

# Placing a Hold on Postsecondary Student Success

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At least [46 states](#) have set postsecondary attainment goals to improve the educational opportunities and livelihoods of their citizens and to meet workforce demands in a changing labor market. Most of these states have publicized a [specific attainment goal](#), and all but four are set at 60% or higher. As of 2019, [Lumina Foundation data](#) indicated that the national attainment rate after high school is 51.9% for adults ages 25 to 64. While attainment rates for all racial and ethnic groups are increasing, [significant disparities](#) persist among Asian or Pacific Islander and white students compared with Black, Hispanic and American Indian or Alaska Native students. In addition, several states are including completion goals and equity statements or measures in their postsecondary [strategic plans](#) and are publishing related data reports.

While the data is still emerging, the widespread use of administrative holds by postsecondary institutions may be undermining state education and workforce goals since this practice may create barriers to students earning college credentials. Most administrative holds placed on student accounts prevent them from completing an action such as registering for classes, receiving a copy of their official transcript or applying for employment. Institutions use administrative holds for several reasons, including to compel students to connect with academic advisors or pay a financial obligation.



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About 6.6 million current and former students cannot access their official transcript because of outstanding balances to institutions. This is an example of an administrative hold.

Although administrative hold policies may be well-intended, there is a risk of negative impacts on students' postsecondary progress if the policies are not understood, clearly communicated and periodically evaluated. The cumulative effects of administrative holds placed on student records, particularly for student populations who are historically underserved by institutional and state policies, may set up hurdles to their postsecondary and career goals.

Policies exist at the state, postsecondary system and institutional levels that may directly or indirectly allow, limit or prohibit the use of administrative holds. By developing a broader understanding of administrative holds in their state, policymakers and postsecondary leaders may be in a better position to determine whether any reforms or guidance are necessary and to collaborate with institutions to improve policies and practices.

This Policy Brief includes an overview of administrative holds; an analysis of holds related to financial obligations by students; a summary of state interviews on the use of administrative holds; examples of relevant state policies on administrative holds; and considerations for policy and education leaders. The interviews conducted with institutional, system and state leaders offered several insights about administrative holds and are noted throughout this analysis.

## What Are Administrative Holds?

“Administrative hold” is an umbrella term for the various types of holds that postsecondary institutions can place on students' accounts. Based on a review of recent reports and state interviews (see page 6 for more), there are at least four primary reasons that prompt institutions to issue administrative holds:

- **Compliance:** Students are not compliant with institutional requirements, such as providing immunization records or participating in required orientation courses.
- **Conduct:** A student has violated the code of conduct, or an investigation into a violation is underway.
- **Financial:** Students have an overdue financial obligation to an institution, including for tuition and fees, parking tickets, library fines or housing fees.
- **Academic progress:** A student's persistence or completion is at risk and they may need to meet with an academic advisor.

Institutions may use these reasons to prevent students from registering for classes, re-enrolling or accessing a transcript, a diploma or other records. These consequences translate into various types of holds, including registration, academic credit and transcript. The inability to access an official transcript or

diploma, for example, may prevent current or former students from transferring to another institution, pursuing other postsecondary and military career opportunities, or applying for employment.

Recent reports, research studies and surveys provide some initial findings about the use and scale of various types of administrative holds, including:

- Ninety-five percent of nearly 300 institutions that responded to a [2020 survey](#) by the American Association of Collegiate Registrars and Admissions Officers (AACRAO) reported withholding undergraduate official transcripts for one or more reasons. Less than a third of the respondents indicated that they could determine or estimate the number of students impacted by a transcript hold during the 2019-20 academic year.
- Fourteen institutions in a 2021 AACRAO [exploratory study](#) prevented course registration and/or withheld transcripts using administrative holds. A related [national survey](#) of over 315 institutions found that 99% use registration holds and 95% use transcript holds.
- About 6.6 million current and former students cannot access their official transcript because of outstanding balances owed to institutions, according to a 2020 Ithaka S+R [report](#).
- An [EAB report](#) found that most institutions have between 40 and 80 different types of administrative holds. The holds are typically spread across several departments, which can hinder an institution's ability to collect, analyze and report relevant data.

While administrative holds are used extensively, the recent AACRAO exploratory study found that institutions resolved 92% of debt-related holds and 85% of non-debt holds. Of the unresolved-debt holds that prevented registration or access to transcripts, 42% were for less than \$1,000. Based on the data sample, there appears to be a decreased likelihood that students will resolve any holds as the percentage of Pell grant recipients increases at an institution, which is an indication of financial need. However, the data may not indicate the impact of resolved administrative holds on student transfers, stop-out or drop-out rates, and completion.

Administrative holds policies are typically found in the student code of conduct handbook, course catalogs and institutional policy documents, as well as through webpages for registrar's offices, financial aid offices and student portals. Since these resources may be lengthy and somewhat inaccessible, students may only come across holds policies if they are seeking out the information. AACRAO's 2021 [national survey](#) indicated that institutions may use

various approaches, including emails and phone calls, to notify students when a hold is placed on their account. These communication strategies, however, may not reach students in a timely manner before they try to register or obtain a transcript or offer clear explanations and solutions for resolving the situation.

## Administrative Holds for Financial Obligations

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Postsecondary institutions often have incentives and, in some cases, responsibilities to recoup outstanding debts, which may not always align with their commitment to student success. Compared with other reasons that institutions issue holds, financial obligations may present more challenges for students, especially those from low-income backgrounds and populations who are already underserved. Further, recent legislative and other policy actions indicate that state policymakers may be more likely to address holds placed for students' outstanding balances and debt. For these reasons, this section provides additional information about administrative holds related to students' financial obligations.

Recent reports and surveys that examined administrative holds related to students' outstanding financial obligations underscore the common use of these policies and practices.

- Ninety-six percent of the institutions that reported withholding undergraduate transcripts in the 2020 [AACRAO survey](#) do so for an outstanding balance and 64% withhold transcripts for a sum of \$25 or less.
- The 14 institutions in the 2021 [exploratory study](#) impose holds related to students' financial obligations or debt, which prevent registration and access to an official transcript simultaneously.
- Respondents to the 2021 national survey indicated that outstanding student debt was the most common reason for issuing an administrative hold.

The 2020 Ithaca S+R [report](#) estimates that 6.6 million current and former students cannot access their official transcript because of outstanding balances to public and private non-profit institutions. The average outstanding balance is about \$2,300 across institutions, ranging from \$630 at community colleges to \$2,890 at comprehensive four-year institutions to over \$5,700 at small, primarily private nonprofit institutions. In addition, some institutions may charge late payment or other fees that can add to the original outstanding balance.

## Debt Forgiveness and Elimination

AACRAO's [2021 national survey](#) found that 66% of responding institutions have at least one debt-elimination program and 29% have at least one debt-forgiveness program. In **Ohio**, for example, the department of higher education's [formal guidance](#) explains how institutions can offer debt forgiveness to re-enroll students who did not earn a degree, which also is intended to help meet state workforce needs. Postsecondary systems and several institutions are using federal COVID-19 relief funds to reduce or eliminate student debt in the short-term. **Connecticut**, for example, is offering [debt forgiveness](#) to more than 18,000 community college students and **New York's** [CUNY Comeback Program](#) aims to eliminate unpaid debt for at least 50,000 students.

Some institutions have offered [debt forgiveness programs](#) for several years. In **Michigan**, Wayne State University's [Warrior Way Back](#) program provides debt forgiveness for returning students with outstanding balances of \$1,500 or less to the institution. The state interviews also indicated that some institutions have access to emergency or donor funds to help resolve or prevent student debts, although the extent of support may be limited.

## Impact on Students who are Underserved

The Ithaka S+R [report](#) and a follow-up [qualitative study](#) suggest that holds for financial obligations disproportionately affect students who are traditionally underserved, including students from low-income households and students of color. Policy Matters Ohio's [research paper](#) found that debt had a greater impact on students at two-year colleges, which serve higher proportions of Black, Latinx, first-generation, part-time and older students. In addition, some of the state interviews indicated that the students most likely to be affected by financial holds are those with more financial need and who may not be in a position to overcome the obstacles that holds can present. These students may not have access to resources to help with the financial obligation or the experience to navigate institutional bureaucracies or negotiate a plan to resolve the situation.

Further, the 2020 AACRAO [survey data](#) indicates that institutions with more than 40% of students receiving federal Pell grants are more likely to have financial holds. The most recent National Center for Education Statistics [data](#) show that students who are underserved, including students of color and older learners, are more likely to be Pell recipients than the general population.

## Insights From State Interviews on Administrative Holds

To better understand how administrative holds are working in practice, Education Commission of the States conducted interviews with leaders from state postsecondary agencies, postsecondary systems and institutions. The interviews offer several insights into the use of and challenges with administrative holds.

### **Supporting Student Success**

Many institutions see administrative holds as an opportunity to support students' postsecondary progression and completion. For example, institutions may encourage or require a student to connect with an advisor to discuss options for improving their academic performance. Placing a hold also might initiate a conversation to address a student's broader financial challenges and refer them to support services.

### **Limited Data**

Overall, the interviewees noted a lack of access to comprehensive and consistent data on the number of holds, the reasons for holds and the dollar amounts owed. Some interviewees also did not have a good sense of the number and type of students for whom holds were issued, the impact on their postsecondary success or what resolutions were offered. While institutions may have a better sense of administrative holds data than system and state leaders, this information typically must be gathered from multiple departments to gain an understanding of the broader picture.

### **Lack of Clear and Consistent Communication With Students**

In general, interviewees indicated that students may not be aware of an institution's policies or requirements that can result in an administrative hold or fully understand the consequences of a hold being placed on their account. For example, students may not realize that a hold can prevent them from registering or receiving important records if they do not pay a debt, provide required information or meet with an advisor. In addition, strategies vary across and within institutions for notifying students when a hold has been issued and explaining options for resolving the situation.

### **Limited Evidence on the Effectiveness**

The effectiveness of hold policies may be connected to a postsecondary leader's understanding of the purpose (for example, debt collection, obtaining required documents, student success, etc.). In addition, some interviewees indicated that their postsecondary systems or institutions do not have clear ways to measure the effectiveness of holds for recovering debt. When considering the effectiveness of holds, some interviewees noted that holds for overdue accounts are more likely to affect students who are not in a position to resolve the situation in a timely manner, which can create additional barriers to their success.

## State Policy Landscape

While several studies and surveys have examined the prevalence and use of administrative holds, further research will be necessary to understand the implications of these policies and actions that state and postsecondary leaders can pursue to ensure that various objectives are achieved.

Through a preliminary review, Education Commission of the States identified at least seven states with policies that specifically address administrative holds.

- Most of the enacted and proposed policies focus primarily on student transcript holds.
- Administrative holds included in these policies also may relate to course registration, course credits or grades, and diplomas and certificates of credit.

The policies fall within two general categories:

- Policies that require or allow postsecondary systems to prohibit or limit student transcript holds.
- Policies that explicitly allow administrative holds.

## States Prohibiting or Limiting Transcript Holds

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In the past few years, **California**, **Louisiana** and **Washington** enacted legislation that applies primarily to prohibiting or limiting the use of transcript holds for overdue financial obligations and debt collection purposes.



In 2019, California enacted [A.B. 1313](#), establishing that public and private postsecondary institutions may not withhold a current or former student's transcript on the grounds that they owe a debt, require a debt payment as a condition for providing a transcript, or use a transcript issuance as a tool for debt collection.



Louisiana lawmakers enacted [H.B. 676](#) in 2020 allowing public postsecondary system governing boards to adopt policies that prohibit institutions from taking several actions, including: refusing to provide a transcript because a student owes a debt or until they provide a debt payment; using transcript issuance as a debt collection tool or; withholding services, including course registration and providing diplomas, from a student who is in default on a federal loan.



In 2020, Washington enacted [H.B. 2513](#) that prohibits withholding transcripts or registration privileges as a debt collection tool, except for debt related to unpaid tuition fees, room and board fees, or financial aid funds owed. Regardless of any debt owed, institutions cannot withhold a student's official transcript for job applications, transferring to another institution, applying for financial aid, or pursuing other postsecondary or career opportunities. In addition, institutions must annually report information about transcript and registration holds to the Legislature and governor.

## States Allowing Administrative Holds

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There are at least three states — **Alaska**, **Florida**, and **Tennessee** — with state policies that explicitly allow administrative holds by postsecondary institutions.



Under Alaska [state code](#), postsecondary institutions must issue an academic transcript of all credits or work completed upon written request by the student. However, institutions may withhold transcripts if the student is in default for payments on a financial obligation.



Florida [state statute](#) indicates that no individual found in default on a scholarship, student or guaranteed loan will be furnished with academic transcripts or records until the loan is repaid in full or the default status has been removed. The law also requires the state department of education to adopt rules to collect the delinquent loans.



In Tennessee, [state code](#) indicates that public universities and colleges are authorized to issue diplomas, certificates of credit or official transcripts only after students have satisfied all debts or obligations owed to the institution. This provision does not apply to debts of less than \$100 or debts or obligations for future payment, such as federal or state education or student loans.



## Policies and Guidance Influencing Administrative Holds

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While not explicitly mentioning administrative holds, some states have policies that may influence this practice by systems and institutions. In **North Carolina**, for example, a state controller's [policy](#) directs institutions to develop policies and procedures to ensure that students with outstanding past-due accounts are not allowed to enroll for the next term. **Ohio's** [state code](#) on debt collection requires postsecondary institutions to certify an amount payable by a student to the state attorney general within a specified time.

In addition, U.S. Department of Education [guidance](#) over the past two decades explicitly names withholding transcripts as a potential consequence of loan default. Further, federal policy on [Return of Title IV Funds](#) (R2T4) may require institutions to return at least a portion of financial aid dollars to the federal government when a student withdraws from a class and these costs may be passed along to students.

## States With Pending and Recently Failed Legislation

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Legislation related primarily to transcript holds was introduced in 2021 and is still pending for the 2022 session in **Massachusetts** ([S. 821](#) and [H. 1347](#)), **New York** ([S. 5924A](#) and [A. 6938A](#)) and **Ohio** ([S.B. 135](#), see page 57). Failed legislation in **Maryland**, [H.B. 419](#) (2020), would have required institutions to annually report data related to administrative holds and for the Maryland Higher Education Commission to provide this information to the Legislature. A 2020 **Minnesota** bill, [S.F. 869](#), would have prohibited postsecondary institutions from refusing to provide a transcript because a current or former student owes a debt to the school.

## Considerations for Policy and Postsecondary Leaders

The use of administrative holds may set up hurdles for students to complete postsecondary credentials, transfer to other institutions, and pursue other postsecondary and career opportunities. As a result, administrative holds may undermine state goals related to increasing completion and attainment rates, meeting workforce demands and providing high-skilled, livable-wage employment for residents. Through an increased understanding of administrative holds, state and postsecondary leaders are in a better position

to influence policies and practices that ensure institutions are financially viable while also focusing on the academic and non-academic programs that support the success of all students.

Based on a research review, state policy analysis and state interviews, Education Commission of the States identified several interrelated issues for consideration by state policy and postsecondary leaders related to administrative holds. These issues are posed as the following questions:

**Which policies directly or indirectly influence the use of administrative holds?**

Policy and postsecondary leaders may want to identify and map out the existing administrative hold policies in their state, including those related to requirements for outstanding balances and debt collection that can impact institutions and students. This information could serve as the basis for conversations, policy landscape analyses, guidance documents and policy reforms.

**What data is available, collected and reported related to administrative holds?**

State and postsecondary system leaders may consider policies that encourage or require better data collection to inform decisions and practices related to administrative holds. In addition, more comprehensive and [disaggregated data](#) might help states, postsecondary systems and institutions better understand the possible impact of holds on student success goals, including transfers, completion and attainment. Policy and postsecondary leaders within and across states could build on available and emerging data to inform their reviews of and possible reforms to administrative holds policies and practices.

**Are administrative holds achieving intended objectives?** While using administrative holds is a widespread practice by postsecondary systems and institutions, evaluating the effectiveness appears to be less common, which most likely is connected to a lack of comprehensive data. State, system and institutional leaders could develop evaluation tools to determine the extent to which policies on administrative holds are achieving the intended purposes, including for debt recovery. These regular assessments could inform decisions about continuing, reforming or eliminating the practice of holds and for identifying alternative strategies that support student success and institutional objectives.

**Are debt relief and forgiveness programs and policies an effective strategy to limit administrative holds?** State and postsecondary leaders might consider conducting an analysis of existing debt relief and forgiveness approaches permitted and used at institutions, including the effectiveness to assist students. Some of the programs and policies might directly or indirectly apply to administrative holds, which could inform options for removing barriers to students' success that holds may present.

## Additional Resources for Institutional Leaders

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Institutional leaders and staff play a pivotal role in implementing administrative holds policies and practices and are often in a position to identify reforms that would better support student success while meeting other goals. The 2021 ACCRAO [study and national survey](#) include several recommendations related to holds for institutions, which also may apply to postsecondary system leaders. These recommendations include:

- Examine the relative value of using administrative holds versus other motivators for students to take actions.
- Routinely examine the use of holds, the percentage and characteristics of students impacted, the rate of resolution and reasons why holds are not resolved.
- Appraise strategies for communicating with students about holds and their effectiveness.
- Consider establishing or expanding a debt forgiveness or relief program for nominal debts.

A recent EAB report also offers guidance on [reforming administrative processes](#) and policies that may create unintentional roadblocks to student success, including various types of holds. In addition, departments across institutions can improve their data collection, sharing and reporting related to the issuance and implications of holds. Further, institutional leaders might examine the relevant state and system policies and identify any latitude within their authority to reform administrative holds practices.

# About the Author

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As a senior policy analyst, Mary focuses on issues related to postsecondary governance and other postsecondary topics, and works on projects related to K-12 and postsecondary student health and wellness. Mary brings more than 30 years of experience with Education Commission of the States and has worked on numerous K-12 and postsecondary issues during her career. Beyond a commitment to serving our constituents and supporting educational opportunities for all students, Mary has a passion for community service and the arts. Contact Mary at [mfulton@ecs.org](mailto:mfulton@ecs.org).

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