

TABLE OF CONTENTS

INTRODUCTION TO COLLEGE IS POSSIBLE	
PUBLIC EDUCATION CAMPAIGN.....	TAB 1
Closing the Knowledge Gap	
How to Use this Book	
Facts About the College is Possible Campaign	
Advisory Committee	
LETTERS OF SUPPORT FOR THE CAMPAIGN	TAB 2
KEY MESSAGES ON COLLEGE COST AND STUDENT AID	TAB 3
BACKGROUND INFORMATION ON COLLEGE	
COST AND STUDENT AID	TAB 4
Information on College Prices and Student Aid	
Key Findings from the Research on Public Opinion and College Cost	
Frequently Asked Questions About Paying For College	
Myths and Realities About Paying For College	
A Brief Look at Student Financial Aid Programs	
Society Benefits from College-Educated Americans	
Summary Findings of the National Commission on the Cost of Higher Education	
Articles on Effective Cost Management	
WHERE PEOPLE CAN GO TO LEARN MORE ABOUT	
PAYING FOR COLLEGE	TAB 5
Recommended Books, Websites, and Brochures	
A Guide For Parents: Ten Steps to Prepare Your Child for College	
HOW TO SPREAD THE WORD ABOUT COLLEGE	
AFFORDABILITY AND COST MANAGEMENT	TAB 6
Effective Spokespersons on College Affordability	
Campus Events and Community Partnership Ideas	
Promoting Student Aid Through Personal Stories	
Promoting Cost Management and Affordability Innovations	
Inviting a Member of Congress to Visit Your Campus	
TOOLS YOU CAN USE	TAB 7
Sample Op-ed on Paying for College	
Sample Op-ed For College President on College Cost	
Sample Speech on College Cost	
Sample Article for Alumni Publications	
Sample Informational Brochure Text and Layout	
Sample Ads for Placement in Local Publications	
Sample Radio PSA Script	
PARTICIPATING ORGANIZATIONS.....	TAB 8
SPONSORING ORGANIZATIONS	TAB 9

INTRODUCTION TO COLLEGE IS POSSIBLE PUBLIC EDUCATION CAMPAIGN

(PLACE HOLDER)

CLOSING THE KNOWLEDGE GAP: WHAT THE PUBLIC KNOWS ABOUT FINANCING HIGHER EDUCATION AND WHAT WE MUST DO ABOUT IT

A college education has become an essential part of the American Dream for millions of families. Indeed, extensive polling and focus group research conducted by our coalition of higher education associations in the last year clearly demonstrates that the public overwhelmingly believes higher education is vitally important for personal success. Furthermore, they believe that all children should have the chance to attend postsecondary education and, despite the high price, that college is a “good value” for the money.

On the other hand, the public also is greatly concerned about the affordability of higher education, believes it is too expensive, and thinks that the price can be brought down without affecting academic quality. The public vastly overestimates the price of higher education at all types of colleges and dramatically underestimates the amount of financial aid that is available to help meet college bills. They don’t know where student aid comes from or how to apply for it. Nor does the public understand why college prices increase. Most worrisome, perhaps, they think college leaders are indifferent to their concerns about the price of attending college. Our research also demonstrates that Americans worry about financing a college education. The lack of knowledge about paying for college is most acute among at-risk populations — first-generation college students, low-income families, and members of minority groups.

The great divergence between the value that the public places on having access to higher education and the lack of information they have about what it costs and how to afford it — what we call “the knowledge gap” — is deeply troubling. No one with a commitment to higher education can be satisfied with the news that the public is so poorly informed about issues of choice and access. It is surely a danger signal that the public believes college officials are indifferent to their fears about being able to afford a postsecondary education for their children.

THE NEED FOR A NATIONAL COALITION

What can be done? We believe that two related steps are absolutely essential. First, colleges and universities must redouble their efforts to explain college costs, the prices that students are charged, the amount and sources of financial aid that are available, and the options for financing a college education. We must reach out to a broad range of business, community, and religious organizations and solicit their support in improving public understanding.

Second, and no less important, colleges and universities must take strong steps to manage and contain costs, share innovative and successful cost management strategies, expand efforts to explain why costs increase on campuses, and talk candidly about the steps that have been taken to reduce costs and improve efficiency.

To help meet this need, a large number of higher education associations have banded together to help close “the knowledge gap.” With the help of many colleges and universities and a large number of partner organizations, we hope to increase public awareness about the ways to finance a higher education. We have named this effort the “College is Possible” campaign because it underscores the central point we wish to make: a college education is an achievable goal for every academically qualified student.

This effort will not succeed without the help of college and university officials. Closing the “knowledge gap” depends on the willingness of college presidents, administrators, and trustees to recognize the public’s concerns and to address them candidly and openly. This handbook is designed to provide background information on the issue and ideas on steps you can take on your campus and in your community.

DIVERSE STRATEGIES WITH A COMMON THEME

There is no one-size-fits-all strategy that will work for every college. However, there are a number of simple themes that we urge you to incorporate into your efforts. You can illustrate the following points by adopting them, as appropriate, to your individual institution.

- Seven out of ten full-time undergraduate students receive financial aid to meet college bills.
- There are a variety of resources to help families with children of all ages plan for and pay for higher education.
- College officials care about the financial burden that a college education can impose on families and will work to help families afford a college education.
- College officials have taken cost-cutting and budget-tightening initiatives to stabilize tuition increases.
- People can learn more by visiting our campaign website, www.CollegeIsPossible.org, or by calling the U.S. Department of Education’s special toll-free number for college information, 1-800-433-3243.

It is especially important that college officials communicate effectively about steps they have taken to minimize the need for tuition increases. Unlike profit-making businesses that often find their public perceptions enhanced by aggressive cost-cutting strategies, many colleges are reluctant to talk about budget reduction initiatives lest it convey the impression that academic quality has been damaged. Every campus has taken significant steps to reduce costs while enhancing quality and should call attention to these efforts regularly.

Clearly, no single handbook on college affordability will meet the needs of every campus. Public colleges and private institutions will address some issues differently, and community colleges will emphasize still other points. Urban campuses and rural schools will look at the issues differently. Not all of the events will work for all campuses. Rather than a single model, our intention is to provide a wide range of information and suggestions with the conviction that campuses adapt them to meet local needs and circumstances.

Most importantly, we believe it is essential for all colleges and universities to begin to engage the public on these issues. For too long, college officials have assumed that the public had a reasonable understanding of what it cost to attend college and understood, at least in a general sense, that billions of dollars in financial aid were available. We were wrong and that error has heightened public concern. We now have an opportunity, working together, to clarify and expand the public understanding of issues related to financing a postsecondary education, and to convey the important message that “College is Possible.”

HOW TO USE THIS BOOK

We need your help. Recent studies have shown that there exists among American families an “information gap.” Americans greatly overestimate the cost of college and don’t realize that there is \$60 billion in aid available every year to help pay for it. Worse still, they have no idea where to go for reliable information.

The book you hold in your hands is the “tool kit” to help you be an effective leader in the “College is Possible” campaign. As you may be aware, the Coalition of America’s Colleges and Universities has dedicated significant resources toward a national education campaign to help close this information gap. What we don’t have is the voice. To conduct a truly effective national campaign, we need to empower presidents, provosts, trustees, counselors and others to speak out in their own communities, to their own audiences, and — from the grassroots up — deliver our key message: College is Possible.

In addition, the College is Possible campaign must also guide families toward those resources that will be most helpful to them as they walk through the process of preparing for, selecting, and paying for college. This guidance will be provided through an 800 number, website, and a helpful, easy-to-use brochure.

This handbook contains:

- Key messages that debunk some of the myths about college prices.
- Communications strategies to help you demonstrate that your institution cares about college prices and is actively addressing the issue.
- Communications tools such as sample opinion editorials, radio scripts, and frequently asked questions and answers.

WHO SHOULD USE THIS BOOK?

The College is Possible campaign welcomes the participation of anyone who would like to help accomplish the mission of the campaign. Some of the most critical spokespeople are:

- College and university presidents
- Financial aid administrators and college admissions professionals
- Campus public relations professionals
- Secondary school principals, teachers, and guidance counselors
- Community and business leaders, and leaders of churches and synagogues

WHO ARE WE TRYING TO REACH?

- Low-income families and members of minority communities who may not have college experience
- Middle- and high-school students and their families
- Parents of younger children who should begin to prepare for the college process
- Policy makers and opinion leaders who may not recognize the extent to which colleges care about issues of cost and access to college

WHERE CAN PEOPLE GO FOR MORE INFORMATION?

- www.CollegeIsPossible.org
- 1-800-433-3243 (The U.S. Department of Education's special toll-free number for college information)

FACTS ABOUT THE CAMPAIGN

- The Coalition of America's Colleges and Universities recognizes that American families are extremely concerned about the cost of college, and the process of finding ways to pay for a college degree. We have launched a comprehensive national education campaign to address these concerns.
- The Coalition of America's Colleges and Universities has developed resources to help parents and students who are looking for answers. The Coalition website, www.CollegeIsPossible.org, is a "one-stop-shop" with links and information on books, websites, and brochures recommended by admissions and financial aid professionals. Parents may access much of the same information by calling the U.S. Department of Education's special toll-free number for college information, 1-800-433-3243, and requesting the College is Possible brochure. This toll-free number already offers callers a great deal of information on preparing and paying for college.
- While college can be an expensive proposition, studies show that most people vastly overestimate the price of a college degree. This is due in part to the tendency of the media to focus on a handful of colleges with the highest tuitions. The danger is that it can lead parents and students to believe that a college education is beyond their means.
- Most parents and students are not aware that there is \$60 billion available annually in grants, scholarships, and low-interest loans to help pay for college. So, while parents and students may get "sticker shock" when they read about tuition prices at some colleges, they should know that the majority of students today receive some form of financial assistance to help pay for college — and that the majority of institutions have tuition that is below \$4,000 a year.
- At [name of institution], _____ percent of students receive some financial aid. [Insert specific statistics about your academic institution and how much financial support students receive.]
- While a college degree is often the biggest investment a family will make besides buying a home, going to college is usually possible. For those who wish to attend college, there is almost always a way to help pay for it.
- Colleges and universities are also concerned about tuition prices. Through innovative cost cutting and budget initiatives, college administrators have stabilized tuition increases and improved quality. Such efforts include restructuring budgets; streamlining services; staff cuts and change; and cooperative arrangements with

other colleges and universities to receive discounts on purchases such as long-distance phone services, insurance, supplies, or even electric power. These innovations have gone far toward offsetting the increases in the cost of technology, security, and other items required to provide a high quality education. While college will always be costly (because it is so labor intensive), administrators continue to look for ways to make college more affordable.

- [Name of institution] has made many changes to make the experience more affordable. [List ways that your academic institution has cut costs or sought additional funding to take the load off tuition.]
- A college degree is increasingly important in today's economy. One recent study showed that workers with bachelor's degrees earn an average of 50 percent more than those with a high school diploma. A college degree offers students an enormous advantage in an economy that increasingly honors specific skills and technical expertise. And while college is certainly a significant investment, studies show that the benefits far outweigh the costs in the long run.
- Society benefits from college-educated Americans. Those with college degrees are, on average, healthier and more likely to be employed. They vote, and volunteer in their communities. Such individuals are less likely to be on public assistance or incarcerated.

COLLEGE IS POSSIBLE ADVISORY COMMITTEE

The following national education leaders have volunteered to assist the American Council on Education in planning a national outreach effort to help Americans make informed choices about paying for college:

Michael Adams, *President*, University of Georgia

James Appleberry, *President*, American Association of State Colleges and Universities

Nancy Belck, *Chancellor*, University of Nebraska at Omaha

John F. Burness, *Senior Vice President for Public Affairs*, Duke University

Lois B. DeFleur, *President*, State University of New York-Binghamton

Cedric Dempsey, *Executive Director*, National Collegiate Athletic Association

John A. DiBiaggio, *President*, Tufts University

Ann Die, *President*, Hendrix College

Gwendolyn Jordan Dungy, *Executive Director*, National Association of Student Personnel Administrators

Vera King Farris, *President*, Richard Stockton College of New Jersey

Antonio R. Flores, *President*, Hispanic Association of Colleges and Universities

E. Gordon Gee, *President*, Brown University

William H. Gray III, *President and Chief Executive Officer*, The College Fund/UNCF

Walter Harrison, *President*, University of Hartford

Nils Hasselmo, *President*, Association of American Universities

Richard T. Ingram, *President*, Association of Governing Boards of Universities and Colleges

Francis L. Lawrence, *President*, Rutgers, The State University of New Jersey

Katharine C. Lyall, *President*, University of Wisconsin System

C. Peter Magrath, *President*, National Association of State Universities and Land-Grant Colleges

Dallas Martin Jr., *President*, National Association of Student Financial Aid Administrators

M. Peter McPherson, *President*, Michigan State University

Daniel F. Moriarty, *President*, Portland Community College

James E. Morley, *President*, National Association of College and University Business Officers

Michele Tolela Myers, *President*, Sarah Lawrence College

Carmen G. Neuberger, *Executive Director*, American College Personnel Association

David Pierce, *President*, American Association of Community Colleges

Henry Ponder, *Chief Executive Officer and President*, National Association for
Equal Opportunity in Higher Education

Steven B. Sample, *President*, University of Southern California

Joyce E. Smith, *Executive Director*, National Association for College Admission
Counseling

Allen P. Splete, *President*, Council of Independent Colleges

Donald M. Stewart, *President*, The College Board

Eustace Theodore, *President*, Council for Advancement and Support of Education

David L. Warren, *President*, National Association of Independent Colleges and
Universities

Gordon Winston, *Professor*, Department of Economics, Williams College

Revised June 8, 1999

LETTERS OF SUPPORT FOR THE CAMPAIGN

(PLACE HOLDER)

KEY MESSAGES ON COLLEGE COST AND STUDENT AID

(PLACE HOLDER)

KEY MESSAGES ON COLLEGE COST AND STUDENT AID

You may wish to integrate the following points into your communication efforts on college cost and student aid. They are the product of extensive focus group research to determine the messages that best communicate that “College Is Possible.”

KEY MESSAGES

“You may already know how valuable it is to go to college, but you may not know how many different options there are available to help you afford it.”

Alternate Versions:

- *“Most people know how valuable it is to go to college, but they might not know how many different possibilities and options exist to help them afford it.”*
- *“The majority of people know how valuable a college education can be, but they might not know the wealth of possibilities available to help them afford it.”*

“If you want to go to college, you can do it. There are ways you can afford it.”

Alternate Versions:

- *“Anyone who wants to go to college can make it a reality. There are ways to make it affordable.”*
- *“Any individual who wants to go to college can make it happen. It is possible to afford a college education.”*

“The majority of students today receive some form of financial assistance to help pay for college. You owe it to yourself to find out if you qualify.”

Alternate Version:

- *“The majority of students today receive some form of financial assistance to help pay for college. It’s worth finding out if you are one of the many who qualify.”*

“Did you know there is \$60 billion in grants, scholarships, and low-interest loans available to help you pay for college?”

Alternate Version:

- *“Many people don’t realize there is \$60 billion in grants, scholarships, and low-interest loans available every year to help people afford a college education.”*

BACKGROUND INFORMATION ON COLLEGE COST AND STUDENT AID

(PLACE HOLDER)

INFORMATION ON COLLEGE PRICES AND STUDENT AID

TUITION

- For the 1998-99 academic year, average tuition charges for full-time undergraduates, before student aid was deducted, were:

Public Community College (two-year, AA-granting)	\$1,633
Public University (four-year, BA-granting)*	3,243
Private College or University (four-year, BA-granting).....	14,508

- Three out of four full-time undergraduates who attend four-year colleges face tuition charges, before student aid, of less than \$8,000. Over half attend institutions that charge less than \$4,000, before student aid. Six percent attend institutions with tuition (before aid) of \$20,000 or more.

TOTAL STUDENT BUDGET

- Both price and student aid differ substantially based on the type of institution one attends. In 1995-96, the most recent year for which data is available, the average student budgets for full-time students, before any aid is deducted and after deducting grants and all aid, for various types of institutions, were:

	Before Aid	Less Grants	Less All Aid
Public Community College. (two-year, AA-granting)	\$7,265	\$6,355	\$5,631
Public University. (four-year, BA-granting) *	10,889	9,399	6,904
Private College or University. (four-year, BA-granting)	19,443	14,714	10,706

- Students who choose to live on campus pay room and board fees, in addition to tuition, that range from \$4,500 to \$5,800, on average. At four-year colleges, about 25 percent of undergraduates live on-campus. The expenses of students

* This figure is for in-state students. Tuition charges for out-of-state residents typically are higher. Approximately 14 percent of students at public four-year colleges pay out-of-state tuition rates.

who live on their own off-campus or with their parents will differ depending on their living situation, personal circumstances, and the local cost of living. Annual costs for books and supplies average about \$625 nationally. There also may be special fees for laboratory or computer use, for example. Colleges include all of these expenses (tuition, room and board, transportation, books, fees, etc.) in a student budget, which campus student aid officers use when making student aid award determinations.

- After student aid is deducted, the total budget for 75 percent of full-time students is under \$10,000. For about one-third of undergraduates, the total budget is less than \$5,000.

STUDENT AID

- Seven out of ten full-time students receive some form of financial aid. Financial aid covers about 40 percent of the budget for full-time students.
- On average, grants cover 20 percent of the student budget for full-time undergraduates. When loans and work-study are added, financial aid covers 40 percent of the budget.
- Most student aid is awarded on the basis of financial need. Need is defined as the difference between the total cost of attending a particular college and the amount a family is expected to contribute to paying that cost. This “expected family contribution” can differ from institution to institution, but generally is based on a federal formula that takes into account parental and student income and assets.
- Because most aid is need-based, the price of college, less aid, declines with income. For example, families with an adjusted gross income of \$70,000 or more paid an average of \$4,017 in tuition, less grants, at public universities in 1995-96, and those with an adjusted gross income of under \$15,000 paid \$947. Following the same pattern, at private institutions, families with an adjusted gross income of \$70,000 or more paid an average of \$10,428 in tuition, less grants, in 1995-96, and those with an adjusted gross income of under \$15,000 paid \$4,004.
- However, a substantial amount of aid is available that is not based on need. All students, regardless of income, benefit from the low interest rates on federal student loans (although only those with need are exempted from interest charges while they are in school), and many institutions, especially those in the private sector, offer grants to students based on academic and other non-financial criteria. Several federal tuition tax benefits are available to families with incomes below \$100,000, and a growing number of states are offering scholarships to all students

who meet certain academic criteria. Many national and community-based organizations also offer scholarships that are based on criteria other than financial need.

- Grants and loans are the most common types of student aid. More than half of all full-time undergraduates received grant aid in 1995-96 and the average amount they received was just under \$4,000; about 44 percent took out a student loan in that year and the average amount borrowed was \$4,350.
- Student aid comes from many sources, but the majority of funds come from the federal government. Federal student aid accounts for 72 percent of all funds awarded to students, states supply 6 percent, and colleges and universities and private sources contribute 22 percent.

STUDENTS' CONTRIBUTION

.....

- Regardless of their parents' income, students are expected to make a contribution to the cost of their education. Many students make this contribution with earnings from jobs they hold during the academic year. Three out of four undergraduates work during the academic year.
- About half of all BA recipients graduate with student loan debt. Among these students, the average amount borrowed is about \$12,000 for those who graduate from public institutions and about \$14,300 for those who graduate from private colleges and universities. The average monthly payment to pay off these amounts in 10 years is \$150 and \$175, respectively.
- Another factor that has a substantial influence on price is whether one attends full or part time. Because part-time students face lower costs, they are less likely to receive aid. In 1995-96, 35 percent of part-time students received grants, and the average amount these students received was \$1,664.

INDIRECT AID

.....

- States and institutions supply a great deal of "indirect" aid to students by raising and supplying funds that allow students to pay far less than the actual cost of their education. Experts estimate that, after this indirect and direct student aid are taken into account, students pay about 32 cents for every dollar of actual educational costs. At public institutions that receive state money to keep their tuition low, students pay about 12 cents for every dollar of educational cost; at private institutions, they pay about 46 cents for every dollar.

KEY FINDINGS FROM THE RESEARCH ON PUBLIC OPINION AND COLLEGE COST

Americans Believe College is Worth the Money, But Don't Think It's Affordable, and They Don't Know Where to Get Help

Americans believe a college education is worth the money, but they don't believe college is affordable and don't know where to go to get reliable information about financial aid, according to the findings of an extensive research study conducted by the American Council on Education (ACE) on behalf of a broad coalition of higher education associations and institutions.

The study, which included 16 focus groups with parents in eight cities in late 1997, and a survey of 2,000 adults between the ages of 21 and 65, identifies a wide gap between what the public knows about financing higher education and what it believes it knows. The study overwhelmingly showed that the public is not aware of how much financial aid is available to help meet college bills or where to find it. They also greatly overestimate the price of attending college.

COLLEGE COST IS AMONG AMERICANS' TOP FIVE WORRIES

The findings show that the cost of a college education is among Americans' top five list of worries about their children. Sixty-five percent of survey respondents said that "the cost of a college education" was among their list of worries, second only to their children using illegal drugs (71 percent). Americans worry about financing a college education for their children more than they worry about their children being a victim of a crime (64 percent), health care for their children (55 percent), and the quality of public schools (55 percent).

KEY FINDINGS FROM THE RESEARCH

Overall, the study revealed six key findings:

- Fifty-eight percent of the public believes that higher education is vitally important, they want it for their children, and despite the perception that the price is high, it represents a "good value" for the money.
- The public worries a great deal about the price of college. Seventy-one percent of those surveyed believe that college is too expensive. Additionally, 83 percent of African Americans and 79 percent of Hispanics are more likely to think that college is not affordable.

- Despite the public's worries about the affordability of higher education in general and a positive self-assessment of their personal ability to afford it, the public has a distorted view of what it costs to attend college — thinking it costs considerably more than it does.
- The public has no idea why college prices increase.
- The public does not know how much financial aid is available to help meet college bills, where it comes from, or how to get it.
- The public thinks that college leaders are indifferent to their concerns about the cost of attending college. Fifty-five percent of those surveyed do not think colleges try to keep the amount they charge at affordable levels for families, and 80 percent think colleges and universities make a profit.

FREQUENTLY ASKED QUESTIONS ABOUT PAYING FOR COLLEGE

QUESTIONS ABOUT TUITION PRICES:

Q. Media reports seem to indicate that the cost of college, even with financial aid, is becoming prohibitively expensive for most American families. Is this true?

A. It's true that college is certainly a significant investment. However, the media tend to focus on the cost of tuition at a handful of colleges. At four-year colleges, three out of four full-time undergraduates pay less than \$8,000 a year for tuition. The average tuition at a public community college is \$1,600. When you factor in the various forms of financial aid (grants, loans, and work-study) that figure is even smaller. Even the most expensive schools provide an enormous amount of financial aid. The most critical point is that, while a college degree can be expensive, when families know all the resources that are out there to help them, they can usually find a way to make it happen.

Q. Tuition prices keep rising. Isn't that because colleges have a monopoly and can just charge whatever they want?

A. While tuitions went up significantly in the 1980s and early 1990s, the increases have actually stabilized at about 5 percent. Even so, college administrators are still working on innovative ways to further cut costs and minimize annual tuition increases.

Tuitions rise because colleges' costs increase and, in some cases, because of cuts in government funding. For example, in the past 15 years, when the federal government has curtailed its spending on grants and assistance, private colleges have had to triple what they spend on student assistance from their own funds. So tuition goes up, but financial aid is going up as well.

At public colleges and universities, studies have shown a direct correlation between increasing tuition and decreasing state appropriations. Increases in enrollment also contribute to rising tuition prices. More students require enhanced facilities – dorms, labs, computer centers. These, too, contribute to rising costs. Colleges that wish to remain competitive must have the latest technology, which is a constantly rising expense and one that was not a factor for schools 15 to 20 years ago. Just wiring dorm rooms and classrooms for Internet access, for example, is putting a strain on college budgets. Yet no college can afford to go very long without doing so and still expect to

be competitive. Plus, increasing government regulations are very costly for colleges, as they must pay for legal help and the cost of administration to comply.

Q. What are some cost-saving initiatives that your school has taken to reduce costs for students attending your school?

A. [Insert specific information about your academic institution]

Q. How much has your school's tuition risen over the past 10 years?

A. Nationally, tuition at four-year public colleges rose 48 percent, adjusted for inflation, over the last 10 years; four-year private college tuition rose 36 percent over the same period. [Insert specific information about your academic institution]

Q. What are the students at your school gaining as a result of their investment in higher education?

A. [Insert specific information about your academic institution]

Q. How do you answer critics who say that only the most elite in our country can attend college?

A. By pointing to the facts. Sixty-nine percent of high school graduates go to college immediately, and many more ultimately attend college. Nationally, about 20 percent — that's one in five — of traditional-aged undergraduates come from families with income less than \$20,000 per year. The U.S. leads the G-7 nations in college degree completion; 24.4 percent of Americans aged 25-64 have college degrees.

ABOUT FINANCIAL AID:

Q. Many parents fear that financial aid is only for the poor and that the middle-class gets left out. How do you respond to that?

A. Actually, there are many resources available to parents of middle-class students. Between grants, scholarships, and low-interest loans, about 20 percent of families with income of \$50,000 or more receive student aid each year. A total of \$60 billion is available to students in grants, scholarships, and low-interest loans.

Q. Yes, but what percentage of this \$60 billion is in loans?

A. Of the \$60 billion in aid available to students, low-interest loans comprise about 60 percent and grants 40 percent.

Q. Does your school reduce grants given to students who win outside merit-based scholarships? If so, why?

A. [Insert specific information about your academic institution]

Q. How would you advise parents who have a young child and want to begin saving for the child's college education?

A. I would first congratulate them on starting early. Because, while it is possible to pay for an education when you haven't saved for it, it is infinitely easier with financial planning. Many parents are surprised to discover how little they really need to put aside on a monthly basis to save for tuition costs. I would advise parents to consult with a reputable financial advisor who can guide them through the process of saving for education. There are tax ramifications and other complexities with which parents need to be familiar.

In addition, many states, universities, and consortia of universities offer tuition savings and pre-payment plans, which are frequently worth investigating. There are variations depending upon the state offering the program, and there may be tax liabilities associated with some of the programs.

Some colleges and universities offer pre-payment programs of their own. These programs allow you to pay a lump sum to the college just before the student begins attending college or years before the student is ready to attend college. Parents should also become aware of the new education tax benefits, such as the Education IRA, Hope Tax Credit, and Lifetime-Learning Tax Credit.

Q. Why should I save for my children's college education when I will just be penalized for having done so when applying for financial aid?

A. It is true that those who have savings will be expected to contribute more toward their children's education than those who do not. However, the formulas for determining this contribution count employment income far more heavily than savings, so the difference is usually not substantial. Furthermore, a family that saves will have the funds necessary to meet their expected contribution, while a family that does not save

may have to borrow, with interest charges more than making up for their smaller expected contribution.

ABOUT THE COALITION OF AMERICA'S COLLEGES AND UNIVERSITIES:
.....

Q. What is the Coalition doing to help educate parents and students about financial aid opportunities?

A. The Coalition has launched a comprehensive national campaign to help educate parents about the college financial aid process. Featuring a website and an 800 number, the Coalition hopes to simplify and demystify the process of choosing and applying to schools and finding sources of financial aid.

Q. What prompted the Coalition to undertake this education campaign?

A. The members of the Coalition have long shared a concern that some individuals may be missing out on the opportunity to earn a college degree because they perceive college to be impossibly expensive, they don't know where to go for help, or both. And, in fact, we conducted extensive research that found this to be the case. For example, through our research we learned that:

- The public overestimates the total cost of a college education by an average of 99 percent at a four-year public college, and by 40 percent at a four-year private college.
- The public is not aware of how much financial aid is available to help meet college bills, where to find this assistance, or where to go to get reliable information about financial aid.
- Americans believe investing in a college education is worth the money and represents a good value, but don't believe college is affordable. The findings show that the cost of a college education is among Americans' top five list of worries about their children. Sixty-five percent of those surveyed said that "the cost of a college education" was among their list of worries, second only to their children using illegal drugs.
- The public has no idea why college prices increase.
- The public thinks that college leaders are indifferent to their concerns about the cost of attending college.

It is our hope that this education campaign will help ensure that all Americans have the information to make an informed decision about whether they can afford the cost of college.

Q. What is [your school] doing to help educate parents and students about financial opportunities?

A. [Insert specific information about your academic institution]

Q. One common complaint is that the paperwork and bureaucracy associated with applying for aid is so burdensome and confusing that it's not worth the effort. How do you respond to that?

A. While the Coalition can't eliminate the paperwork and bureaucracy associated with this process, we hope that we can help guide people through it. The Coalition's clearinghouse of information will help cut through the clutter and direct parents and students toward those resources that are most critical for their unique needs. No one should decide not to apply for aid because of the paperwork.

Q. Is there one place where students and parents can go to get information about financial aid and scholarships that are available to students in [state]?

A. [Insert state-specific information]

Q. A website and 800 number are nice, but how is the Coalition's program going to reach low-income and minority parents and students? Aren't these the people who are most in need of guidance in this process, and who have the least access to resources?

A. The Coalition plans to set up a variety of partnerships with schools, churches, and community organizations. [Insert specific information about your institution's activities]

GENERAL STATISTICS:
.....

Q. What is the average tuition for a four-year college?

- A. For the 1998-99 academic year, average tuition charges for full-time undergraduates before student aid was deducted were as follows:

Public Community College (two-year, AA-granting)	\$1,633
Public University (four-year, BA-granting)*	\$3,243
Private College or University (four-year, BA-granting)	\$14,508

Q. What percentage of students receive grants?

- A. Forty-one percent of college students receive grants on an annual basis, and the average amount received is \$2,700. On average, grants cover about one-third of tuition cost and about 20 percent of the total budget for full-time students.

Q. What percentage of community college students receive aid?

- A. At community colleges, over one-third of the students receive aid, and the average amount received is over \$2,000. Average tuition at community colleges is \$1,633 per year.

Q. What percentage of students receive aid at four-year public institutions?

- A. At four-year public institutions, more than half of students receive aid, and the average amount received is over \$5,000.

Q. At private colleges, what percentage of students receive aid?

- A. At private colleges, 70 percent of students receive aid, and the average amount received is almost \$9,000.

* This figure is for in-state students. Tuition charges for out-of-state residents typically are higher. Approximately 14 percent of students at public four-year colleges pay out-of-state tuition rates.

MYTHS AND REALITIES ABOUT PAYING FOR COLLEGE

***Myth:** College tuition costs more than \$20,000 a year.*

Reality: Of the 3,600 colleges and universities in America, 81 charged \$20,000 or more for tuition and fees in 1997-98. When on-campus room and board charges are added, about 300 institutions cost \$20,000 or more before student aid is deducted.

***Myth:** Private colleges are always more expensive than public colleges.*

Reality: On average, private colleges usually cost more than public institutions, even after aid is deducted; however, there are instances in which a private college is less expensive, after student aid, than a public institution. For example, the cost of a private institution, less student aid, often is less than a public institution outside one's home state.

***Myth:** Only the very rich can afford college.*

Reality: About 20 percent of traditional-aged undergraduates come from families with income below \$20,000 per year. The federal government, states, and institutions all offer financial aid to help low-income students afford college.

***Myth:** The middle class gets socked by college costs — there's no help for them.*

Reality: A wide variety of aid programs are available to help middle-income families, including many grants and scholarships. At public colleges, about 30 percent of students with family income between \$50,000 and \$70,000 receive grants averaging \$1,700. At private institutions, almost 80 percent are awarded grants or scholarships that average \$6,000.

***Myth:** It actually hurts you to save for college because you get less financial aid.*

Reality: Those who save will be expected to contribute more toward their children's education than those who don't save. However, the formulas for determining the expected family contribution count income far more heavily than savings, so the difference is usually not substantial. Furthermore, a family that saves will have the funds necessary to meet their expected contribution, while a family that does not save may have to borrow — with interest charges more than making up for the smaller expected contribution.

Myth: *You really don't need college to be a success — look at Bill Gates.*

Reality: Bill Gates' story is exceptional. Today, the average annual income of male full-time workers with a bachelor's degree is over 50 percent higher than for those with a high school diploma. Those with an associate degree earn 20 percent more than high school graduates. The earnings differentials are larger for women. Today, some postsecondary education or training is necessary for almost every good job.

Myth: *Only big-time athletes get scholarships.*

Reality: In 1995-96, only 1 percent of undergraduates received athletic scholarships. Most student aid is awarded on the basis of financial need — not athletic talent.

Myth: *Only minorities get extra help.*

Reality: The majority of student aid is awarded on the basis of financial need. Very little aid is awarded solely on the basis of students' race or ethnicity. According to a recent survey of financial aid officers, less than 10 percent of institutions' budgets for non-need-based scholarships go toward scholarships for members of specific minority groups. Generally, students from racial or ethnic minority groups are more likely to receive scholarships because they are more likely to have financial need.

Myth: *Only white people know how to pull the strings to get to college.*

Reality: Socioeconomic status and previous experience with higher education are much more important in determining who goes to college than race or ethnicity. The admissions and financial aid process is daunting for many families but especially those with no previous college experience. Families can get help from a number of sources. A good place to start is the local library or high school guidance office. The "College Is Possible" website (www.CollegeIsPossible.org) lists many helpful books, websites, and brochures. Much of this information is also listed in the "College is Possible" brochure, available by calling the U.S. Department of Education's special number for college information, 1-800-433-3243. Many communities also have a federally funded Educational Opportunity Center with trained counselors to help students and parents through the admissions and financial aid process.

Myth: *It's not what you know when it comes to college and financial aid — it's who you know.*

Reality: It is most important to forge relationships with people who can provide solid information and advice, such as high school guidance counselors and college admissions or financial aid personnel.

Myth: *Community colleges offer only vocational education.*

Reality: Community colleges provide a wide range of educational options, all at a low cost to students. In addition to career and technical education, community colleges offer the first two years of academic course work to transfer to a four-year institution. They also help workers upgrade their skills and provide courses for lifelong learning and personal enrichment. Open admissions, nearby locations, a wide array of courses, flexible class schedules, and low tuition prices make community colleges readily accessible for everyone.

Myth: *Colleges charge whatever they want — they've got a monopoly.*

Reality: Public and private colleges set their tuition in very different ways. Generally, state policy makers set tuition for public institutions. Tuition decisions are driven by the funding colleges receive from the state. When states cut their appropriations for colleges and universities, they have to raise tuition to make up at least part of the resulting budget shortfall. Private colleges set their own tuition, but they operate in a very competitive environment. They have to construct tuition and aid policies that allow them to fill their classes and offer the programs and facilities that will keep them competitive.

Myth: *There is no basis for the soaring increase in college prices.*

Reality: Many factors influence college cost increases — technology and facility costs, faculty salaries, student aid expenditures, and cuts in state appropriations to name just a few. Since the early 1990s, annual price increases have stabilized at 5 percent. Colleges are trying to do even better, searching for new and innovative ways to cut costs and minimize tuition increases.

A BRIEF LOOK AT STUDENT FINANCIAL AID PROGRAMS

FORMS OF FINANCIAL AID

Financial aid refers to the wide variety of programs that help students and families pay for college or graduate school. Financial aid is available in three forms: grants and scholarships, which do not have to be repaid; loans, which have to be repaid; and work-study, which provides aid in exchange for work, usually in the form of campus-based employment.

Three major sources provide the bulk of student financial aid: the federal government, state governments, and colleges and universities. The federal government is the largest single provider, underwriting 72 percent of all financial aid available, mostly through loans. Private sources of aid, such as scholarships from companies and loans from nongovernmental organizations, are also available.

Most student aid — and all aid provided by the federal government — is awarded to students based on their or their families' ability to pay. Other aid is merit-based; students receive it on the basis of their individual achievement and not entirely according to family need.

SCOPE OF FINANCIAL AID

Approximately 16.7 million students are enrolled in postsecondary study in the United States. Over half of these students receive some form of financial aid.

Some \$60 billion in financial aid was provided to millions of postsecondary students in 1997-98, including federal and nonfederal loans, federal and state grants, and institutional grants.

DETERMINING FINANCIAL AID PACKAGES

Undergraduates are offered financial aid in the form of a “package” — a combination of grants, loans, and work-study. The first step in determining a student's financial aid package is through the process of need analysis. There are two formulas for need analysis. The first is conducted by the federal government to determine eligibility in its programs. The second is sometimes conducted by colleges and universities to determine how they will distribute their own institutional aid.

The process of need analysis determines how much students and their families are expected to contribute from their own resources (“expected family contribution” or EFC)

and how much aid students are eligible to receive. When the federal government conducts a financial need analysis, it considers the family's income and assets (but ignores assets for families that make less than \$50,000 a year), the family's size, the number of parents, the age of the older parent, and the number of other family members enrolled in postsecondary study. The federal formula typically expects a family contribution of approximately 5 percent to 9 percent of net worth.

The amount of financial aid an undergraduate qualifies for is determined by subtracting expected family contribution from the cost of attending the institution. Cost includes tuition, fees, room and board, and other expenses. The gap that occurs between a family's expected contribution and cost of attending may be filled by a number of federal and state grant and loan programs, aid provided by institutions, and private sources of aid.

Major Student Financial Aid Programs

FEDERAL GRANT PROGRAMS

The federal grant programs are aimed at the neediest students, and provide aid that does not have to be repaid. They are often combined into a single financial aid package by institutions.

Pell Grant Program

The Pell Grant program provides grants to low-income undergraduates to help them pay for college. In 1998-99, this program provided \$7.2 billion in grants to 3.8 million undergraduate students at 5,900 postsecondary education institutions. Individual grants ranged from \$400 to \$3,000; the average grant was \$1,880. The average family income of Pell Grant recipients who were dependent on their parents for financial support in 1997-98 was \$20,544. The average income for financially independent students was \$11,522. In 1999-2000, the maximum grant is \$3,125.

Supplemental Educational Opportunity Grant (SEOG) Program

The SEOG program provides grants to low-income students, and generally helps to supplement the aid they receive from Pell Grants and other sources. Federal funds provide for 75 percent of the award; the college or university contributes the remaining 25 percent or more. In 1998-99, the program provided \$614 million in federal funds to approximately 1.1 million students at approximately 3,800 postsecondary institutions. In 1997-98, awards ranged from \$100 to \$4,000; the average grant is \$727.

State Student Incentive Grant (SSIG) Program

This program, which provides incentives for states to provide grants to students who attend college, has played a significant role in encouraging every state to create and maintain its own student grant program. States are required to provide at least 50 percent of the funding for this program. In 1998-99, federal SSIG funds provided \$25 million in grants to students who attend postsecondary education. Including state matching funds, approximately 83,000 students will receive SSIG funds in 1999-2000.

FEDERAL LOAN PROGRAMS

These loans are guaranteed by the federal government, and are designed to give students flexible repayment options.

Federal Family Education Loan (FFEL) Program

The FFEL program makes loans available to students and their families through some 7,100 participating private lenders. The federal guarantee protects FFEL lenders against loss from borrower default. In 1998-99, the program made 5.8 million loans for a total new loan volume of over \$22 billion — or two-thirds of loan volume.

William D. Ford Direct Student Loan Program

The Direct Student Loan program uses federal Treasury funds to provide loan capital directly to schools, which then disburse loan funds to students. The program began operation in 1994-95 with approximately 7 percent of total U.S. student loan volume. In 1998-99, it made 3 million loans for a total of nearly \$10 billion. Both FFEL and Direct Loans feature three types of loans with similar fees and maximum borrowing amounts.

Subsidized Stafford Loans — These loans are subsidized, low-interest (currently no more than 8.25 percent) loans based on financial need. The federal government pays the interest while the student is in school and during certain grace and deferment periods. In fiscal year 1997, almost 5.2 million loans were issued, representing \$18 billion. The average loan was approximately \$3,500.

Unsubsidized Stafford Loans — These loans are offered at the same low rates as subsidized Stafford Loans, but the federal government does not pay interest for the student during in-school, grace, and deferment periods. In fiscal 1997, 3 million loans were issued, representing \$11.2 billion. The average loan was approximately \$3,800.

PLUS Loans — These loans are available to parents of dependent undergraduate students, and have an interest rate of no more than 9 percent. The federal government does not pay interest during deferment periods. In fiscal 1997, approximately 487,000 loans were issued, representing \$3 billion.

Perkins Loan Program

This program provides low-interest (5 percent) loans to undergraduate and graduate/professional students who demonstrate financial need. Loans are provided through a fund consisting of new federal capital contributions (FCC), institutional contributions, and loan repayments from prior borrowers. The FCC is matched 25 percent by colleges and universities. Undergraduates are eligible to borrow up to \$3,000 per year, for a maximum of \$15,000. Graduate students are eligible to borrow up to \$5,000 per year, for a cumulative maximum (including undergraduate Perkins Loans) of \$30,000. In 1998-99, the program made loans to about 700,000 students at approximately 2,700 institutions. The average loan was \$1,500.

OTHER FEDERAL PROGRAMS

Federal Work-Study (FWS) Program

This program provides part-time jobs to undergraduates and graduate/professional students who use the earnings to finance their educational programs. Federal funds cover up to 75 percent of wages, with the remaining 25 percent or more being paid by colleges and universities or businesses. In 1998-99, this program provided \$830 million in federal work-study funds to approximately 890,000 students attending 3,900 postsecondary institutions. In 1997-98, average student earnings from the program were \$1,215. Half of the recipients came from families with incomes less than \$30,000.

TRIO Programs

These programs are designed to help low-income Americans enter and graduate college. TRIO provides services to over 700,000 low-income students, including assistance in choosing a college; tutoring; personal and financial counseling; career counseling; and workplace visits. Two-thirds of the students served must come from families in which neither parent is a college graduate and total income is less than \$24,000.

Specialized Federal Programs

Federal aid is also available from a variety of agencies outside the Department of Education. This aid, including fellowships, internships, grants, and loans, can be need-based or merit-based depending on the program. These programs include: Graduate Assistance in Areas of National Need, National Science Foundation pre-doctoral fellowships (minority and general graduates), the Robert C. Byrd Honors Scholarship program, and college grants provided to volunteers in the Americorps national service programs. These programs provided more than \$2.3 billion to students in 1997-98.

STATE PROGRAMS

.....

The federal State Student Incentive Grant (SSIG) program, which provided states with \$25 million in matching funds for 1998-99, has played a significant role in encouraging every state to create and maintain its own student grant program. In 1997-98, state contributions to SSIG and other grant programs provided students with \$3.3 billion in assistance. State loan programs provided \$345 million. These programs accounted for approximately 6 percent of all aid available in 1997-98.

INSTITUTIONAL PROGRAMS

.....

Grants from institutional sources are the second most common type of aid available to students. Nearly 20 percent of available aid comes from colleges and universities. Since 1987-88, institutions have doubled the amount of grant aid they provide, from \$5 billion to \$11 billion in inflation-adjusted dollars.

Tax Benefits for College Students

In addition to financial aid, students and their families have access to several federal tax benefits that help lower their college expenses. These benefits, which were passed as part the Taxpayer Relief Act of 1997, will provide \$40 billion in student assistance over the next five years. Thirty-five billion dollars of that will be provided through the Hope Scholarship and Lifetime Learning tax credits.

Hope Scholarship Tax Credit

The Hope Scholarship tax credit allows students, or their parents or guardians, to claim up to \$1,500 per student per year for out-of-pocket tuition and fee costs. This \$1,500 tax credit may be claimed for the first two years of undergraduate

study, calculated as follows: the tax credit equals 100 percent of the first \$1,000 spent on tuition and fees, and 50 percent of the next \$1,000. The Hope credit is available to taxpayers with a gross income of up to \$50,000 (up to \$100,000 for joint filers). The credit is phased out on a sliding scale for taxpayers earning \$40,000 and above (and \$80,000 and above for joint filers).

Lifetime Learning Tax Credit

The Lifetime Learning tax credit allows college students or their families to claim up to 20 percent of qualified out-of-pocket tuition costs per year. The Lifetime Learning credit, which may be claimed for an unlimited number of years for both undergraduate and graduate study, allows qualified taxpayers to claim a tax credit equal to 20 percent of the first \$5,000 spent on tuition and fees through the year 2002, and 50 percent of up to the first \$10,000 spent on tuition and fees thereafter. The Lifetime Learning credit is available to taxpayers with a gross income of up to \$50,000 (and up to \$100,000 for joint filers). The credit is phased out on a sliding scale for taxpayers earning \$40,000 and above (and \$80,000 and above for joint filers).

Education Savings

Penalty-free withdrawals are permitted from IRAs for undergraduate and graduate education. In addition, new "Education IRAs" can be funded with annual, nondeductible contributions of up to \$500 per child. The earnings on these accounts are tax-free if the funds were withdrawn to pay college tuition. Eligibility to make contributions to Education IRAs is phased out for contributors with adjusted gross income between \$95,000 and \$110,000 for single taxpayers (\$150,000 and \$160,000 for joint filers).

Deduction for Student Loan Interest

The new deduction for student loan interest allows borrowers to deduct interest paid in the first 60 months on any loan used for college expenses. This deduction is available to all taxpayers, regardless of whether they take the standard deduction or itemize their deductions. The maximum deduction will be \$1,000 in 1998; \$1,500 in 1999; \$2,000 in 2000; and \$2,500 in 2001 and thereafter. The deduction is phased out for single taxpayers with adjusted gross income of between \$40,000 and \$55,000 (\$60,000 and \$75,000 for joint returns).

Exclusion for Employee Education Benefits (Section 127)

This provision allows workers to continue excluding from taxable income up to \$5,250 a year in undergraduate tuition assistance provided by their employers.

SOCIETY BENEFITS FROM COLLEGE-EDUCATED AMERICANS

If we are to move forward as a nation, politically and economically, we must redouble our efforts to see that all Americans have access to a college education. The unemployment rate for individuals with no college experience is more than twice the rate of those with at least a bachelor's degree.

According to 1994 data from the U.S. Department of Education, 77 percent of people with at least a bachelor's degree participate in the labor force, versus 52 percent of people who earned only a high school diploma. Labor force participation reflects people's confidence in their ability to find jobs. It includes people who have jobs and those who are actively seeking employment.

National statistics show that college graduates are not only less likely to rely on government social services, but are more likely to fund these programs through taxes. A recent analysis of data collected by the Census Bureau and the Internal Revenue Service found that in 1994, people who had attended college for at least one year paid 71 percent of all federal income taxes, while those with only a high school diploma paid 23 percent.

While college graduates are less likely to rely on local, state, or federal assistance programs, national data show that participation in government and community service increases with education level. College graduates are more likely to vote than are those with only a high school diploma. Seventy-nine percent of individuals with at least a bachelor's degree voted in November 1994, compared with 45 percent of those who did not attend college.

College graduates are more likely to participate in community service groups. Ten percent of those with only a high school diploma participated in such groups, compared with 20 percent of those with a bachelor's degree, and 23 percent with a graduate or professional degree. Nearly 90 percent of households headed by a college graduate contributed time, money, or both to service organizations in 1994, compared with only 67 percent of high school graduates. College graduates also volunteered more than twice as many hours per week as those with only a high school diploma.

A COLLEGE EDUCATION IS A SOUND INVESTMENT

More than ever, a college education is a sound investment. Recent data from the U.S. Census Bureau show that a high level of education translates into higher income.

Average annual earnings for full-time workers in 1998 were: \$28,510 for a high school graduate; \$35,448 for those with an associates degree; \$48,117 with a bachelor's degree;

\$60,343 for those with a master's degree; \$85,040 with a doctorate; and \$107,666 for those with a professional degree (e.g., doctor, lawyer).

Average lifetime earnings were: \$871,728 for a high school graduate; \$1,066,221 for those with an associate degree; \$1,430,754 for those with a bachelor's degree; \$2,564,016 for those with a doctorate; and \$3,240,471 for those with a professional degree (e.g., doctor, lawyer).

SUMMARY FINDINGS OF THE NATIONAL COMMISSION ON THE COST OF HIGHER EDUCATION REPORT TO CONGRESS, FEBRUARY 1998

Straight Talk About College Costs and Prices

In 1997, public concerns about rising college prices led Congress to establish the National Commission on the Cost of Higher Education. The eleven-member bipartisan commission was given five months and \$650,000 to gather data on college costs and recommend innovative ways to rein in college charges. The commission concluded in its February 1998 report to Congress that responsibility for reducing college costs, stabilizing tuitions, and explaining cost and price structures to the public lies solely with higher education administrators.

Congress chartered the commission to evaluate increases in tuition compared with other commodities, innovative ways of stabilizing tuition, trends in administrative costs, faculty workload and remuneration, construction and facilities expenses, and the effects of tuition discounting and increases in institutional aid.

The commission's 53-page report, *Straight Talk About College Costs and Prices*, reviews higher education costs and prices, and assesses the major explanations advanced for increases in college costs. The report acknowledges that the high level of public concern about college costs is real and that higher education has a responsibility to engage the issue, to inform the public more effectively, and to redouble efforts at cost control. Failure to cut costs and stem tuition growth could spur the federal and state governments to address public concerns by imposing cost controls. The report also notes that government price controls would dilute the educational quality of higher education programs, and that colleges are presently burdened with costly and often redundant government regulations.

The commissioners argue in the document that "many academic institutions have not seriously confronted the basic issues involved with reducing their costs — and that most of them have also permitted the veil of obscurity to settle over their basic financial operations.... The truth is that institutions prefer not to look too hard at these matters...because of a desire to base decisions on quality and not on costs." As a result, the commissioners reported that they found themselves "in the discomfiting position of acknowledging that the nation's academic institutions, justly renowned for their ability to analyze practically every other major economic activity in the United States, have not devoted similar analytic attention to their own internal financial structures." The failure

of colleges and universities to explain the factors that influence college pricing increases public anxiety over steadily increasing tuition and may eventually erode public support for government aid for higher education.

The commission's report contains 42 recommendations that comprise an ambitious action agenda for both policy makers and higher education institutions. The recommendations emphasize shared responsibility to strengthen institutional cost control, improve market information and public accountability, deregulate higher education, rethink accreditation, and enhance and simplify federal student aid.

Among the recommendations:

- Colleges and universities should conduct “efficiency self-reviews to identify and implement effective cost-saving steps;” develop “new alternative approaches...to tenure;” cooperate in “sharing existing facilities and joint campus purchase of goods and services;” and disclose more financial information and improve the dissemination of information on costs, prices, and financial aid to their constituent families and students.
- Higher education associations should “develop programs that publicize innovative institutional practices that help control costs” and organize “a major public-awareness campaign to inform the public about the actual price of a post-secondary education.” Accrediting associations should reshape existing standards and review processes to emphasize student achievement; support greater institutional productivity, efficiency, and cost constraint; develop a system to coordinate activities between regional, national, and specialized accreditors; and develop training programs for program reviewers to build greater understanding of cost containment.
- Congress should continue to support existing federal grant, loan, and campus-based financial aid programs and, where possible, provide additional resources; explore the possibility of extending financial aid to students attending less than half time; repeal provisions of the Taxpayer Relief Act of 1997 that require colleges and universities to provide the IRS with personal financial information on enrolled students and their parents; monitor the effectiveness of the Hope Scholarship and Lifetime Learning tax provisions; and consolidate provisions in the Higher Education Act related to disclosure of information under the Student Right to Know and Campus Crime and Security Acts.
- The U.S. Department of Education should simplify the financial-aid delivery system, improve data-collection systems, and disseminate data on annual tuition, price, and institutional expenditures.

- Students and families should do their part as well. Because a major beneficiary of a college education is the individual involved, those with a genuine commitment to their future should shoulder part of the load through careful preparation and financial planning, and by becoming better informed about savings plans, financial aid, and educational tax credits.

GO TO LEAR ABOUT PAYI COLLEGE

(PLACE HOLDER)

RECOMMENDED WEBSITES AND BOOKS

PREPARING FOR COLLEGE

These resources are excellent for parents of children who have not yet entered high school. They contain a wealth of information on how a child can begin preparing academically for college, and on how parents can begin to prepare financially.

Preparing for College — Websites

THINK COLLEGE

Publisher: U.S. Department of Education
Address: www.ed.gov/thinkcollege
Description: This U.S. Department of Education web site has special sections for parents whose children have not yet entered high school, high school-aged youth and their parents, and adults seeking to return to school.

COLLEGE SAVINGS PLAN NETWORK

Address: www.collegesavings.org
Description: This site includes links to state-sponsored savings and prepaid tuition plans, two popular vehicles for college savings.

PLANNING AHEAD

Publisher: The College Board
Address: www.collegeboard.org/planning/html/intro.html
Description: Designed for middle school students and their parents. Features information on academic and financial planning, including a savings calculator.

NATIONAL ASSOCIATION FOR STUDENT FINANCIAL AID ADMINISTRATORS

Address: www.nasfaa.org
Description: Information on preparing for college academically and financially from campus financial aid administrators.

MAPPING YOUR FUTURE

Publisher: A coalition of state and private student loan guarantors
Address: www.mapping-your-future.org
Description: General information on college admissions and financial aid, with a special emphasis on student loans.

SALLIE MAE

Address: www.salliemae.com
Description: Features interactive calculators to help families project future college prices and their expected family contribution.

GOING RIGHT ON

Publication type: Multimedia Software
Publisher: The College Board
Cost: Free
To order: Download free of cost at www.collegeboard.org/pubaff/gronline/download/html/grodown.htm

PREPARING YOUR CHILD FOR COLLEGE: A RESOURCE BOOK FOR PARENTS

Publisher: U.S. Department of Education
Address: www.ed.gov/pubs/Prepare
Description: This very popular book is now available only on-line.

PSAT/NMSQT

Publisher: The College Board
Address: www.collegeboard.org/psat/student/indx001.html
Description: This test is valuable preparation for the SAT. Find information and registration materials at this site.

Preparing for College — Books and Brochures

GETTING READY FOR COLLEGE EARLY/PREPARÁDNOS A TIEMPO PARA LA UNIVERSIDAD

Publisher: U.S. Department of Education
Cost: Free
To order: Call 1-800-USA-LEARN or visit www.ed.gov/pubs/GettingReadyCollegeEarly (www.ed.gov/pubs/GRFC_Span/grfcspan.html for the Spanish language version).

GUIDE FOR PARENTS/GUIA PARA LOS PADRES

Publisher: National Association for College Admissions Counseling,
Cost: Free
To order: Call 703-836-2222 or write 1631 Prince Street, Alexandria, VA
22314-2818

FINANCING COLLEGE

Publisher: Kiplinger Business Times
Cost: \$17.95
To order: Call 1-800-280-7165

FUNDING A COLLEGE EDUCATION: FINDING THE RIGHT SCHOOL FOR YOUR CHILD AND THE RIGHT FIT FOR YOUR BUDGET

Publisher: Harvard Business School Publishing
Cost: \$14.95
To order: Call 1-800-545-7685

CHOOSING THE RIGHT COLLEGE

These resources will help parents and high school-aged youth explore the vast variety of colleges and universities, narrow their choices, and begin the college application process.

Choosing the Right College — Web Sites

COLLEGEQUEST

Publisher: Peterson's and the National Association of Student Financial Aid
Administrators
Address: *www.CollegeQuest.com*
Description: This site features a college search program as well as information on financial aid and admissions tests.

COLLEGE SEARCH

Publisher: The College Board
Address: *cbweb1.collegeboard.org/csearch*
Description: This site features an on-line college search program as well as information on admissions and financial aid.

COLLEGE EDGE

Publisher: SNAP Technologies
Address: *www.CollegeEdge.com*
Description: Features a college search program for prospective graduate, as well as undergraduate, students.

FIND YOUR COMMUNITY COLLEGE

Publisher: *U.S. News and World Report* and the American Association of Community Colleges
Address: *www.usnews.com/usnews/edu/college/communit/commsrch.htm*
Description: The publishers have produced this site to help students find the community college that best fits their needs.

ACT ASSESSMENT

Publisher: American College Testing
Address: *www.act.org/aap/*
Description: Information and registration for the ACT Assessment.

SATI AND SATII

Publisher: The College Board
Address: *www.collegeboard.org/sat/html/students/indx001.html*
Description: Information and registration for the SATI and SATII.

Choosing the Right College — Books and Brochures

A GUIDE TO THE COLLEGE ADMISSIONS PROCESS

Publisher: National Association for College Admissions Counseling
Cost: \$6.00
To order: Call 703-836-2222 or write 1631 Prince Street, Alexandria, VA 22314-2818

SMART PARENTS' GUIDE TO COLLEGE: THE 10 MOST IMPORTANT FACTORS FOR STUDENTS AND PARENTS TO KNOW WHEN CHOOSING A COLLEGE

Publisher: Peterson's
Cost: \$16.95
To order: Call 1-800-338-3282, ext. 660 (English), ext. 462 (Spanish)

INTERNET GUIDE FOR COLLEGE-BOUND STUDENTS

Publisher: The College Board
Cost: \$14.95
To order: Call 1-800-323-7155; M-F 8 a.m. - 11 p.m. ET

THE COLLEGE ADMISSIONS MYSTIQUE

Publisher: Noonday Press
Cost: \$13.00 (publisher's list price)
To order: Phone orders are not available. Sold at most major bookstores.

HOW TO CHOOSE A COLLEGE: GUIDE FOR THE STUDENT WITH A DISABILITY

Publisher: Association on Higher Education and the Disabled and the American Council on Education's HEATH Resource Center
Cost: First copy free, subsequent copies \$1.00 each
To order: Call 1-800-544-3284

PAYING FOR COLLEGE

Paying for College — Web Sites

CASH FOR COLLEGE

Publisher: National Association of Student Financial Aid Administrators
Address: www.nasfaa.org/public/cashfc.html
Description: This brochure, available on-line, provides a concise overview of financial aid.

FINANCIAL AID FOR STUDENTS

Publisher: U.S. Department of Education
Address: www.ed.gov/offices/OSFAP/Students
Description: Best starting point for information on federal student financial aid. Includes links to publications, the Free Application for Federal Student Aid, and information on new tax cuts for higher education.

THE FINANCIAL AID INFORMATION PAGE

Publisher: Mark Kantrowitz
Address: www.finaid.org
Description: One-stop shopping for all types of financial aid information.
Provides links to many other sites.

FAMILIES' GUIDE TO THE 1997 TAX CUTS FOR EDUCATION

Publisher: U.S. Department of Education
Address: www.ed.gov/updates/97918tax.html
Description: A summary from the U.S. Department of Education of new tax credit and savings programs for higher education authorized by the Taxpayer Relief Act of 1997.

DIRECTORY OF STATE HIGHER EDUCATION AGENCIES

Publisher: U.S. Department of Education
Address: www.ed.gov/offices/OPE/agencies.html
Description: Use this list to find out about financial aid offered by your state government.

USA GROUP

Address: www.usagroup.org
Description: This web site is especially helpful for student loan borrowers. It features calculators that determine how much it will cost to repay student loans.

COLLEGE SCHOLARSHIP SERVICE FINANCIAL AID PROFILE

Publisher: The College Board
Address: www.collegeboard.org/finaid/fastud/html/proform.html
Description: This financial aid application form is required by many private colleges. Request via this web site or call 1-800-778-6888.

UNCF/THE COLLEGE FUND

Address: www.uncf.org/programs
Description: Lists scholarships available to students attending historically black colleges that are members of UNCF/The College Fund.

1999 FINANCIAL AID FOR STUDENTS WITH DISABILITIES

Publisher: HEATH Resource Center
Address: www.acenet.edu/about/programs/access&equity/heath/HotTopics.html
Description: Updated annually. Explains the various types of financial aid, lists organizations that offer disability-related grants and scholarships, as well as many additional resources.

CITIZENS' SCHOLARSHIP FOUNDATION OF AMERICA

Address: www.citizens.scholarship-foundation.org
Description: This site has contact information for regional offices that represent 800 local scholarship organizations.

FASTWEB

Address: www.fastweb.com
Description: There are thousands of private scholarships available. This web site boasts one of the largest free scholarship databases with over 400,000 listings.

SCHOLARSHIP SEARCH

Publisher: The College Board
Address: www.collegeboard.org/index_this/fundfinder/html/ssrchtop.html
Description: Free on-line scholarship search service includes aid programs from 3,300 sponsors and also features college and career search capabilities.

SRN EXPRESS

Address: www.rams.com/srn/execsrch.htm
Description: This database features mostly private, portable, non-need based scholarships.

COLLEGENET MACH25 SCHOLARSHIP DATABASE

Address: www.collegenet.com/mach25
Description: Features over 500,000 scholarships from 1,500 sponsoring organizations. Web site allows students to save listings and create letters requesting more information.

SALLIE MAE'S ONLINE SCHOLARSHIP SERVICE

Address: *scholarships.salliemae.com*
Description: Provides access to the College Aid Sources for Higher Education (CASHE) database, one of the oldest scholarship databases.

Paying for College — Books and Brochures

THE STUDENT GUIDE

Publisher: U.S. Department of Education.
Cost: Free
To order: Call 1-800-4FED-AID (1-800-433-3243) or visit
www.ed.gov/prog_info/SFA/StudentGuide

TOP 10 FINANCIAL AID QUESTIONS

Publisher: National Association for College Admissions Counseling
Cost: Free
To order: Call 703-836-2222 or write 1631 Prince Street, Alexandria, VA 22314-2818

NEED A LIFT? COLLEGE FINANCIAL AID HANDBOOK

Publisher: The American Legion
Cost: \$3.00
To order: Write National Emblem Sales, PO Box 1050, Indianapolis, IN 46206 or call 317-630-1200

DON'T MISS OUT: THE AMBITIOUS STUDENT'S GUIDE TO FINANCIAL AID

Publisher: Octameron Association
Cost: \$9.00
To order: Call 703-836-5480

PAYING FOR COLLEGE: A GUIDE FOR PARENTS

Publisher: The College Board
Cost: \$14.00
To order: Call 1-800-323-7155; M-F 8 a.m. - 11 p.m. ET

MEETING COLLEGE COSTS: WHAT YOU NEED TO KNOW

BEFORE YOUR CHILD AND YOUR MONEY LEAVE HOME
.....

Publisher: The College Board
Cost: \$13.95
To order: Call 1-800-323-7155; M-F 8 a.m. - 11 p.m. ET

HOW TO BUY A COLLEGE EDUCATION
.....

Publisher: Access Group
Cost: \$14.95
To order: Call 1-612-941-7103

**USA TODAY - FINANCIAL AID FOR COLLEGE:
A QUICK GUIDE TO EVERYTHING YOU NEED TO KNOW**
.....

Publisher: Peterson's
Cost: \$8.95
To order: Call 1-800-EDU-DATA

COMPLETE COLLEGE FINANCING GUIDE
.....

Publisher: Barron's
Cost: \$14.95
To order: Call 1-800-645-3476

THE HISPANIC SCHOLARSHIP DIRECTORY
.....

Publisher: National Association of Hispanic Publishers
Cost: \$19.95
To order: Call 202-662-7250

This list was assembled from the recommendations of admissions and financial aid professionals, as well as other higher education officials. It should not, however, be construed as a formal endorsement of any particular product or service.

A GUIDE FOR PARENTS: TEN STEPS TO PREPARE YOUR CHILD FOR COLLEGE

PRE-SCHOOL

1. *Investigate and choose a savings vehicle.* There are many options available, including U.S. Savings Bonds, bank accounts, mutual funds, and state savings or prepaid tuition plans.
2. *Begin saving as early as possible.* Whatever vehicle you choose, you will be much better off if you start saving early. For example, if you put aside \$50 per month starting when your child is a newborn, at 5 percent interest, you will have saved over \$17,000 when your child is 18. If you start saving the same amount monthly when your child is 8 years old, you only will have accrued \$7,000 by the time your child is ready for college.

ELEMENTARY AND MIDDLE SCHOOL

3. *Encourage your child to challenge him or herself academically, develop good study habits, and become involved in school- and community-based extracurricular activities.* A positive school experience that is both academically challenging and rich in extracurricular activities is important in itself and as preparation for college.
4. *Discuss career and college options with your child and encourage their aspirations.* Many students assume that higher education is not for them or that the jobs they are interested in don't require college. Today, some form of formal post-

secondary education or training is required for almost every well-paying job. With \$60 billion in financial aid available, college is possible for almost every American. So encourage your child to aim high, explore all the options, and plan to attend college.

5. *Make sure your child starts on a college preparatory track in middle school or junior high.* If students don't take the right courses in middle school, they may be shut out of the college preparatory track in high school. The U.S. Department of Education recommends that middle and junior high school students take Algebra I in 8th Grade, Geometry in 9th Grade, and English, Science, and History or Geography every year. Foreign language, computer, and visual or performing art classes are also recommended.

HIGH SCHOOL

6. *Meet with a guidance counselor to map out your child's high school curriculum and familiarize yourself with the college admissions and financial aid processes.* If your child has taken the right courses in middle school, he or she should be ready for a college preparatory curriculum in high school. College admissions requirements vary but, as a general guideline, the U.S. Department of Education recommends: four years of English; four years of Math (preferably through Calculus); two to three years of History and Geography, laboratory sciences, and foreign language; one year of performing or visual arts; and challenging electives in such areas as economics, psychology, computer science, or statistics. Your high school guidance counselor should also be able to provide you with information on the college admissions and financial aid processes, or point you toward the right reference materials. For an early start, call the U.S. Department of Education's special toll-free number for college information, 1-800-433-3243, or visit www.CollegeIsPossible.org.
7. *Help your child to research colleges and narrow their options.* There are many resources available, both in print and on the Internet, to help you search for colleges by special characteristics or academic offerings and learn about specific colleges (check out www.CollegeIsPossible.org). After you've done some initial research is the right time to add any special considerations, such as price, distance from home, or religious affiliation, to your child's list of college options. Although it is important to make these decisions before your child has his or her heart set on a specific college, eliminating schools before you have any hard information may unnecessarily limit your child's choices. For example, after financial aid is taken into consideration, a private college can be about the same price as a public institution. Without that information, one might eliminate some private colleges because of incorrect understanding of the cost.
8. *Make sure your child takes any required college admissions tests and submits all admissions, financial aid, and — if necessary — campus housing paperwork on time.* Meeting all the requirements of applying for college is a good lesson in itself, but most students will require some help. Setting up a calendar with all the various tasks and deadlines can be very helpful for both you and your child.
9. *Learn all you can about financial aid and assist your child in filling out the application forms.* Most financial aid comes in the form of grants and scholarships or low-interest loans. The federal government, states, colleges, and private organizations all sponsor student aid programs. Colleges will provide you with the forms you need to apply for most federal, state, and college aid, and are a great source of information about the various types of aid available. In addition, many books and websites

are available to help you search and apply for private scholarships. In most cases, you will have to supply some information about your family's income and assets on financial aid application forms, so be sure to have those records assembled. Visit www.CollegeIsPossible.org or call 1-800-433-3243 for more information on print and Internet resources that can help you to learn more about this complicated — but vitally important — topic.

10. *Devise a budget with your child and determine how much will be covered by financial aid, how much you'll provide, and how much they'll contribute by working and/or borrowing.* After you've received your financial aid award statements, it's very important to sit down with your child and make a realistic budget that includes both fixed expenses, such as tuition and books, and variable items such as rent, clothing, and transportation. Once you have completed your budget and subtracted the grant and scholarship aid your child has been awarded, you can determine how much you will contribute and how much your child will have to come up with from savings, earnings, and student loans. Many students work long hours while enrolled or borrow more than they absolutely need because they haven't put themselves on a budget and made a conscious decision about how they'll meet their financial obligations.

HOW TO SPREAD THE WORD ABOUT COLLEGE AFFORDABILITY AND COST

(PLACE HOLDER)

EFFECTIVE SPOKESPERSONS ON COLLEGE AFFORDABILITY

Recent research studies have shown that the most effective spokespersons on the issue of college costs are individuals to whom people can relate and who have real knowledge about the issues involved with financing a higher education.

CHARACTERISTICS OF AN EFFECTIVE SPOKESPERSON

The ideal local or regional spokesperson will be an individual who has been through the financial aid process and is therefore able to give practical advice. In addition, this individual should be someone who inspires people to believe that if he or she can do it, so can others.

Examples of effective spokespersons to consider include:

- Academic leaders, including presidents, provosts, or deans;
- Admissions and financial aid officers;
- Parents of college graduates;
- Current college students (especially first-generation college students);
- A family of college graduates;
- Business leaders;
- Ministers or other members of the clergy;
- Community leaders;
- Well-known local athletes — if they have made a commitment to stay in college and graduate, if they serve as role models (individuals who have put their education before their sports career), and if they have maintained a strong GPA throughout their years at the university; and
- A local media personality such as a news anchor, a well-known reporter, or a radio personality who has been involved with education issues in the community and/or has been shown to value education in some capacity.

It is important that the individuals chosen as spokespeople familiarize themselves with all the documents in this kit, including the message points, Q & A, talking points, fact sheets, etc. These documents will provide a detailed background on the college affordability issue, and help them discuss frequently asked questions that we hope the campaign will help answer.

CAMPUS EVENTS AND COMMUNITY PARTNERSHIP IDEAS

IDEAS FOR WORKING WITH STUDENTS DURING RECRUITMENT AND APPLICATION PROCESSES

- **Financial Aid Seminars:** Include in all college visits by prospective students and their parents a seminar on financial aid conducted by the university's financial aid officers. Create a kit that can be tailored to each university's needs and distribute it to attendees. The kit should outline financial aid options at the university and provide other relevant information.
- **Statewide "Financial Aid Day":** Work with other colleges and universities in the state to host a "Financial Aid Day" (or week, or month) that would include tours of the college, seminars on financial aid, speeches by famous alumni, etc. Promote the day heavily with statewide media. Provide the 800 number and website address for television and radio stations to include in their broadcasts for people wanting more information.
- **Financial Aid Postcard:** Respond to all college applicants with a postcard regarding financial aid, including the U.S. Department of Education's special toll-free number for college information, 1-800-433-3243, and the campaign's www.CollegeIsPossible.org website address. Create a sharing agreement with the admissions office to give the financial aid officer a mailing list of all applicants to the college — regardless of a student's admittance status — and send a postcard with information about how to obtain information on financial aid.
- **Recruitment Packets:** Include financial aid information in all materials distributed as part of the university's recruitment program.

IDEAS FOR WORKING WITH LOCAL COMMUNITIES

- **Booths at Community Events:** Sponsor and run booths at community events, particularly those focused on key audiences (e.g., Martin Luther King Day celebrations, Hispanic heritage events, etc.). Arrange for radio and television crews covering the event or broadcasting live from the event to conduct interviews and draw attention to your booth.
- **Community Social Service Events:** Identify events such as tree plantings or park cleanups and partner with the sponsoring organization to set up a booth where spokespeople can distribute information, answer questions, and provide guidance on college prices and financial aid.

- **Community Fundraising Events:** Identify events such as golf tournaments, bike races, 10K runs, etc., and partner with the sponsoring organization to set up a booth where spokespeople can distribute information, answer questions, and provide guidance on college prices and financial aid.
- **Community Health Fairs and Screenings:** Partner with the sponsor of a health fair/screening to set up a booth where spokespeople can distribute information, answer questions, and provide guidance on college prices and financial aid.
- **Local Print and Broadcast Media:** Arrange an editorial board meeting with your local newspaper to discuss student aid and college affordability issues. Work with editors and news directors to expand their consumer news to include student aid opportunities. Explore with publishers and station owners the possibility of their sponsoring a student aid fair with local universities.
- **Local Churches and Synagogues:** Ask local churches and synagogues when they plan to hold social and educational programs where student aid information could be discussed or distributed. Religious institutions are important community gathering places for citizens of all ethnic and racial groups, and local clergy are often prominent community leaders.
- **Local Business and Media Organizations:** Approach professional associations and groups like the Chamber of Commerce and ask them to promote student aid information. In addition, local TV and radio stations, as well as newspapers, often have active community affairs programs that provide good vehicles for conveying information on financial aid and college prices.
- **Leaflets:** Promote the 800 number and website by distributing leaflets during large events — sporting events, concerts, university activities. The flyers could be handed out to people as they leave an event or put on car windows.
- **Post Offices as Information Distribution Sources:** Contact local post offices and see if the postmaster would let you post generic information about financial aid in the lobby of the post office during the peak application months.
- **Working with State and Local Representatives:** Arrange to meet with members of your state legislature and/or local government to discuss the College Is Possible campaign. These individuals could be asked to include information about where to obtain information about financial aid in their newsletters or add flyers during peak application months to their outgoing constituency mail. Representatives from public colleges and universities could also use visits by state legislators to emphasize the link between tuition and state funding.

IDEAS FOR PARTNERSHIPS WITH LOCAL HIGH SCHOOLS

- **High School Events:** Send a delegation of university ambassadors to run a booth at major high school events (e.g., college fairs) to hand out materials and answer questions.
- **High School Newspapers/Yearbooks:** Work out an arrangement with the local high school newspaper and yearbook to have an advertisement on financial aid with the 800 number and website information included to point students in the right direction for more information. Include the ad in every newspaper issue throughout the year, and buy a full-page color advertisement in the annual yearbook.
- **High School Speaking Opportunities:** Arrange a guest speaker to address high school class periods and high school extracurricular clubs (e.g., Key Club, band, student council, etc.). Most high school teachers would welcome outside speakers to discuss higher education opportunities.

IDEAS FOR REACHING MIDDLE SCHOOL STUDENTS

- **Local Youth Organizations:** Approach organizations such as Girl and Boy Scouts, church youth groups, etc., and request to distribute materials and make a brief presentation regarding financial aid options.
- **Local “Hangouts:”** Identify places where younger children gather (e.g., malls, arcades, diners, etc.) and arrange to have financial aid information available.

IDEAS TO REACH PARENTS OF HIGH SCHOOL AND MIDDLE SCHOOL STUDENTS

- **PTA Meetings:** Arrange to be a speaker at PTA meetings. Hand out financial aid information.
- **Book Clubs:** Arrange for an author of a financial aid book to be a guest speaker during a book club meeting hosted by a library or bookstore.
- **Speakers Forum:** Offer to provide a financial aid spokesperson to speak at community events such as the Rotary Club, Kiwanis Club, Lions Club, etc.

PROMOTING STUDENT AID THROUGH PERSONAL STORIES

Our research demonstrates that, when it comes to affording higher education, people would like to hear from their peers — people like themselves who have found a way to put themselves, or their children, through college.

People view the financial aid system as complicated and bureaucratic. They also see few accessible sources of hands-on help or assistance. Compounding this impression is the absence of human faces at many points in the process.

As a result, people find it particularly helpful to hear from someone — like themselves — who is going through or has gone through the financial aid process. Such messengers might be a parent with a child in college, current students, or former students and alumni. These are people who can deliver a feeling of ability and empowerment, giving those who look at them the chance to say: “If they can do it, so can I.”

Other well-known individuals can also be effective in delivering the message of college affordability — especially when they already have a reputation for valuing education and for being positive role models. Local celebrities or business, community, and church leaders could all be effective in delivering the message: “If you want to go to college, you can do it. There are ways you can afford it.”

THINGS TO DO

- *Take an inventory of your institution's contacts in the local community.* Do you have prominent alumni who are willing to talk about affording college? Do you have high-profile trustees, faculty, or administrators who would be willing to share their personal stories about affording college? Did these people come from humble beginnings, or did they have to overcome great obstacles to finish college? How did they do it? Would they be willing to talk to others about it?
- *Look at the students currently receiving financial aid on your campus.* Would they, or their parents, be willing to talk about the importance of student aid in their lives and how they obtained help? Choose a mix of students: those from low-income families or the first in their families to attend college to show others like themselves that college isn't just a dream; middle-income families, who think that they're caught in a bind between the poor — who always get help — and the rich, who have plenty of money; and wealthy families, who have become disillusioned with a system that seems to provide only the poor with college assistance. Have them be specific about the financial aid programs that helped them and how they learned

about them.

- *Once you have a working inventory of sources and speakers — all of them willing to share their personal histories with the public — look for ways to promote them.* Such people might be the focus of an advertisement in community newspapers or campus and alumni publications. They could provide feature stories for placement with local news writers and editors. They could also agree to participate in college fairs and other events, or stand ready to talk to the news media whenever the focus is on preparing for college, college cost, or applying for student aid.
- *Personal histories are crucial to such efforts.* Don't rely on a standard series of discussion points. Ask people to share their stories — mistakes and successes — in order to show others that real people, just like themselves, can achieve the dream of a college degree.

PROMOTING COST MANAGEMENT AND AFFORDABILITY INNOVATIONS

The public does not believe colleges and universities care about keeping college affordable for students and families. Eighty percent of people in the Coalition's survey thought colleges were profit-making enterprises — and that they charge ever-higher tuitions in order to maximize those profits. When people are asked if colleges try to keep their tuition affordable for families, most say no.

People do not have the slightest idea how a university budget works, or how that budget influences the price of tuition. Colleges and universities are complicated entities; many have campus facilities and financial needs as large and complex as some cities and towns. So it can be difficult to explain the workings of even one academic department or administrative office — not to mention more detailed issues of enrollment, student aid, or technology infrastructure. Worse yet, many administrators have not taken the opportunity to better explain their financial processes and the relationship between spending and educational quality.

But the public and opinion leaders are deeply interested in issues of cost, price and quality when it comes to campus budgets. They want to know where campus spending may dramatically improve the academic experience, or where cost-effective measures in one area will lead to quality improvements in other areas. Business leaders, and reporters and editors who cover business issues, are very interested in budget and management efforts in higher education.

THINGS TO DO

Talk about what you have already done to contain costs on campus. Colleges and universities are already engaged in a number of activities to contain costs, improve quality, and enhance their affordability. Perhaps your campus has been involved in such efforts as:

- Restructuring budgets, curtailing unnecessary programs, and trimming personnel costs.
- Outsourcing auxiliary enterprises such as facilities maintenance, bookstores, and dining services.
- Entering into consortial arrangements that involve joint use of technology, faculty sharing, and group purchases of electric power or supplies.
- Increasing financial aid opportunities for students by reallocating other budget savings for student aid, initiating a new grant or low-cost loan program, or

moderating tuition increases.

Emphasize the impact of steps you have taken in the past. This could include areas where you have restructured your budget or streamlined services to improve quality. It could involve budget cuts or staff changes. It could also involve major spending initiatives and how this will improve the campus experience. Consider placing an annual story on the institution's budget in campus publications or with outside news organizations. Explain how campus budget decisions affect tuition and fees for students. Always point out where campus initiatives impact the quality of life or local economy in your city or town — and how such decisions benefit the community.

Many campuses have entered cooperative arrangements with other colleges and universities to receive discounts on the purchase of long-distance service, insurance, supplies or electric power. Talk about similar initiatives you have undertaken. Some campuses have put together cooperative arrangements for sharing faculty resources, technology, or campus facilities — each has enhanced quality and improved cost management. Has your campus undertaken such initiatives? Often such initiatives, particularly when a public and private institution work together, receive widespread attention.

Campus investments are also significant, particularly when such investments have enhanced services or improved academic quality. Will the new administrative computer system cut down on the lines for class registration or student bill payment? Does the new library enhance student research capabilities, and is the facility open to the public? How will the new degree program improve the curricula? How will it enhance life in the surrounding community?

Seek to tie budget issues to student or community life. How many new computers will be available? How many new lights will be installed? What unique collections will be housed in the new library?

Make the link between cost management activities, tuition prices, and student financial aid. How will effective cost management activities help moderate tuition increases? How do endowment income and campus development activities help to fund student financial aid opportunities?

SOME EXAMPLES OF CAMPUS COST MANAGEMENT

.....

Associated Colleges of the Twin Cities (ACTC)

Through the Associated Colleges of the Twin Cities (ACTC), students attending one of five independent colleges in the Twin Cities (Augsburg College, Hamline University, Macalester College, The College of St. Catherine, and the University of St. Thomas)

can enroll at one institution and cross register for classes at any of the other colleges or universities. ACTC also cuts redundancy and reduces costs by facilitating a number of cooperative administrative functions. In the 1997-98 academic year alone, joint purchasing agreements saved the five institutions nearly \$1 million. Under a grant from the Teagle Foundation, ACTC is currently exploring offering cooperative safety and security services among the five institutions. It also sponsors faculty exchange between the institutions and funds collaborative research efforts between their faculty.

Belmont University, Nashville, TN

Among Belmont's initiatives are measures increasing the efficiency of academic planning by offering fewer classes filled to capacity, reducing the consumption of utilities by purchasing more energy-efficient machinery, promoting the purchase of on-line academic resources over print versions, mandating volume procurement guidelines over individual purchasing, and reducing staff positions by combining related jobs when filling vacancies. Increasing academic planning efficiency has drastically reduced the number of classes enrolling fewer than 10 students, while preserving small class sizes. Purchasing on-line academic resources rather than print version has enabled many more students to access the same tools without requiring the purchase of additional copies. Volume procurement has allowed the university to find economies of scale, particularly in hardware and software purchasing, resulting in annual savings close to \$100,000. Increasing staffing efficiency is allowing the institution to meet personnel needs without adding redundant positions.

Burlington County College and the New Jersey Institute of Technology

Burlington County College (BCC) has partnered with the New Jersey Institute of Technology (NJIT), to open the Technology and Engineering Center (TEC) in Mt. Laurel, NJ. The two institutions combined resources to design, build, and operate the building which contains state-of-the-art labs, teleconferencing facilities, classrooms, and meeting rooms. BCC offers the associate degree programs, while NJIT offers bachelor's and master's programs. They market jointly. Since it opened in 1995, the facility has operated at near-capacity and has significantly stimulated economic growth in the region.

Bowdoin College, Brunswick, ME

In 1990, this liberal-arts institution undertook what its treasurer has called a "3 R's" effort—reorganization, reallocation, and retrenchment. The plan focused on "straightjacketing revenues and cutting costs" in such areas as:

- Early retirement — two packages offered as an inducement to cut more than 50 administrative and support positions.
- Staffing — increased use of part-time and temporary positions.
- Vacancies — filled only after careful review.

Implementation of these and other cost control efforts have reduced Bowdoin's budget by 30 percent in real terms since 1990.

California State University System (CSU)

For the last three years, resource allocation for the CSU has been set as a pact between the governor and the CSU. This pact allows CSU to anticipate a 4 percent resource increase per year in exchange for a cost savings of \$10 million per year from the institutions within the system. Together the general intention of the pact is to restrict the need for fee increases. CSU student fees (students do not pay tuition) have remained at \$1,584 per year for full-time students since 1994 and will actually be reduced (by 5 percent) in 1998. An example of what one CSU school is doing:

- California State University – San Bernardino Productivity Improvement Program: This institution-wide program includes automated systems for updating student progress, orders for diplomas, production of letters to prospective and admitted students, financial aid processing, and the telephone answering systems in financial aid. The Student Union replaced an air handler that requires less energy to cool and heat the building. They reduced the frequency of the Cal State magazine. The program, which includes many other areas, resulted in savings of almost \$500,000 the first year.

Clark University, Worcester, MA

As a result of its ongoing operational efficiency efforts, Clark is holding expenditures for its administration and physical plant to about 10 percent of its total budget. Among the initiatives taken to reach that goal:

- Strategic fuel-purchasing.
- Computerized energy co-generation and management (for example, using waste energy to heat and cool buildings), resulting in an annual savings of 33 percent.
- Consortium purchasing: in Clark's home city of Worcester, Mass., 10 higher educational institutions and 20 of the nonprofit institutions have banded together to purchase bulk items, saving almost 30 percent in the process.
- "Enterprise" budgeting, which treats certain parts of the university as self-contained businesses.

Central Michigan University (CMU), Mount Pleasant, MI

Between 1991 and 1995, CMU cut its base budget by \$9.6 million by restructuring offices, eliminating staff positions, asking employees to take a year with no salary increase, and eliminating a division and a vice president position. In addition, CMU demolished two residence halls and a dining hall due to high maintenance costs, invested in a utility savings light replacement project, and outsourced many services — custodial, dining room management, food court, investment management, health services. The school also required employees to pay a larger share of the cost of benefits, and moved employee groups to performance-based pay systems.

Elizabethtown College, Elizabethtown, PA

Over the past five years, Elizabethtown College has reduced its business office staff by 18 percent and cut its non-salary plant operations costs by 20 percent, while increasing its physical plant by 17 percent. Over the last three years, Elizabethtown has limited non-salary departmental costs to one percentage point less than the Consumer Price Index (CPI) and, for two years, has limited salary increases to the CPI.

Five Colleges, Inc.

Five Colleges, Inc.—a consortial agreement between Amherst, Hampshire, Mount Holyoke, and Smith colleges and the University of Massachusetts Amherst—was established in 1965 to promote long-term education and administrative resource sharing. Consortium members make joint appointments in key areas such as risk management and recycling, jointly recruit for admissions, conduct joint management training, and have a cooperative purchasing agreement that enables the institutions together to realize a cost savings of more than \$1 million each year. The colleges also run on common academic calendars, offer a joint automated library system and on-line course catalog, share several academic departments, and make joint faculty appointments.

Kent State University

Kent's Strategic Plan for Restructuring involved a comprehensive set of steps to reduce expenditures. Part of the plan focused on reducing and consolidating academic programs — it reduced business Ph.D. options from 10 to 6; discontinued three undergraduate majors and eliminated four tenure track positions; discontinued the Ph.D. theater program; merged three language departments; reallocated positions; consolidated the Graduate College and the Office of Research and Sponsored Programs; and consolidated

advising services. The restructuring eliminated a total of 60 tenure track positions in a four-year period, saving over \$3.6 million; vacated administrative positions at a savings of over \$350,000; and reduced staff positions by 70, reducing expenses by \$3.3 million in the Business and Finance Division.

Mount Saint Mary's College and Seminary, Emmitsburg, MD

Since 1995, Mount Saint Mary's College has trimmed \$2.3 million from its annual operating budget through staff and faculty reductions, program review, and departmental reorganizations. The rate of increase in tuition and room and board—which reached 13.5 percent ten years ago—dropped to 2 percent last year.

Ohio Foundation of Independent Colleges

Thirty-five independent colleges in Ohio are working together to redesign their business operations—among the broadest efforts of its kind in the country. By collaborating on this effort, they hope to save an annual total of \$20 million to \$25 million through reduced costs and increased revenues. In addition, 23 members of the Ohio Foundation of Independent Colleges are participating in an administrative collaboration that could save the institutions a total of \$8 million a year, with cost savings expanding as more institutions join. Other collaborative efforts underway in Ohio are the joint purchasing of employee health, life, and disability insurance; an attempt to save on energy costs through joint purchases; an exploration of how academic programs and professors might be shared; and the development of a financial-aid estimator and an 'electronic counselor' on the World Wide Web.

The Pennsylvania State University (Penn State)

From 1992 until 1997, the university made \$36.5 million in internal budget reductions. They have Continuous Quality Improvement Teams that have identified efficiency improvements which have saved several million dollars. There are 227 teams looking at ways to improve processes and increase customer satisfaction.

Rutgers, The State University of New Jersey

Recognizing the need for significant institutional support for growth areas according to its 1995 strategic plan, Rutgers embarked on an ambitious reallocation effort to shift administrative savings to academic priorities. This effort, known as the Strategic Resource and Opportunity Analysis (SROA), successfully identified — through the work of vice presidents and provosts — limited administrative resources for reallocation to support key

academic initiatives. Since its inception, roughly \$12 million in SROA-generated resources have been used to leverage millions more in support of 75 high priority strategic planning projects.

Syracuse University

Over the past six years, Syracuse has trimmed its administrative budget by 25 percent and cut 550 faculty and staff positions. At the same time, the institution has quadrupled the amount of money it spends on need- and merit-based student aid.

University of California, Riverside

Faced with increasing enrollments and limited state funding, the administrative services unit transformed the way it serves campus customers. Among the steps and associated budget savings:

- Reorganization and elimination of unneeded management layers saves \$750,000 annually.
- Redesign of the acquisitions process saves \$1 million annually.
- Redesign of physical plant construction and repair processes saves \$800,000 annually.
- Implementation of an automated travel management system coupled with improved processes saves \$300,000 annually.
- Reduction in energy utilization and improvements in processes for acquiring natural resources saves \$493,000 annually.
- Improvements in environmental health and safety practices produced savings of \$322,000 annually.
- Additional process improvements throughout various departments resulted in cumulative annual savings of \$252,000. The out-of-pocket investment needed to identify these process improvements and indicated savings amounted to \$70,000.

University of Maine System

The University of Maine System took dramatic steps to reduce its budget expenditures between 1990 and 1997. During that period, the system eliminated eight offices; cut 21 full-time positions; saved a total of \$700,000 in personnel costs; and reduced the operating budget by \$3.5 million. Funds from reductions in the Chancellor's Office were reallocated to the campuses for improving undergraduate education and for

research initiatives.

University of Miami Medical School

An in-house temporary employee pool was created to meet the staffing needs of the Medical School. Coupled with the reduction of the number of permanent staff positions needed for the school, the temporary staffing program produced annual savings of \$1.7 million.

University of Nebraska

By making a joint purchase with other institutions, the University of Nebraska was able to improve insurance coverage at reduced costs amounting to \$1,165,000 on an annual basis. Additional savings are expected through dividends yet to be earned through the program.

University of Wisconsin-Stout, Menomonie, WI

An institution-wide cost-cutting plan reduced the number of the major administrative divisions from three to two; reduced the number of academic schools from four to three; reduced the number of credits needed for graduation from 135 to 124.

EXAMPLES OF INNOVATIVE APPROACHES TO MAKE COLLEGE MORE AFFORDABLE

Bennington College, Bennington, VT

Since implementing a campus-wide restructuring program in 1994, Bennington's comprehensive fee has risen only once — 2.3 percent in 1997. Bennington is on track to meet its goal of reducing tuition by 10 percent in 1994 dollars by the year 2000. Taking into account Bennington's zero-percent tuition increase for the 1998-99 academic year, it has cut tuition by nearly 8 percent since 1994.

Dickinson College, Carlisle, PA

Students applying for admission by December 1 each year will be guaranteed the same amount of grant aid for all four years at Dickinson. If tuition increases or the family's financial circumstances change, the grant will be adjusted accordingly. In addition, the Benjamin Rush Scholarship awards up to \$5,000 to the most competitive needy applications. Dickinson's Teachers for Tomorrow program provides students in the teacher education program a \$20,000 grant in exchange for a four-year teaching commitment after graduation.

Central Michigan University, Mount Pleasant, MI

Guarantees graduation in four years for students enrolled in most of the university's undergraduate programs or the university will pay for the courses needed to finish the degree.

Commonwealth of Massachusetts Community College System

Massachusetts has reduced tuition at community colleges to only \$500 (down from \$2359 in 1995-96), a move that virtually assures every individual access to the first two years of college.

Duke University

Duke University trustees recently approved the administration's recommendation not to make any upward adjustments in assessments of a family's financial capabilities as a result of the new federal tuition tax credits (HOPE scholarships) that were enacted by the Congress last summer. This will permit eligible Duke students and their families to obtain the full relief that these credits were intended to provide — up to \$1,500 a year for the first two years of college and up to \$1,000 a year for all other years. Duke has also announced a new program of differential loan packaging. For students from families who, according to Duke's financial aid assessments, would qualify for a minimal family contribution as part of their overall aid package, Duke will substitute \$2,000 in grants for the first \$2,000 in normal loan expectations. University officials say that between 250 and 300 families are expected to benefit from this change.

Harvard University

Harvard is increasing its scholarship fund by 20 percent, providing individual scholarship recipients with at least \$2,000 more a year in grant aid. The university is also changing its student aid formula to allow students with outside scholarships to apply the full amount of those awards to meet the "self-help" requirement.

Kent State University

Under the "Kent First" Program, incoming freshmen and their families who choose this option will be guaranteed no fee increases and will know the full price of a degree up front. Participants can pay for their instructional and general fees with one down payment and

36 fixed monthly payments. They also get a \$1,000 certificate that may be applied toward any of Kent's graduate-level programs.

Michigan State University

In late 1994, Michigan enacted a program for all new students known as "The MSU Tuition Guarantee," and promised that tuition would rise no higher than the rate of inflation for the next four years.

Northern Arizona University (NAU) and Arizona Community College System

Northern Arizona University has formed collaborative partnerships with Arizona's public community college system to offer convenient, low-cost options for students who intend to earn an undergraduate degree. Students complete their first two years of study at a local community college, then transfer to NAU for the remaining two years at one of 18 statewide service areas. Each of these service areas houses an NAU office where students can be advised, admitted and registered. NAU shares facilities with the community colleges including interactive television classrooms, traditional classrooms, libraries, and computer labs. Students often graduate from NAU without setting foot on the "traditional" campus in Flagstaff.

Pine Manor College, Chestnut Hill, MA

Pine Manor is using a bequest to cut its tuition by 34 percent and its room and board charges by 24 percent for the 1998-99 academic year. Pine Manor reduced its in-state tuition by \$6,000 in 1996, and froze tuition in 1997.

Princeton University

Princeton will increase its financial aid budget by 20 percent over the next four years, in the process replacing loans with grants for students whose families earn less than \$40,000 a year. At the same time, Princeton is holding the increase in comprehensive fees to 3.7 percent this year, the lowest in three decades.

Queen's College, Charlotte, NC

On the strength of its best-ever fund-raising campaign, Queen's has cut tuition by 27.5 percent for the 1998-99 academic year.

INVITING A MEMBER OF CONGRESS TO VISIT YOUR CAMPUS

An integral part of informing and educating your legislators about the enormously important work that goes on every day at institutions of higher education is ensuring that Members of Congress visit your campus on a regular basis. Lawmakers are usually anxious to meet the people whose lives are affected by their votes — and when they do, the experience often remains with them for years. Invite your elected official, and the staff responsible for higher education issues, to your campus and show them the human face of student aid.

Because most Members of Congress spend a great deal of time in their home states during Congressional recess as well as at the beginning and end of each week, there are ample opportunities to set up a visit. Following are some basic guidelines to help you effectively secure visits by elected officials to your individual campuses:

CONTACT THE MEMBER'S STATE OFFICE

Your first step should be to contact the Member's state office and find out the name of the person responsible for scheduling (this person could be based either in the state or in Washington, D.C.). Additionally, you will need to know the name of the Member's state director, a contact person in the Washington, D.C. office if the scheduler isn't based there, and the name of the legislative assistant (LA) who handles education issues for the Member in Washington, D.C. Most Members have several offices throughout their state or district; contact the office in your state's capitol or in the largest city in your Member's district.

WRITE A LETTER REQUESTING THE VISIT

Draft a letter to the Member of Congress addressed to the scheduler, with a carbon copy of the letter to the state director, inviting the Member to tour the campus with the president of the university and other senior university officials. In addition, you might want to include several students in this group, especially those receiving federal financial aid; arrange a separate meeting with students, university officials, and the elected official; or request that the Member address the student body. Provide a wide range of dates and times to help accommodate the lawmaker's busy schedule and highlight some of the things you believe to be important for the elected official to see during the visit. Additionally, you should send copies of this letter to the Member's Washington, D.C. office and to the Member's education staff member.

MAINTAIN CONTACT WITH THE REPRESENTATIVE'S SCHEDULER THROUGHOUT THE PROCESS

Follow-up with the Member's scheduler by phone approximately a week after mailing the letter to discuss possible dates and times, as well as to ensure that the letter was received and is being given strong consideration. You will need to maintain contact with the lawmaker's scheduler over what could be a lengthy period of time (perhaps a few months) to pinpoint a date and time that will work.

Once the visit is scheduled, check in periodically to make sure that nothing has changed with the time or date — not to mention the availability of the lawmaker. You might also want to contact the Member's education LA in Washington, D.C. by phone and enlist his or her assistance in making sure the visit gets scheduled in a timely manner.

VISIT THE FINANCIAL AID OFFICE

Let the lawmakers see first-hand how financial aid works, and introduce them to students who receive federal student aid. This gives them a concrete reference point to use when aid programs are being debated. For example, "I visited with a student who works 30 hours a week and attends school full-time. Cutting funds for student aid will force this student to give up on the American dream of achieving a college degree."

HOST AN ISSUES FORUM ON CAMPUS

Ask your Member of Congress, state legislator, local business leaders, the president of your institution, the financial aid administrator, and students to be on the panel. Advertise the event on campus and ask local papers to post it in the community calendar. Topics of the forum could include financial aid issues, affording higher education or pending legislative proposals that might affect student aid programs, and the impact such proposals would have on students at your institution.

REMEMBER TO FOLLOW UP

After your meeting, write a note to the Member of Congress and the aides with whom you met. Thank them for their time, and reiterate your messages. In addition, encourage aid recipients to write thank you letters to their elected officials for federal aid programs.

(It is also important that state and local officials be made aware of college affordability and student aid issues. Use these same ideas to schedule a campus visit by your mayor, and state or county legislators.)

TOOLS YOU CAN USE

(PLACE HOLDER)

SAMPLE OP-ED

Feeding six kids and paying a mortgage was overwhelming enough for John and Kerri Heartstead. Saving for college for their children had always seemed like an unrealistic goal. “We felt that college was important for our kids, and it was always in the back of our minds,” said Kerri. “But we never seemed to have enough leftover after basic expenses to put anything aside.”

It wasn’t until their oldest child, Mark, approached his senior year in high school that they began in earnest to investigate the college option. Kerri and John’s preliminary inquiries into tuition and costs almost led them to throw in the towel. “We were so overwhelmed that we almost told Mark it couldn’t be done.”

Ultimately, the Heartsteads decided to take the plunge. With the help of Jean Franklin, a financial aid advisor at a local university, the Heartsteads figured out how to make the cost manageable, and in 1998, Mark received his bachelor’s degree.

However, many parents and students — daunted by high costs, misinformation, and complex processes — don’t follow the Heartsteads’ example. It’s a shame, because while college may seem like an unaffordable luxury, there’s usually a way to make going to college possible.

The media’s coverage of the rising cost of tuition, while not inaccurate, creates a faulty impression with the public. Stories tend to focus on the tuition costs of the most expensive colleges. “\$100,000 for a college degree!” they trumpet. In reality, only a handful of colleges cost \$25,000 a year, and very few students pay the full tuition price. There is often an ocean of difference between the “sticker price” of a college and what (after grants, scholarships, low-interest loans, etc.) people actually spend. It’s no wonder that a recent study showed that 71 percent of the public believe that college is too expensive.

Make no mistake — college can be costly. And tuition did indeed rise significantly in the 1980s and early 1990s. However, the average American believes that tuition prices are much higher than they actually are. The same study demonstrated that the public overestimates the average price of tuition at four-year public colleges by 212 percent and misjudges the total cost of attendance by 99 percent. People are astonished to learn that 75 percent of students attending four-year colleges pay less than \$8,000 a year. More than half pay less than \$4,000.

Most Americans also are surprised to learn about the more than \$60 billion per year available in grants, scholarships, and low-interest loans for students. Even those who have been informed about options available may remain hesitant to pursue them, since the application process can be so complex. Not everyone has access to someone like Jean Franklin, who helped guide the Heartsteads through the complicated process.

What is at risk? College has always offered students a leg up, but the difference in average salary between workers who have college degrees and those who don't is on the rise. Workers with bachelor's degrees earn an average of 50 percent more than those with a high school diploma. A college degree offers students an enormous advantage in an economy that increasingly honors specific skills and technical expertise. Twenty years ago, about half of all high school graduates went to college. Now, two-thirds do. People have come to recognize that, even if they pay top dollar for their college degree, their investment will be rewarded handsomely in the long run in the form of higher salaries and better jobs.

The Coalition of America's Colleges and Universities recognizes the difficulties facing families like the Heartsteads and is launching an expansive national education campaign that will help ensure that all Americans have the resources to make an informed decision about whether and how to attend college. Featuring a website with extensive helpful information (www.CollegeIsPossible.org), and a brochure that the public can request by calling the U.S. Department of Education's special toll-free number for college information, 1-800-433-3243, the Coalition hopes to simplify and demystify the process of choosing and applying to schools and finding sources for aid. By using the Coalition's clearinghouse of easy-to-understand, reliable information, potential college students, parents, and even high school guidance counselors will be given a hand in this sometimes intimidating process.

While college enrollment is at an all-time high, there remain too many high school graduates who, due to lack of information, are missing out on the experience and benefits of higher education. The aim of the Coalition's national education campaign is simple — to get a three-word message across to American families: “College Is Possible.”

OP-ED FOR COLLEGE PRESIDENT ON COLLEGE COST

As President of [Institution], I am acutely aware of the concern parents and high school students have about the cost of a college education. It's a legitimate worry. After all, earning a college degree requires a serious investment of time, money, and energy.

Lately, though, I've been struck by two particular strains of anxiety that I think may be due to a failure by people like me to educate the public, and which might be alleviated with more information. The first is the idea that college is not just expensive, but *prohibitively* expensive. I fear that many parents and students have come to believe they shouldn't even try to pursue a college degree, so astronomical are the costs. The second concern is that colleges are charging ever-higher tuition without any respect for the difficulty this may cause families, and without a commensurate increase in the quality of education. We in higher education have failed to inform parents and students about the particular financial challenges facing colleges and universities, and they are understandably concluding that their tuition dollars disappear "into the ether."

First, while news reports often trumpet horrifying numbers — "\$100,000 for a college degree!" — only a handful of institutions actually cost that much, and even those schools provide enormous amounts of financial aid. Recent studies show that the American people vastly overestimate the actual cost of a college degree. But a college education, while certainly a substantial investment, can cost far less than people think. In addition, \$60 billion is available in grants, scholarships and low-interest loans for students each year. Most students do not pay the "sticker price" for their school. While going to college can be a sacrifice, it is usually possible.

As to the reports of "soaring" tuition, while prices did rise substantially in the 1980s and early 1990s, annual increases have stabilized at 5 percent. Still, colleges must re-double their efforts to further cut costs and minimize future tuition increases.

"But where do these dollars go?" parents ask. [The following may be replaced, in whole or in part, with institution-specific details about the elements of tuition costs.] Again, the answer is complex. At public colleges and universities, studies have shown a direct correlation between decreasing state appropriations and increasing tuition. Paradoxically, much of the tuition dollars at private colleges go toward reducing the costs! Many institutions actually spend a great deal to help defray the cost of college for students who may not

otherwise be able to afford it. So when costs rise, often students are receiving more aid. This is particularly true in the past 15 years, when the federal government curtailed its spending on grants and assistance, causing private colleges to triple what they spend on student grants and scholarships from their own funds.

There are other cost drivers. As competitive entities, colleges must be in constant pursuit of excellence — better instruction, better facilities, and a high quality of campus life. Many expensive items contribute to this, such as library acquisitions, sophisticated science labs, recreational activities, high-end athletic facilities and programs, campus security, transportation, and counseling. Expectations are high. When students tour campuses, they expect to see state-of-the-art facilities and the best academic opportunities.

An increase in the number of students attending college also has increased the number of students at many schools. More students necessitate enhanced facilities — dorms, labs, computer centers. These, too, contribute to rising costs. Education increasingly requires institutions to have the latest technology, which is a constantly rising expense, and one that was not a factor for schools 15 to 20 years ago. Just the cost of wiring individual classrooms and dorm rooms for Internet access is putting a strain on college budgets. Yet no college can afford to go very long without doing so and still expect to be competitive. In addition, complying with increasing state and local regulations is very costly for colleges, which must pay for legal help and administrative costs.

Parents and students should know that, despite the challenges, colleges are working hard to promote cost management efforts. [The following may be replaced or amended with details about the cost-saving innovations being undertaken by your institution.] Such efforts include restructuring budgets; streamlining services; staff cuts and changes; and cooperative arrangements with other colleges and universities to receive discounts on purchases of things such as long distance phone service, insurance, supplies, or even electric power. These innovations have gone far toward offsetting the increases in the cost of technology, security, and other expenses that colleges must absorb to ensure a decent quality of campus life.

In addition, in an effort to make the process of paying for college a simpler one, the Coalition of America's Colleges and Universities has launched a national education campaign, which will help ensure that all Americans have the resources to make an informed decision about whether and how to attend college. Featuring a website with extensive helpful information (www.CollegeIsPossible.org) and a U.S. Department of

Education 800 number which people can call for guidance (1-800-433-3243), the Coalition hopes to simplify and demystify the process of choosing and applying to schools and finding sources for aid.

It is understandable that students and parents are anxious both about affording to pay for college and getting a quality education for their hard-earned dollars. College presidents across the land know we must do all we can to ease this anxiety and assure people that, not only is a college degree possible, but students will get more than their money's worth from the experience.

SAMPLE SPEECH ON COLLEGE COST

I'll bet everyone here today knows parents like John and Kerri Heartstead. With six kids and a mortgage, the Heartsteads were overwhelmed enough. And while they knew college would give their kids a leg up, they truly didn't have enough left over after their basic expenses to put money aside to save.

In the Heartsteads' case, it wasn't until their oldest child, Mark, was a senior in high school that they really began to look into the college option. And what they found out about the sometimes complex process of applying for college and the high price of attending scared them so much, they almost threw in the towel.

Ultimately, with the help of Jean Franklin, a financial aid advisor at a local university, the Heartsteads marched through the process and figured out how to make the cost manageable. And in 1998, Mark received his bachelor's degree.

The Gutierrez family faced a similar challenge. Linda Gutierrez was a strong student and her family would have liked her to go to college. However, Linda's budget-strapped school district offered little guidance with respect to the college application process. Linda's parents, first-generation Guatemalan immigrants, faced not only a financial barrier, but also a language barrier in trying to wade through the admissions and financial aid process. Like so many families, they assumed that scholarships and financial aid were for star athletes, and they had no occasion to learn about the \$60 billion in aid that is available in the form of grants, scholarships, and low-interest loans that might have helped pay for Linda's tuition and expenses. In the end, like most of the students from her high school, Linda did not go to college.

The problem is, lots of parents don't find a Jean Franklin to help them through the process. It's troubling to think of how many students shy away from college because of what appear to be impossibly high costs and an incredibly complex process. In truth, while college certainly can be expensive — next to a home, often the biggest purchase some families make — there is usually a way to make it happen. And once that degree is finished, the education generally pays for itself over and over again.

The media's coverage of the rising cost of tuition, and especially its focus on the 2 percent of colleges that charge more than \$20,000, has given American families a faulty impression. Stories about tuition tend to focus on the cost of the most expensive colleges. "\$100,000 for a college degree!" they trumpet. In reality, only a handful of

the most expensive colleges cost \$25,000 a year, and virtually no one pays the full tuition cost of their college education. What the media often fails to tell people is that there is a big difference between the — quote — “sticker price” of a college and the price that families end up paying, after help from grants, aid, work programs, loans, and other sources. At four-year colleges, three out of four full-time undergraduates pay less than \$8,000 for tuition — more than half pay less than \$4,000. When you factor in aid, the figure is even smaller. And even the most expensive schools provide enormous amounts of financial aid.

Americans drastically overestimate the cost of a college degree. A recent study showed that the public overestimates the cost of attending college by as much as 200 percent. What is most distressing is that, while American families firmly believe that a college education is worth the money, they perceive that college is not affordable. The cost of a college education is among the top five concerns that parents have about their children. They are more anxious about financing college than they are about their children being victims of crime or the quality of public schools.

This knowledge gap is greatest among at-risk populations, like the Gutierrez family. First-generation college students, low-income families, and members of minorities are more likely to overestimate the cost of college. This has the unfortunate effect of leading many families to assume that college is simply not in their future.

Most Americans are astonished to learn about the \$60 billion per year available in various forms of aid for students. Those who do know about the options are still hesitant to pursue them, since the application process may seem so complex.

There is a great deal at stake. A college degree is increasingly valuable in the United States. On average, a postsecondary degree translates into higher income — the difference in average salary between workers who have college degrees and those who don't is on the rise. Workers with bachelor's degrees earning an average of 50 percent more than those with a high school diploma. Our economy increasingly honors specific skills and technical expertise, and some training or postsecondary education is necessary for virtually any job in the market. Twenty years ago, about half of all high school graduates went to college. Now, almost two-thirds do. That's because people have come to recognize that, even if they pay top dollar for their college degree, their investment will be rewarded handsomely in the long run. Yet there are too many students who are missing out on the experience. Lack of information should not be the culprit.

The Coalition of America's Colleges and Universities represents the nation's higher education institutions. We recognize the challenges facing families like the Heartsteads and the Gutierrezes. For that reason, we have launched a comprehensive national campaign. The idea is to help ensure that all Americans have the resources to make an informed decision about the application process. People searching for information right now have to be research experts to find answers. We have developed a clearinghouse of information that will help guide people to the answers they seek. Our website (www.CollegeIsPossible.org) contains extensive helpful information as well as links to other key websites. A U.S. Department of Education toll-free number, 1-800-433-3243, will offer callers helpful guidance.

Through these and other educational resource tools, we hope to simplify and demystify the process of choosing and applying to schools and finding sources for aid. I expect that the Coalition's clearinghouse of easy-to-understand, reliable information will be of great help, not only to students and parents, but even to high school guidance counselors who also need a "one-stop-shop" for information to meet the varying needs of their students.

While college enrollment is at an all-time high, the fact is, there are far too many high school graduates who are missing out on the experience and benefits of higher education. The goal of our national education campaign is quite simple. We want to get a three-word message across to American families: "College Is Possible."

Thank you.

SAMPLE RADIO PSA SCRIPT

Live Announcer:

Just who is college for anyway? Well . . . How about you? Some believe that going to college is too expensive. The very thought is so intimidating many don't even try. But there is a way. Today, there are a variety of alternatives that can make college affordable for just about anyone who's qualified to go.

In fact, last year, students received nearly sixty billion dollars in grants, scholarships, and low-interest loans to attend colleges and universities all across America.

With the help of student aid, three out of four full-time undergraduates pay less than ten thousand dollars a year to go to college. And that includes tuition, books, room and board, and other living expenses.

College can lead you to better jobs, a better income, and a better way of life.

For more information and a free brochure, call the U.S. Department of Education at 1-800-433-3243 and ask for the College is Possible campaign. Or look us up on the web at www.CollegeIsPossible.org.

Who is college for? College is for you.

Brought to you by The Coalition of America's Colleges and Universities.

PARTICIPATING ORGANIZATIONS

(PLACE HOLDER)

PARTICIPATING ORGANIZATIONS

For additional information on college affordability, or if you have any questions about the national “College is Possible” information campaign, please contact any of the following associations:

American Association of Community Colleges

One Dupont Circle, Suite 410

Washington, DC 20036

Phone: (202) 728-0200

<http://www.aacc.nche.edu>

American Association of State Colleges and Universities

1307 New York Avenue, NW, Suite 500

Washington, DC 20005

Phone: (202) 293-7070

<http://www.aascu.org>

American College Personnel Association

One Dupont Circle, Suite 300

Washington, DC 20036

Phone: (202) 835-2272

<http://www.acpa.nche.edu>

American Council on Education

One Dupont Circle, Suite 800

Washington, DC 20036

Phone: (202) 939-9300

<http://www.acenet.edu>

Association of American Universities

1200 New York Avenue, NW, Suite 550

Washington, DC 20005

Phone: (202) 408-7500

<http://www.tulane.edu/~aau>

Association of Governing Boards of Universities and Colleges

One Dupont Circle, Suite 400

Washington, DC 20036

Phone: (202) 296-8400

<http://www.agb.org>

Association of Jesuit Colleges and Universities

One Dupont Circle, Suite 405

Washington, DC 20036

Phone: (202) 862-9893

<http://www.ajcunet.edu>

The College Board

45 Columbus Avenue

New York, NY 10023-6992

Phone: (212) 713-8000

<http://www.collegeboard.org>

The College Fund/UNCF

1444 I Street, NW, Suite 500

Washington, DC 20005

Phone: (202) 737-8623

<http://www.uncf.org>

College Parents of America

700 Thirteenth Street, NW, Suite 950

Washington, DC 20005

Phone: (202) 661-2170 or (888) 256-4627

<http://www.collegeparents.org>

Council for the Advancement and Support of Education

1307 New York Avenue, NW, Suite 1000

Washington, DC 20005

Phone: (202) 478-5630

<http://www.case.org>

Council of Independent Colleges

One Dupont Circle, Suite 320

Washington, DC 20026

Phone: (202) 466-7230

<http://www.cic.edu>

Educational Planning Center

3712 Second Avenue

Kearney, NE 68847

Phone: (800) 666-3721

<http://www.ne-epc.com>

Hispanic Association of Colleges and Universities

2040 Gardendale Street, Suite 216

San Antonio, TX 78229

Phone: (210) 692-3805

<http://www.hacu2000.org>

National Association for College Admission Counseling

1631 Prince Street

Alexandria, VA 22314

Phone: (703) 836-2222

<http://www.nacac.com>

National Association for Equal Opportunity in Higher Education

8701 Georgia Avenue, Suite 200

Silver Spring, MD 20910

Phone: (301) 650-2440

<http://www.nafeo.org/>

National Association of College and University Business Officers

2501 M Street, NW, Suite 400

Washington, DC 20037

Phone: (202) 861-2500

<http://www.nacubo.org>

National Association of Independent Colleges and Universities

1025 Connecticut Avenue, NW, Suite 700

Washington, DC 20036

Phone: (202) 785-8866

<http://www.naicu.edu>

National Association of State Universities and Land-Grant Colleges

1307 New York Avenue NW, Suite 400

Washington, DC 20005

Phone: (202) 778-0818

<http://www.nasulgc.org>

National Association of Student Financial Aid Administrators

1129 20th Street, NW, Suite 400

Washington, DC 20036

Phone: (202) 785-0453

<http://www.nasfaa.org>

National Association of Student Personnel Administrators

1875 Connecticut Avenue, NW, Suite 418

Washington, DC 20009

Phone: (202) 265-7500

<http://www.naspa.org>

National Collegiate Athletic Association

6201 College Boulevard

Overland Park, KS 66211

Phone: (913) 339-1906

<http://www.ncaa.org>