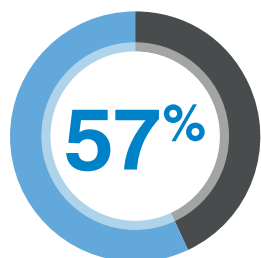


COLLEGE AFFORDABILITY

STUDENTS OFTEN OVERESTIMATE THE PRICE OF COLLEGE

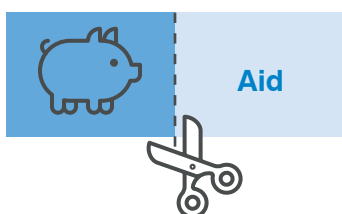


of ninth graders overestimated
public tuition and fees
by more than 25 percent.¹

Sticker Price



Actual Price



Most students don't pay the sticker price. Sticker price is the published tuition price, whereas net price is the amount a student actually pays to attend an institution after subtracting federal, state, and institutional grant aid that doesn't need to be repaid. The difference between the published price and the actual price a student pays can be significant and varies by institution type.

Know the Facts

- Grant aid and tax benefits lower the overall price of education for students and families, making the net price of college less than the published price.
- Some colleges with the highest sticker prices offer low-income students the lowest net price. How?! They offer more grant aid based on financial need.
- Education loans don't lower the price, but they do make it possible to spread payments out over time.²
- Despite lots of high-profile examples, few students borrow eye-popping amounts to pay for their undergraduate education. Much of the high-dollar borrowing comes from people earning advanced degrees.³ In 2016–17, bachelor's degree recipients from public and private nonprofit institutions who borrowed graduated with an average debt of \$28,500.⁴
- While students and families should pay attention to borrowing and repayment concerns, they shouldn't necessarily steer clear from borrowing altogether. A moderate amount of student debt for the successful student could represent a good investment that pays off over a lifetime, not a burden that seriously limits life choices.⁵



About 36 percent of students at four-year public universities finished their bachelor's degree without any debt, and 79 percent graduated with less than \$30,000 in debt."

—APLU Public Universities fact sheet

¹ *What high schoolers and their parents know about public 4-year tuition and fees in their state.* (2018). National Center for Education Statistics.

² *Trends in student aid.* (2017). CollegeBoard.

³ Baum, S. (2017). What colleges should know about students' borrowing patterns. *The Chronicle of Higher Education*. <https://www.chronicle.com/article/What-Colleges-Should-Know/239397>

⁴ *Trends in student aid.* (2018). CollegeBoard.

⁵ Baum, S. (2017). What colleges should know about students' borrowing patterns. *The Chronicle of Higher Education*. <https://www.chronicle.com/article/What-Colleges-Should-Know/239397>

Twenty questions to ask about financing college

1. What's the average total cost of attendance (tuition and fees, books and supplies, room and board, travel, and other personal expenses)? Do any of these costs vary by program?
2. What are the ranges of costs for the different housing options and meal plans?
3. By how much should I expect my costs to increase each year? (A three- to five-year history of cost increases should be available.)
4. Does financial need have an impact on admission decisions?
5. How is financial aid affected if I apply via an Early Decision or Early Action program?
6. Does the school offer scholarships or other types of aid that aren't based on financial need?
7. What forms are required to apply for financial aid?
8. What is the priority deadline to apply for financial aid?
9. When will I be notified about financial aid award decisions?
10. Will the financial aid offer take into account the full cost of attending, including books and supplies, transportation and personal expenses?
11. What percentage of need does this college attempt to meet on average?
12. Will the financial aid office provide me with an explanation of how my financial need and award package were determined?
13. What financing options are available to help us pay our share of the costs?
14. What is the average amount of student loan debt incurred by graduates?
15. If the financial aid package isn't enough, can I appeal? Under what conditions, if any, will the aid office reconsider the offer?
16. How will the aid package change from year to year? What will happen if my enrollment status or my family's financial situation changes?
17. What are the academic requirements or other conditions for the renewal of financial aid, including scholarships?
18. When can I expect to receive bills from the college? Is there an option to spread the yearly payment over equal monthly installments?
19. How much money will I need during the first week of school for books, supplies and other initial expenses? Can these expenses be charged to my account?
20. Regarding student employment, including the Federal Work-Study Program: How are jobs assigned? How many hours per week are students expected or allowed to work? How often and in what manner are they paid?