



2020 Nonprofit Student Debt Survey

Nonprofit workers face a profound impact from COVID-19

November 2020

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Student loans are a significant burden with wide impact, and the COVID-19 pandemic has had a major financial impact on public service and nonprofit workers with student debt.



More than half (58%) of those with student loans have more than \$50,000 in debt.

Student loans cause stress



Student loan debt is a source of stress and emotional challenge for many. Student loans cause at least some stress for more than six in 10 (61%) of those with student loans.

- Three in four (75%) associate negative feelings with their loans, including 41% who feel frustrated, 34% who feel hopeless, 26% who feel angry, and 22% who feel ashamed.
- Just one in five (20%) describe themselves as comfortable with their student loans.

More than seven in 10 (71%) of respondents familiar with the Public Service Loan Forgiveness Program (PSLF) have attempted to enroll to have their student loans forgiven. However, staying compliant in the program in a post COVID-19 world will be difficult.



More than two thirds (69%) of those with student loans have seen a reduction in household income as a result of COVID-19.



COVID-19 has forced nearly one in four of those with student loans to change their employment situation.

Of those with student loans, 23% have had a significant change in their work situation, including 8% who have become unemployed, 7% who have switched jobs, 6% who have been furloughed, 4% who are working multiple jobs, and 4% who have gone from full- to part-time.



Nearly one in six (15%) have been forced to arrange for a deferment or forbearance, and 11% have been at least 60 days late on a payment.



The student debt forbearance from the CARES Act benefitted four in five (80%) respondents.

- Of those who benefited from the CARES Act, 84% say it would have been somewhat difficult to impossible for them to have made their student loan payments during the COVID-19 crisis without the CARES Act.
- This is particularly true among healthcare workers, 68% of whom say it would have been very difficult or impossible to do without the CARES Act compared to 53% of the total sample.



When the CARES Act expires, a large majority of those with student loans expect the ongoing COVID-19 crisis to once again make their student loan payments difficult.

- Four in five (80%) of those who benefitted from the CARES Act will once again have somewhat or a great deal of difficulty keeping up with their payments.

Respondents who did not attempt to enroll in PSLF generally lacked the information they needed to go through the process.

Two in five (43%) didn't know if they qualified for the program, and another two in five (39%) did not know where to go to get help with enrollment. Another one in six (16%) found the process too complicated, and one in eight (12%) could not find the time to complete the process.

In response to this crisis, Temple Health has joined several other large TIAA clients offering their employees a significant student debt solution. This program, from TIAA and social impact startup Savi, can help employees immediately reduce their monthly student loan payments to help them stay compliant with PSLF to ultimately achieve forgiveness.



Average projected monthly savings

\$222/month

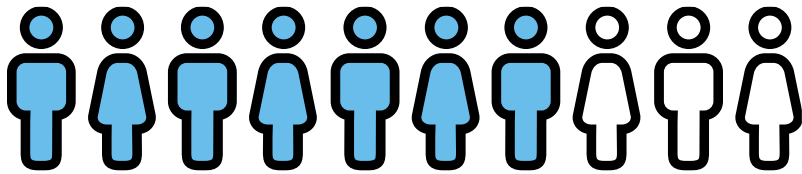
Average projected forgiveness

\$51,123

Employees at institutions offering this solution can sign up by answering a few simple questions online. From there, the Savi software determines potential immediate savings with an income-driven repayment plan and whether the person may qualify for a forgiveness program. The Savi algorithm takes into account an individual's specific circumstances, including their family and tax situation, and suggests a solution that best fits their needs. Importantly, the solution acts like a concierge, helping the individual to stay in compliance with the recurring paperwork requirements of PSLF and reduce errors. Individuals also have access to Savi's customer success team, who can answer questions and act as advocates if needed.

Relief will enable broader financial wellness

Any form of debt forgiveness or loan reductions would be used by the majority of those with student loans to put toward savings or the repayment of other debts.



If they received loan forgiveness, seven in 10 (69%) would save the money for a house, retirement, or a child's college education. Another three in five (61%) would use that money to pay off other debt.

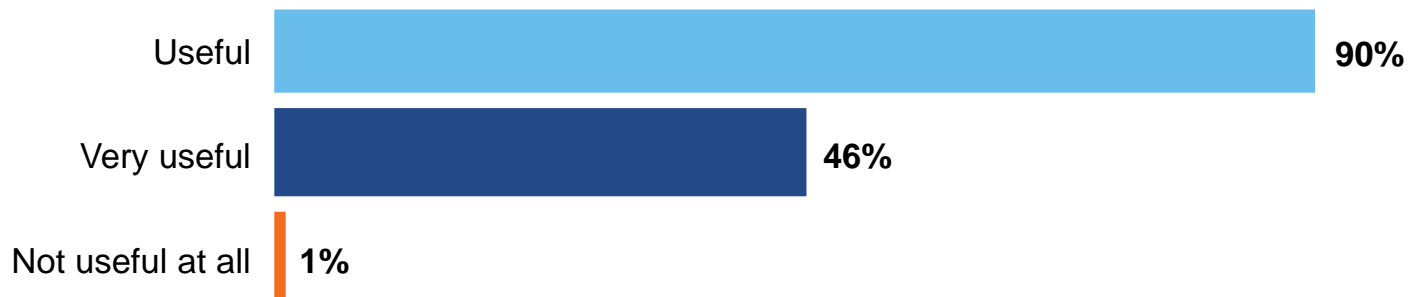
Those working in healthcare are more likely than others to use money from student loan debt forgiveness to take a vacation (37% vs 27% for the total sample).



If their loan payments were reduced by \$150 a month, 84% would save the money for an emergency, a house, retirement, or a child's college education, while 52% would use the money to pay other debt.

A solution nonprofit employees are looking for

After a brief description of the Savi solution, nine in 10 (90%) of those surveyed report the tool would be useful, including 46% who would find it very useful. Just 1% say the solution would not be useful.



The offering of this service to employees would be a positive distinguishing factor for those with student loans.



All things being equal, four in five (79%) of those with student loans would choose one employer over another because they provided access to a solution that makes it easy to navigate and enroll in PSLF and increases their likelihood of overall loan forgiveness.

For current employees, this solution would improve retention, positivity and loyalty toward their employer. If Savi were offered by their employer:



Four in five (82%) would feel more positively about their employer, and of those two in five (43%) would feel a great deal more positive;



Four in five (80%) would feel more loyalty toward their employer;



And four in five (78%) say it would impact their likelihood to continue working for their current employer for the foreseeable future.

Study Methodology:

The TIAA Nonprofit Student Debt Survey presents data from an online survey of 600 adults, ages 21-64 who hold at least a Bachelor's degree, were employed on January 1, 2020 by a not-for-profit organization or government entity, and currently have student loan debt. The survey was conducted by KRC Research on behalf of TIAA. The survey was fielded from September 22 to September 30, 2020.



About TIAA

With an award-winning¹ track record for consistent investment performance, TIAA (TIAA.org) is the leading provider of financial services in the academic, research, medical, cultural and government fields. TIAA has \$1.2 trillion in assets under management (as of 9/30/2020²) and offers a wide range of financial solutions, including investing, banking, advice and education, and retirement services.



About Savi

Savi is a social impact technology startup in Washington, D.C. working to solve the student debt crisis affecting 46 million borrowers by helping them discover new repayment and loan forgiveness options. Founded by long-time student loan experts and advocates, Savi is a public benefit corporation that has identified more than \$200 million in projected forgiveness for student loan borrowers. Savi works with employers, membership organizations, and financial institutions to provide our service as a unique student loan benefit.



About Temple Health

Temple Health is a major Philadelphia-based academic health system that is driving medical advances through clinical innovation, pioneering research and world-class education. The health system's 1,000 physicians and scientists share a common mission of bringing tomorrow's treatments to the bedside today, helping them achieve outcomes once thought impossible.

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