



## Why For-Profit Colleges are Risky – Yet Also Supportive – for Single Mothers Seeking Post-High School Education

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For-profit colleges and other kinds of postsecondary schools are run to make money for private owners or publicly traded companies. Enrolling in these ventures is an increasingly popular option for low-income and nontraditional students who mostly used to attend public community colleges. Nontraditional students tend to be older people on their own financially, who often have family responsibilities and full-time jobs. Single mother students fall into this category, and they face the challenge of meeting academic obligations while at the same time caring and providing for their children. For these students, for-profit schools appear to offer a relatively quick and easy way to obtain a postsecondary degree or certificate that could lead to better jobs and improved financial security. However, the convenience offered by for-profit schools comes with a steep price tag – and many students face high risks of defaulting on student loans they take out to pay the costs. My research probes the balance of risks and benefits for single mothers at for-profit colleges.

### Options for Single Mothers and Other Nontraditional Students

Single-mother families have become more numerous over the past four decades, and they are more likely to be poor than dual-earner families. Today, one out of five American families is headed by a single mother. Postsecondary education holds promise for these women, because it can deliver credentials needed to get better jobs, offering a pathway out of poverty. However, low-income single mother students experience high risks. Because many must hold full-time jobs while in school and may not have high school diplomas or proceed to college right after high school, they often drop out before earning degrees or certificates. To persist, such students need flexible postsecondary education.

Most low-income women attend postsecondary school programs that require two years or less to complete, and many enrollees aim to attain a certificate or associate's degree. Both for-profit schools and public community colleges serve nontraditional and low-income students, but for-profit schools are, on average, more than five times more expensive. My research has examined student experiences using nationwide survey data collected from beginning enrollees and interviews with current students. Overall, I found that students at for-profit schools were much more likely to default on student loans than students attending public community colleges, and low-income single mothers were even *more* likely to default on student loans than their classmates at for-profit colleges. By contrast, single mothers attending public institutions have rates of default similar to their classmates. In sum, attendance at for-profit schools creates a greater risk of loan default for low-income single mothers compared to others studying in such environments.

Given this harsh reality, why do nontraditional students, particularly single mothers, choose to attend for-profit colleges? To find out, I interviewed 16 female students in a small New England city that has one community college and one for-profit school. Ten of these students, mostly single mothers, attended the

community college and six attended the for-profit school.

## **Intensive Assistance Masks Extra Risks for Vulnerable Students**

The for-profit students, I discovered, experienced easier courses and received intensive assistance starting with admission and the financial aid application process. Students attending the community college, on the other hand, had to be more proactive and self-directed. Some of those I interviewed had taken classes at both the for-profit school and the community college, and all students said the requirements and coursework at the community college were more rigorous. To make progress at school, some students used nonprofit and government programs such as adult education centers and childcare vouchers to supplement support from family and friends. But the students who had the least access to such extra help found the for-profit school more attractive, because it offered intensive assistance, flexibility, and comparatively easy coursework.

Many low-income and non-traditional college students lack any clear understanding of the true costs of school attendance and the logistics of taking on student loan debt. For-profit colleges take advantage of this lack of comprehension by offering hands-on assistance that, ironically, prevents prospective students from having to develop an understanding of the financial aid process and the full cost of tuition. All of the for-profit school students I studied were provided with staff help as they filled out financial aid application forms. In some cases, they did not even have to read through the applications on their own, as when staff members directed them how to fill out forms or even filled out the form for them. In contrast, applicants to the community college students had to do more on their own – and this meant that they had to figure out the process themselves and learn more about the consequences of taking on loan debt.

Overall, in short, my interviews revealed that for-profit students paid a premium to complete programs that were comparatively less rigorous than public alternatives. In terms of academic standards and foundational learning, for-profit school students were receiving less value for their dollars from institutions that are accredited in a less stringent way than public colleges.

## **What Should be Done?**

To make sure that often-vulnerable for-profit students avoid unnecessary risks and receive sound educational value for their tuition dollars, several steps make sense. Accreditors and governments should revisit and tighten the accreditation process for for-profit schools; and they should make the financial aid process more transparent for everyone. All schools should be required to advertise comparative cost information.

Equally important, community colleges should develop new supports for nontraditional students, including single mothers. For-profit schools are financially risky and often fail to deliver solid results. But they do offer convenient services and flexible class times. Community colleges can learn from this model – and train their staffs to better identify and assist student applicants, including single mothers, who need extra help to enroll and stay in school.

**Read more in Carolyn Arcand, “Weighing the Benefits and Risks Associated with For-Profit School Attendance for Low-Income Single Mother Students,” Doctoral dissertation, University of Massachusetts Boston, 2014.**