$19,577	\$19,318	\$17,460
% change from 1993, adjusted for inflation	+64%	+55%	+62%

Figure 7

Percentage of Graduates Entering Each Sector By Debt Level

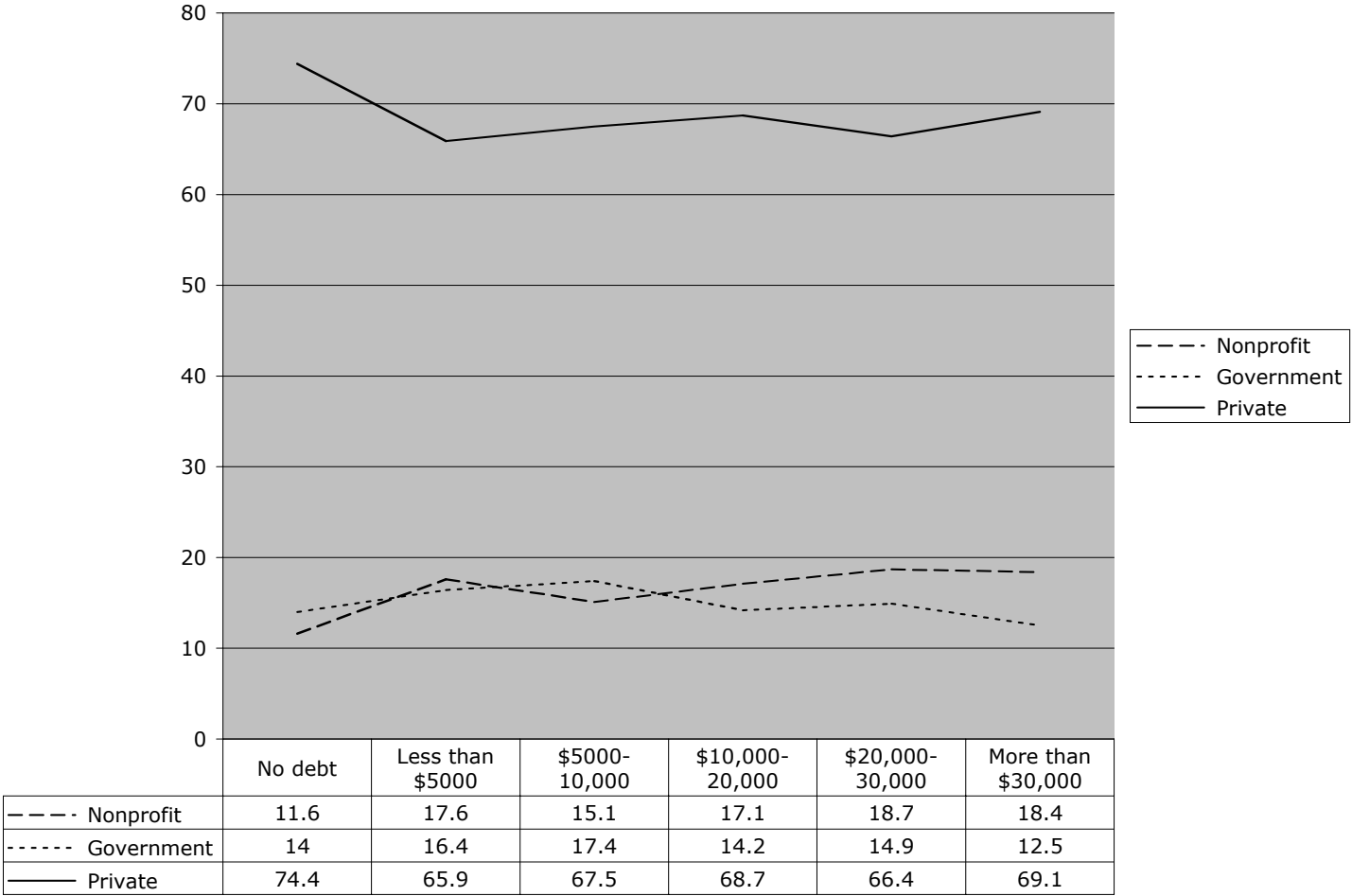
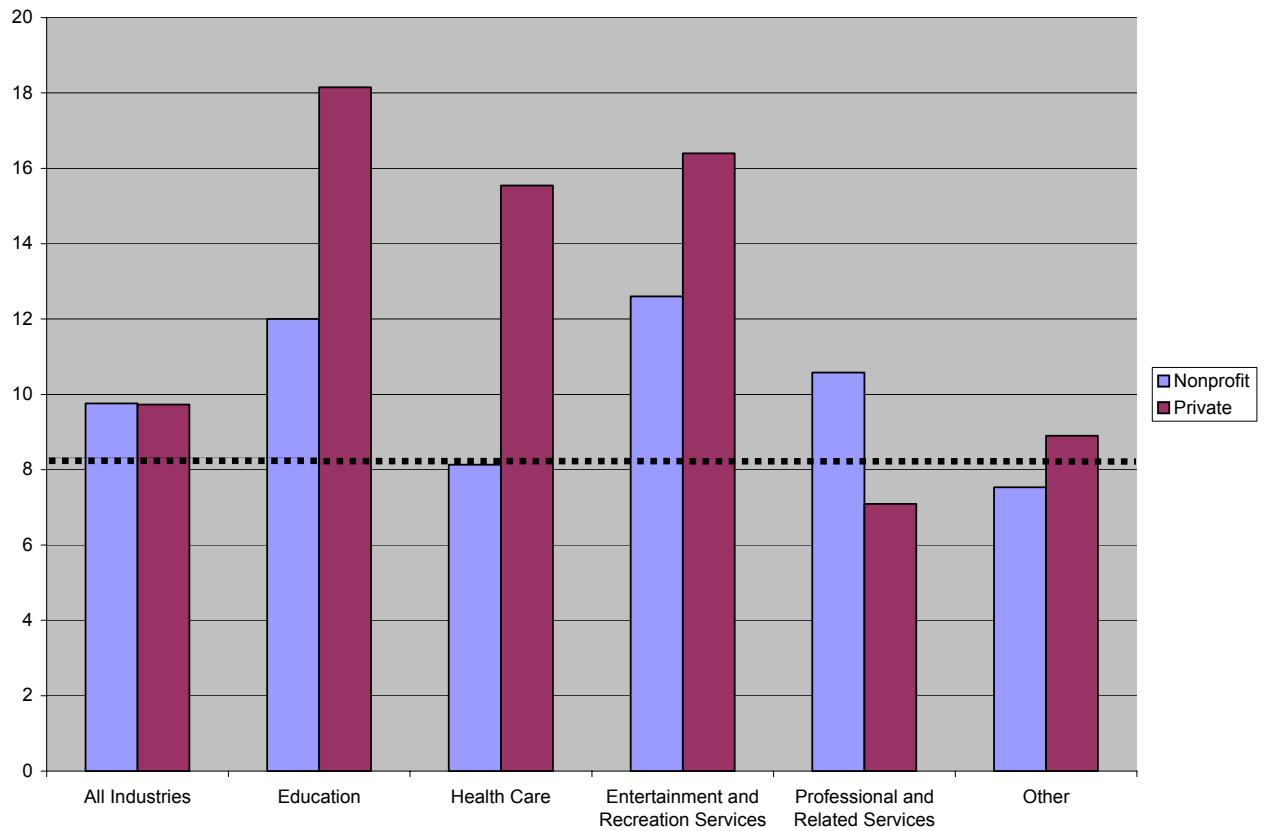


Chart 8

Debt Burden: Loan Payment as Percent of Monthly Income



Dotted line indicates the 8% debt burden, a commonly accepted standard for manageable debt burden.