

Can Your Dream School Become a Reality?

by A. Joshua Leonard

Associate Director for Client Services
& Outreach, Johns Hopkins University

Rising college costs, financial uncertainty, and a world of misinformation and personal anecdotes can make the possibility of attending your dream school appear to be a nightmare of insurmountable costs and debt. Reality, however, is a different story. Finding a college that fits your needs and your budget isn't something you can only dream about. In fact, using free tools available to you right now, you can find out the cost of attending your top choice—as well as discover other great options—without even leaving your computer.

Let's start with finding a school. Think for a second about the schools you're interested in attending. Most people's list is between one and twelve schools including area colleges, nationally recognized universities, powerhouse academic institutions, and schools your friends and family have mentioned or attended. That's a great start, but there are over 4,700 degree-granting post-secondary institutions in the United States¹, so don't limit yourself to just familiar institutions or schools you can commute to. Your state flagship institution or Johns Hopkins or the Air Force Academy might be the right fit for you—but so might Loyola, Trinity, or University of Alaska Fairbanks.

Of course, being the wise, inquisitive student you are, you immediately saw the potential issue with that last idea: Fairbanks may be a great place to study, but won't going to school in Alaska be expensive? I'm not going to lie to you; it might be. It's also possible that a school across the country will cost significantly less than a school across town. It all depends on how the schools structure their costs and financial aid.

All schools have a Cost of Attendance (COA), which represents

the total of all expected costs you'll encounter in a year. Most students don't pay the full COA because they receive financial aid to help with the cost. Instead, they end up paying what we'll call the Actual Contribution (AC), which is the COA minus any grants, scholarships, work study, and loans the student receives. With financial aid, students save an average of 25% at some institutions²—

which can really take the sting out of the cost of college and make an otherwise impossibly-priced school affordable.

You can find the COA and AC before you even apply to a school. Since 2011, the federal government has required all schools receiving federal aid to offer tools called net price calculators (NPCs), which provide families with the estimated costs and a projected financial aid package. All you need to perform the calculation is an internet connection, your parents' most recent tax return, and your family's makeup and resources. Essentially, for 20 minutes of your time you can find the cost of the school and how much aid they are likely to offer you, and make a quick but important assessment about whether a school is a financially viable option for you.

NPCs aren't perfect: They're only as accurate as the information you put in, they don't take into account unusual financial situations, and they're good only for your first year of college, as financial aid is determined annually. That being said, they're fantastic, free tools that anyone can use to help with college selection and cost analysis. In mere minutes, you can find out if that dream school across the country really is a good option or if a hidden gem in your state is your ticket to a free college degree.

If you want to go deeper into the numbers, several federal and private tools are also open to you. The U.S. Department of Education's College Scorecard site provides an apples-to-apples method of comparing colleges on a number of numeric factors, including average annual cost, graduation rate, and salary after attending. You can even find out information as detailed as the average student loan debt and monthly repayment amount. If you want more information, you can find the median earnings of graduates, typical return on investment rates for college degrees, or specifically what low-income students pay using third-party sites like College Scorecard, College Abacus, ionMatch, Payscale, or Propublica³.

So go online, explore the schools on (and beyond) your list, and then see if you can turn that dream school into a reality, courtesy of NPCs, College Scorecard, and your friends in the college analysis industry. Best of luck! ■

References

1. http://nces.ed.gov/programs/digest/d13/tables/dt13_31740.asp
2. <http://trends.collegeboard.org/college-pricing/figures-tables/net-price#Average Net Price>
3. www.wsj.com/articles/the-new-math-of-college-rankings-1446433533

