Understanding College Costs

Often the greatest fear about pursuing an education after high school is the cost of college. The main expenses include tuition and fees, room and board, books and supplies, personal expenses, and transportation. These costs can be controlled to some extent.

The cost of college depends a lot on the choices your child makes. There’s something else you should know: The published price of attending a college is not usually what students actually pay. They often pay less, thanks to financial aid.

Financial aid is money given or lent to your child to help pay for college. It may be awarded based on financial need alone, or based partly on factors such as proven academic or athletic ability. Most full-time college students receive some form of financial aid.

The actual, final price (or net price) students pay for a specific college is the published price (tuition and fees) to attend that college, minus any grants, scholarships and education tax benefits for which they may be eligible.

The difference between the published price and the net price can be considerable. While the prices published on college websites can be discouraging, many students will find that the net price for them is actually lower.

Colleges are now required to post a tool called a net price calculator on their websites. You can also go to the U.S. Department of Education’s Net Price Calculator Center: www.collegecost.ed.gov/netpricecenter.aspx

Sources: BigFuture & Career Guidance WA

Did You Know?

Grants are a kind of gift aid — financial aid that doesn’t have to be paid back if students successfully complete the courses in which they were enrolled. Grants are usually awarded based on financial need.
**MYTH:** Saving for college will hurt my student’s chances of getting financial aid.

**REALITY:** Any money you and your child are able to save probably won’t appreciably affect chances for aid.

Here’s why:

Under the federal financial aid formula, what matters most is the parents’ income. Only a small percent of savings will be counted when determining financial aid.

Parental savings typically have little impact in the government calculation of expected family contribution (EFC).

Your EFC is a measure of your family’s financial strength. It is calculated using information you give about your family’s circumstances when your child applies for financial aid.

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**Student Checklist**

- Ask questions and participate in class.
- If you are able to choose your high school, start visiting local schools to compare your options.
- Find leadership opportunities.

**Family Checklist**

- If your child is able to choose a high school, start visiting local schools to compare your options.
- Encourage your child to explore leadership opportunities in school or in after-school activities.

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**December:**

- U.S. Department of Education’s Net Price Calculator Center
- BigFuture: Understanding College Costs
  - [https://bigfuture.collegeboard.org/pay-for-college/college-costs/understanding-college-costs](https://bigfuture.collegeboard.org/pay-for-college/college-costs/understanding-college-costs)
- Career Guidance WA
- CBS News: Why Saving For College Won’t Hurt Financial Aid Chances
- Oregon GEAR UP
  - [http://oregongearup.org/resource/parent-newsletters](http://oregongearup.org/resource/parent-newsletters)

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Sources: [CBS News](http://www.cbsnews.com) & [Oregon GEAR UP](http://oregongearup.org)

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Visit [readysetgrad.org](http://readysetgrad.org) to learn more and access resources to help your child make a plan.