

## COLLEGES ADOPT NET PRICE CALCULATORS TO ATTRACT STUDENTS WORRIED ABOUT AFFORDABILITY

### 42 Institutions Outsource Calculator Development to Gain Competitive Edge

SACRAMENTO, CA – May 26, 2010 – Private and public colleges and universities across the country are beginning to adopt net price calculators (NPC) as a way of communicating affordability to prospective students and families. With admissions for the upcoming academic year largely complete, the demand for NPCs is expected to accelerate this summer to meet the October 2011 deadline for all Title IV institutions to provide an NPC on their Web sites.

Prospective students often confuse college sticker prices with the cost they will pay. However, 70 percent of first-year students receive aid that reduces their out-of-pocket costs, and more students are receiving higher amounts of grants, according to the latest survey by the Higher Education Research Institute. Independent colleges, for example, are providing more aid than ever with the average institutional award covering more than half of tuition and fees, according to the National Association of College and University Business Officers. Overall, 75 percent of all college students, including a growing number from upper-income families, now seek aid to pay for their undergraduate education, reports the U.S. Department of Education.

While institutions may use the “one-size-fits-all” federal calculator template to meet the mandate, the latest Association for Institutional Research (AIR) alert, authorized by the U.S. Department of Education’s National Center for Education Statistics (NCES), encourages them to consider alternatives because the federal template doesn’t accurately determine aid and net price for students considering institutions that offer significant merit aid. Nor does the federal template support institutions’ enrollment-management efforts, the alert states. The desire for accurate aid estimates, which may encourage more students to seek admission, along with other benefits not provided by the federal template, is fueling the move toward outsourcing the development of custom calculators.

Albright College of Reading, Pennsylvania is one college that recently outsourced the development of its sophisticated NPC. “Our new online calculator will help us show families that private higher education is affordable and well within reach,” said Gregory E. Eichhorn, Albright’s vice president of enrollment management and dean of

admission. “Families can now understand the actual cost, not only after grants and scholarships, but also counting loans and work-study options.”

Forty-two colleges have chosen market leader StudentAid.com’s *ThinkAhead Net Price Calculator*<sup>™</sup> to show prospective students that the “sticker price” (the published cost of attendance) is not their cost of college.

“Institutions using our calculators have a powerful, competitive advantage because this technology matches a prospective student’s particular financial and academic circumstances with each institution’s unique approach to making education affordable through need-based and merit aid,” said Jeff Whorley, president of StudentAid.com.

Institutions that recently began implementing calculators from StudentAid.com to meet the federal mandate include Rivier College of Nashua, N.H.; Franklin Pierce University of Rindge, N.H.; Polytechnic Institute of New York University of Brooklyn, NY; Albright College of Reading, PA; La Salle University of Philadelphia, PA; Baldwin-Wallace College of Berea, OH; Ohio Christian University of Circleville, OH; Ohio Northern University of Ada, OH; Muskingum University of New Concord, OH; Newman University of Wichita, KS; the University of Arkansas of Fayetteville, AR; the University of La Verne of La Verne, CA; and Thomas Aquinas College of Santa Paula, CA.

StudentAid.com’s technology calculates aid, net price, and out-of-pocket cost estimates based on each prospective student’s specific financial and academic circumstances. It determines eligibility for all federal and state aid. The company ensures accuracy by mapping each client institution’s aid packaging requirements and policies.

“Colleges and prospective students want a net price calculator to answer questions rather than create them,” Whorley said. “Our custom technology’s accuracy prevents the kind of wild disparities between estimates and actual awards that create headaches for families and institutions.”

Deans of enrollment and admissions are leveraging the opportunity provided by some net price calculators to deepen relationships with prospective students, an option not available by using the federal calculator template.

“The *ThinkAhead Net Price Calculator*<sup>™</sup> will be an asset in our recruitment because we can easily follow up with the students and families who have used it,” Eichhorn said.

The nearly 7,000 post-secondary institutions receiving Title IV federal financial aid funds must post a net price calculator on their Web sites by October 29, 2011. They may choose to use the federal template, build an NPC, or partner with a third-party NPC provider.

## **About StudentAid.com**

StudentAid.com, Inc. is the nation's leading net price calculator provider offering proven, advanced technology to meet the needs and budgets of post-secondary institutions so they can offer accurate net price calculations to prospective students. The company also provides students and their families with insight into aid eligibility so they can compare post-secondary institutions' net prices and out-of-pocket costs.

StudentAid.com is a private company headquartered in Sacramento, CA.

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