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Piling Up:
Students face financial barriers, take out loans at Northwestern

It wasn't until Kiki Higuchi logged onto the Federal Student Aid website that she realized how much debt she was going to have when she graduates with a journalism degree from Northwestern University next year.

The Pell Grant recipient from Fremont, Calif. had considered Boston University, the University of California and several community colleges but said that the aid offered by Northwestern University was generous.

During her first year in school, more than \$68,000 was covered. But, more than two years later, small loans to pay for housing, living expenses and the remaining tuition have added up.

Now Higuchi, who plans to work in sports broadcasting after graduation, is shouldering nearly \$20,000 in student loan debt.

Northwestern's no-loan policy, which promises to cover all "demonstrated financial need" of students with grants, aims to allow students to graduate debt free. But students like Higuchi say the policy is inadequate, unable to cover enough of fundamental expenses from tuition to housing to everyday costs.

"I mean \$20,000 in debt for anyone is [...] insane," Higuchi said.

Higuchi is not alone in facing growing student loan debt at Northwestern. The average student debt for a graduate from the class of 2020 was significantly higher at Northwestern than at comparable schools, including the University of Chicago, Cornell and Yale, according to an investigation of data from the Department of Education's Integrated Postsecondary Education Data System (IPEDS) and Common Data Set.

The average student debt in 2020 for graduating students from Northwestern was \$35,219, compared to \$26,560 at the University of Chicago, \$30,254 at Cornell and \$14,884 at Yale. Northwestern had the highest average student debt of any of the top 20 schools, according to Statista, a German company that compiles market and consumer data.

Higuchi's mother and father make a combined income of around \$70,000 each year, making Northwestern's sticker price of more than \$81,000 annually for undergraduate education daunting. With the aid she was offered, however, Northwestern became one of her least expensive options.

With each year, Higuchi was offered federal loans as part of her financial aid package, which were only a couple thousand dollars each. Higuchi's family needed the help, so she accepted them. But now, as a junior at Medill, Higuchi said she has come face-to-face with the startling reality of her student debt adding up over the years.

Sydney Matrisciano, a senior in the Weinberg College of Arts and Sciences, is a Pell Grant recipient who attends Northwestern through the QuestBridge program, a nonprofit that connects low-income students with universities that waive attendance costs. Matrisciano's financial aid covers full tuition and university housing, and when she moved off campus, the aid provided a quarterly stipend.

Matrisciano was raised by her single mother in Winona, Mississippi, population 4,227, a city 90 miles from Jackson.

The first in her family to consider college, Matrisciano said she largely considered community colleges and schools that offered hefty scholarships while in high school.

"My mom is a teacher in Mississippi and she's always told me, 'If you can't pay for it, you can't go' because she couldn't help me at all," said Matrisciano, who is studying Slavic languages, literature and culture.

Matrisciano managed to listen to her mother. She is totally debt free but said that's because she has worked several jobs during her time in college and had the benefit of the QuestBridge program.

Matrisciano said she feels grateful that she was awarded so much help but she's watched her friends struggle.

Matrisciano said that she feels a sense of freedom with her lack of student debt—enough freedom, in fact, that she feels ready to take on a lot of loans for law school. The senior is heading to Pritzker Law School at Northwestern next year without the financial aid package.

Matrisciano and Higuchi said that often the students who identify as middle-class, rather than low-income, end up receiving insufficient aid from Northwestern.

Phil Asbury, the director of Northwestern's Office of Undergraduate Financial Aid, said that many students feel underfunded because what they view as their financial need is higher than the demonstrated financial need calculated by the Free Application for Student Financial Aid (FAFSA) and the College Scholarship Service (CSS) Profile.

Asbury also said that student loans are a choice made by families themselves and not reflective of the financial aid packages.

“In general terms, we meet the full financial need of students without using loans,” Asbury said in an email. “So all persons who borrow are choosing to finance what would normally be their expected contribution toward their costs.”

Asbury said that students can feel that their expected family contribution (EFC) calculated on the FAFSA and CSS Profile, which require information from complex tax forms, is higher than what the family can afford.

Maia Miller and Agustin Bayer, sophomores at Northwestern University, founded the Personal Finance Student Association to deal with some of the complexities of the financial aid process, among other issues of student finances.

The students said that student loans can have a profound impact on career choices following graduation, forcing students to focus on income rather than other factors.

“People often underestimate how important it is to make healthy financial decisions at our age,” Miller said.

Lindsay Page, an associate professor at the University of Pittsburgh School of Education Research Scientist, Learning Research & Development Center, said that a school’s net price can be one of the biggest indicators of student debt.

When using the median family income of students at Northwestern of \$171,200, a home price of \$650,000 and savings of \$30,000, the estimated cost calculator predicts a cost of attendance of \$50,600. Using the same information, the cost of attendance at Cornell is \$47,122, at University of Chicago is \$26,120 and at Yale is \$41,800, making Northwestern by far the most expensive.

Page also said that the income brackets of student populations at schools can affect the average student debt, though Northwestern’s population is similar to comparable schools.

At Northwestern, 20% of the student body qualifies for Pell Grants, making up a slightly higher percentage of students than proportions at University of Chicago, Cornell, Harvard and Yale. However, 66% of the student body at Northwestern also falls within the top 20% of earners in the U.S., with the median income reaching \$171,200, which is very similar to the proportions at University of Chicago, Cornell, Harvard and Yale, according to data from The Upshot.

Mark Kantrowitz, an author and expert in college financial aid, said that the difference in student debt between Northwestern and other universities is significant, yet difficult to understand. While the sticker prices of top-tier private schools are similar, the costs of attendance vary given the financial aid packages offered by a school.

One of the caveats that Kantrowitz sees with this data is that it is self-reported. While reporting to IPEDS, which is run by the Department of Education, is mandatory for colleges and universities, the definitions of

student debt vary. Debate over whether to include federal or private loans within the total student debt can create an inconsistency in the average debt across schools.

For Higuchi, whose debt is all from federal loans, the complexities don't matter. All she knows is that she has significant student loans to pay off as soon as she can. Higuchi plans to pay off as much as she can during her summer internship heading into her senior year.

“If I can cut into it, that will make me feel so much better than interest accruing on \$20,000 of debt,” Higuchi said. “That would be way worse than if I can cut it in half.”

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[The Integrated Postsecondary Education Data System](#)

[Common Data Set](#)

[College Scorecard](#)

[Average student debt of students at top US universities 2021 | Statista](#)

[Northwestern - MyinTuition](#)