

# Education secretary, college leaders want colleges to stop holding transcripts over unpaid balances

By [Kirk Carapezza](#) | December 21, 2021

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U.S. Education Secretary Miguel Cardona this month said colleges withholding transcripts from students who owe them money drives inequitable outcomes, marking the first time ever the nation's top education official has called for changing the widespread practice.

“More must be done to recover from the damage caused by COVID-19,” Cardona told financial aid administrators via video Dec. 1. “To emerge from the pandemic even stronger, institutional leaders must embrace long-term change. That means evaluating long-standing institutional policies that block retention and completion for our most underserved students, such as enrollment and transcript holds for students with unpaid balances.”

Cardona's remarks in his [keynote address](#) to a federal financial aid training conference in Washington, D.C., reflect a growing consensus among college leaders that withholding transcripts for relatively small debts is unfair. GBH News covered the previously obscure practice with the Hechinger Report [earlier this year](#), which prevents mostly low-income Black and Hispanic students from graduating or landing jobs. They subsequently struggle to earn the money that would help them pay off their debts.

“A lot more people are discussing the issue of stranded credits, institutional debt and transcript holding,” said James Ward, a senior researcher with Ithka S+R, a nonprofit based in New York City.

Swift changes have swept through public colleges in Massachusetts and as far away as New York City. Thirteen of the state's community colleges have changed their policies, while the other two, Greenfield and Mount Wachusett, are reviewing theirs. Together, those schools enroll 97,000 students. More than half of public colleges in Massachusetts, including Massasoit Community College in Brockton, have [used federal relief dollars to pay off their students' balances](#).

[Quinsigamond Community College](#) in Worcester told GBH News the change has led to a dramatic spike in the number of transcript requests administrators have processed.

The City University of New York – the nation's largest urban university system, with 260,000 students – cited GBH News' reporting when it [announced](#) in August it would stop withholding transcripts from students with balances and also pay off what 50,000 students owe.

Another way withholding transcripts can hold students back: transferring institutions. Students who earn college credits but have an unpaid balance, at some schools, can't send transcripts to their next schools, leaving them unable to prove the coursework they've already done and making the credits "stranded."

Ward's team [found](#) in late 2020 that colleges are withholding paperwork from more than 6.5 million Americans who've transferred to another school or abandoned their higher education altogether. These debts total about \$15 billion. Most colleges will hold back transcripts for debts of less than \$25, according to a 2020 survey of the American Association of Collegiate Registrars and Admissions Officers.

The average debt? At community colleges, it's \$631. At four-year colleges? \$2,335. At some public colleges in Massachusetts, GBH News' investigation [found](#), the average amount students owed was less than \$800. Changes at the institutional level, Ward says, are helping students finally access their transcripts.

"I think the impact has been significant, certainly for students, and I think has moved at varying speeds across sectors and states," he said. "At some institutions, I think there's been an immediate change in policies that are

allowing students to access these transcripts. But there's still a lot of work to do."

The American Council on Education, the main Washington lobby for colleges, has come to embrace changing the practice.

"Colleges and universities are fundamentally businesses. They incur expenses that have to be paid," said Terry Hartle, a senior vice president with the [American Council on Education](#), a D.C.-based trade group of college presidents.

But for the first time last week, the 103-year-old group [recommended](#), along with two other college organizations, that colleges remove unnecessary obstacles that prevent students from accessing their transcripts. Hartle says attitudes are changing.

"A lot of students who owe money owe very modest amounts of money, and there's a growing consensus that it's undesirable to hold a transcript hostage for a de minimis amount of money," he said, adding that the importance of accessing college credentials is growing.

"More students transfer every year than before," Hartle said. "Employers didn't used to check to see if somebody had actually, in fact, earned a degree. Virtually all employers routinely do that now."

In the case of Gabriel Toro, he worked several jobs to pay his tuition and fees at the University of Massachusetts Boston. He was juggling a full courseload and making sacrifices so he could afford rent and food.

"I started eating two meals a day," Toro told GBH News in March. "I gave up a social life, which then, I think, built up to me actually sacrificing my mental health."

During the pandemic, the 24-year-old was struggling to find a full-time job when he got an email saying UMass Boston was withholding his transcript and degree for unpaid bills, including a \$200 graduation fee, even though he'd earned enough credits to graduate.

“I need my transcript to be able to work and in order to continue my education,” Toro said.

Since the story about him aired in March, several people came forward to help him pay off his debt to UMass Boston so he could obtain his academic record and degree. UMass Boston [relaxed](#) its policy for current students just weeks later.

“To finally get my transcript, it meant that I could start applying to jobs that I wanted and not necessarily that were available to me – jobs where I could actually make a living and pay off my debts,” Toro said told GBH News Dec. 6.

Toro is working as an account manager at an insurance company in Boston. He’s also applying to law school while advocating for other students who can’t access their academic records. He’s pushing for a bill on Beacon Hill that would ban the practice of withholding transcripts altogether.

Massachusetts, New York and Maine are all considering new bills that would ban public colleges from holding transcripts for small debts. California, Louisiana and Washington passed such laws in 2019 and 2020.

Many schools say they worry that, if they don’t withhold transcripts from students who owe them money, it will be a free-for-all, leaving colleges and taxpayers responsible for the bill.

Researchers and student advocates, though, say there’s no evidence to support that dire financial scenario.

Looking forward, Ithaca S+R’s Ward recommends states and colleges identify students who have stranded credits and ask how that’s impacting their life’s trajectory and the nation’s economy.

“But it’s also important to understand why these students are ending up in this situation because then we can address those underlying causes,” he said.

Many schools are still holding out because higher education, in general, is slow to change, says Sosanya Jones, a Howard University professor who teaches courses on higher education policy.

“When you’ve been doing something for 20 or 30 years, and this is all you’ve been doing, you’d think this is the only way,” she said. “Doing something else different – it requires a paradigm shift in adopting change, and maybe even a scary risk.”

But Jones says allowing students and graduates to access their transcripts won’t solve the problem of institutional debt.

“You can’t just address equity in some areas, but not other areas, especially when it’s been highlighted that holding transcripts for ransom really doesn’t produce the outcomes that institutions claim that they do produce,” she said, “and, in fact, that it’s counterproductive towards the institutional goals.”

*GBH’s Diane Adame contributed to this report.*

*Updates: A previous version of this story said that the City University of New York system had 185,000 students; that has been corrected to 260,000. This story was updated to clarify that the American Council on Education was part of a joint statement recommending colleges remove unnecessary obstacles that prevent students from accessing their transcripts.*