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ASSOCIATION OF BUSINESS ADMINISTRATORS OF CHRISTIAN COLLEGES

# Understanding & Implementing the Net Price Calculator

Presented by:

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for the  
Association of Business  
Administrators of Christian Colleges



# About Scannell & Kurz, Inc.

Scannell & Kurz provides strategic enrollment management consulting services:

- To meet the admissions, retention, class quality, and net tuition revenue goals of college and university clients.
- Best known for our strategic analysis of financial aid, all of our deliverables reflect sound and sophisticated statistical analyses. You'll find no "cookie cutters" here.
- Our team members have successful practical experience. We partner with campus personnel to make them better at what they do. And, we always do more than expected.



# Overview

- Background on the NPC requirement
- Review of U.S. Department of Education NPC template
- Review of more comprehensive NPC examples
- Next Steps
- Other issues to consider

# Moving Toward Transparency

- Merit awards listed on websites
- Scholarship calculators
- Need-based calculators



# Higher Education Opportunity Act

HEOA signed into law August 14,  
2008

Includes many new reporting and  
disclosure requirements

Requires every institution to have a  
net price calculator on its website

# Requirement

- On October 29, 2009, U.S. Dept. of Education made available a Net Price Calculator Template
- Institutions have 2 years from the release of the template to post their calculator
- An institution may use either the net price calculator developed by Department or it may develop its own
  - Institutionally developed calculators must include  
“at a minimum the same data elements”  
found in the Department template



# Purpose

“to help current and prospective students, families, and other consumers estimate the individual net price of an institution of higher education for a student. The calculator shall be developed in a manner that enables current and prospective students, families, and consumers to determine an estimate of a current or prospective student’s individual net price at a particular institution.”

P.L. 110-315, sec. 132 (h) (1).



# What Institutions Have to Decide

- Meet the basic requirement?
- Use a comprehensive calculator?

Keep these questions in mind as we review some options. Later, we'll discuss possible implications.

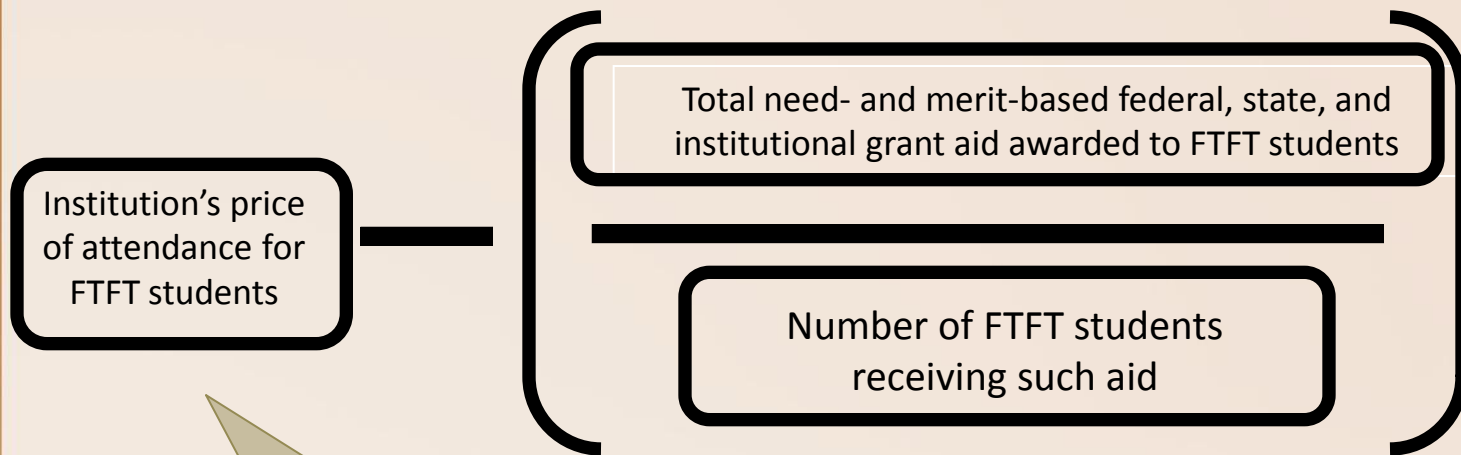


# Important Note

The Higher Education Opportunity Act defines net price as the net price for **first-time, full-time students**.

Title IV institutions that **do not enroll first-time, full-time students are not required to have a net price calculator under the HEOA.**

# Definition of Net Price



Price of attendance = average annual cost of tuition and fees, room and board, books, supplies, and transportation



# Net Price Example

Price of attendance: \$39,000

-- (\$8,000,000/500 students)

Net Price: \$23,000

# Development of the Template

- Developed based on Technical Review Panel suggestions and guidance from NCES and Office of Postsecondary Education
- Tested with campus and association representatives
- Released October 29, 2009



# Net Price Calculator

## U.S. Department of Education Template



# To Access the Template Online

Office of Postsecondary Education's HEOA site:

[www.ed.gov/policy/highered/leg/hea08/index.html](http://www.ed.gov/policy/highered/leg/hea08/index.html)

NCES - "Resources" section of the IPEDS website:

<http://nces.ed.gov/ipeds/resource>



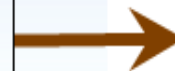
# Institution Application

## Net Price Calculator

**Please read.** Welcome to the Net Price Calculator application. This application will assist you in setting up a Net Price Calculator to post on your institution's website as required in the Higher Education Opportunity Act of 2009 (see HEOA Sec. 111 which amended HEA Title I, Part C: added HEA Sec. 132(a), Sec. 132(h) (20 U.S.C. 1015a(a), 20 U.S.C. 1015a(h))). **Click Continue to begin.**

Continue

Step-by-Step  
help in pdf  
format



# Determine Year and Calendar (Step 1)

## Net Price Calculator

### Step 1: Determine representative year and calendar system

HEOA requires that your institution use the data from the **most recent year available** when setting up this calculator. Data should be provided for **full-time, first-time undergraduate students**. Price and aid data must be for the same year – e.g., **the most recent year for which data are available for both.**



#### 1. The data you are entering are representative of the year:

- 2007-08
- 2008-09

Select the most recent year for which data are available

#### 2. What is your institution's predominant calendar system?

- Academic (semester, quarter, trimester, 4-1-4, or other academic)
- Program (differs by program, continuous basis)

Select your institution's predominant calendar system

Continue



# Set Up Data Screens (Step 2)

## Net Price Calculator

**Predominant Calendar System: Academic**  
**Representative Year: 2008-09**

Selections from  
Step 1



### Step 2: Set up your data entry screens

To get started, **answer the questions below**. Your responses will determine which data elements you are required to provide in the subsequent data input screen.

**1. Does your institution offer institutionally controlled housing (either on or off campus)?**

- Yes  
 No

**2. If yes, are all full-time, first-time degree/certificate seeking students required to live on campus or in institutionally-controlled housing?**

- Yes  
 No

**3. Does your institution charge different tuition for in-district, in-state, or out-of-state students?**

- Yes >> check all that apply:  In-district  In-state  
 No

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Continue

# Enter Price Data (Step 3, Table 1)

## Net Price Calculator

Predominant Calendar System: Academic  
 Representative Year: 2008-09

This is the year that you selected in Step 1.

### Step 3: Enter your institution's data

For the tables below, please provide data for **full-time, first-time undergraduate students**. Data for both tables should be for the **same year**. Please fill-in each table as completely as possible. These tables will be used to look up the appropriate price of attendance and grant aid data for users of the calculator based on information they enter. When you have completed the data entry for both tables below, click **Continue**.

**Table 1: Price of Attendance for Full-time, First-time Undergraduate Students 2008-09**

Enter the amounts requested below. Estimates of expense for room and board, books and supplies, and other expense should be those from the Cost of Attendance report used by your financial aid office for determining financial need. (Note: **These estimates are reported by your institution in the Integrated Postsecondary Education Data System (IPEDS) on the Institutional Characteristics survey form – Part D- Student Charges- Price of Attendance.**)

Report in whole dollars only

Price of attendance	In-state			Out-of-state		
	On-campus	Off-campus not with family	Off-campus with family	On-campus	Off-campus not with family	Off-campus with family
Total	0	0	0	0	0	0
Tuition and required fees	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Books and supplies	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Room and board	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Other (personal, transportation, etc.)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

# Enter Grant & Scholarship Data (Step 3, Table 2)

**Table 2: Grants and Scholarships for Full-time, First-time Undergraduate Students: 2008-09**

Enter the amounts requested below. Data should represent the **median** amount of both need and non-need grant and scholarship aid **from Federal, State, or Local Governments, or the Institution (exclude private source grant or scholarship aid)** awarded to, and accepted by, all **first-time, full-time students** with the indicated living and residency category for each Expected Family Contribution (EFC) range. **If you have fewer than three (3) observations for a cell, leave the cell blank.** The system will calculate and insert the average of the surrounding cells. In the bottom row of the table, report the median amount of grant or scholarships aid for students for whom you do not know an EFC (i.e., they did not file a FAFSA or apply for need-based financial aid).

Report in whole dollars only

EFC Range	In-state			Out-of-state		
	On-campus	Off-campus not with family	Off-campus with family	On-campus	Off-campus not with family	Off-campus with family
\$0	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
\$1-1,000	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
\$1,001-2,500	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
\$2,501-5,000	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
\$5,001-\$7,500	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
\$7,501-\$10,000	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
\$10,001-\$12,500	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
\$12,501-\$15,000	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
\$15,001-\$20,000	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
\$20,001-\$30,000	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
\$30,001-\$40,000	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
>\$40,000	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Non-FAFSA filers/unknown EFC	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Institutional data prepared by the institution

Previous

Continue



## Enter Explanations & Caveats (Step 4)

- Some will print automatically
  - First time, full-time awards
  - Not a final determination (not binding)
  - Not all students receive aid, percentage of aid recipients will display
  - Reminder to file FAFSA
- Others can be added
  - Excluded groups
  - # of credit hours covered

## Review Data Entered (Step 5)

- Price of attendance components
- Grants/scholarships by EFC ranges
- % receiving aid
- Explanations

# Using the Department of Education Calculator

## What the End User Will See on Your Website



# Answer Basic Questions (Step 1)

## Net Price Calculator

**Step 1:** Please provide the requested information. Your responses will be used to calculate an estimated amount that students like you paid - after grant aid and scholarships but before student loans - to attend this institution in a given year.

**Financial aid:**

**Do you plan to apply for financial aid?**

Yes  No

**Age:**

**How old are you?**

**Living arrangement:**

**Where do you plan to live while attending this institution?**

- On-campus (in a residence hall, dormitory, or on-campus apartment)
- Living on my own or with a roommate
- Living with my parents or other family members

**Residency:**

- Eligible for in-state tuition
- Eligible for out-of-state tuition

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# Answer Basic Questions (Step 2)

## Net Price Calculator

**Step 2:** Provide this information and then click Continue.

**Marital Status:**

**Are you (the student) married?**

(Answer "yes" if you are separated but not divorced.)

Yes

No

**Children:**

**Do you (the student) have any dependent children?**

Yes

No

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**Number in Family:**

**How many people are in your family's household?**

(Count yourself, your parent(s), and your parents' other children who are under the age of 24.)

**Number in College:**

**Of the number in your family above, how many will be in college next year?**

(Count yourself and your siblings; do not count your parents.)

**Parent Income:**

**What is the income of your parent(s)?**

- Include income from work, child support, and other sources.
- If your parent is single, separated, or divorced, include the income for the parent with whom you live.
- If the parent with whom you live is remarried, include both your parent's income and his/her spouse's income.

- Between \$0 - \$30,000
- Between \$30,001 - \$40,000
- Between \$40,001 - \$50,000
- Between \$50,001 - \$60,000
- Between \$60,001 - \$70,000
- Between \$70,001 - \$80,000
- Between \$80,001 - \$90,000
- Between \$90,001 - \$100,000
- Above \$100,000

**Student Income:**

**What is your income?**

- \$0
- Between \$1 - \$5,000
- Between \$5,001 - \$10,000
- Between \$10,001 - \$30,000
- Between \$30,001 - \$50,000
- Above \$50,000

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# Answer Basic Questions (Step 3)

Source: NCES/NASFAA/AIR

# Review Information Entered

<b>Financial aid</b>	Yes
<b>Age</b>	21
<b>Living arrangement</b>	On-campus (in a residence hall, dormitory, or on-campus apartment)
<b>Residency</b>	Eligible for in-state tuition
<b>Marital Status</b>	No
<b>Children</b>	No
<b>Number in Family</b>	4
<b>Number in College</b>	1
<b>Parent Income</b>	Between \$40,001 - \$50,000
<b>Student Income</b>	Between \$1 - \$5,000

Modify

Continue

## Net Price Calculator

Based on the information you have provided, the following calculations represent the average net price of attendance that students similar to you paid in the given year:

### Academic Year: 2008-09

<b>Estimated total price of attendance:</b>	<b>\$17,872</b>
a. Estimated tuition and fees	\$8,190
b. Estimated room and board	\$950
c. Estimated books and supplies	\$6,932
d. Estimated other expenses (Personal expenses, transportation, etc.)	\$1,800
<b>Estimated total grant aid:</b> (Includes both merit and need based aid)	<b>\$8,750</b>
<b>Estimated net price:</b> (Price of attendance minus grant aid)	<b>\$9,122</b>


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**Please Note:** The estimates above apply to **full-time, first-time undergraduate students** only.

These estimates do not represent a final determination, or actual award, of financial assistance or a final net price; they are only estimates based on price of attendance and financial aid provided to students in 2008-09. Price of attendance and financial aid availability change year to year. These estimates shall not be binding on the Secretary of Education, the institution of higher education, or the State.

Not all students receive financial aid. In 2008-09, 87% of our full-time students enrolling for college for the first time received grant/scholarship aid. Students may also be eligible for student loans and work-study. Students must complete the Free Application for Federal Student Aid (FAFSA) in order to determine their

# Produce Output (Net Price data)



# What should be happening on your campus - now

- Coordination with relevant offices
  - Institutional Research
  - Financial Aid
  - Admissions, Enrollment
  - IT (get them involved right away!)

# Suggestions

- Do preliminary analysis of data that will be used in your NPC:
  - Will averages be deceiving?
    - Identify factors that most affect net price for your students (e.g., scholarships and other non-need-based grants)
  - Any data integrity issues?
    - Identify students with missing EFCs & reasons why
    - Are financial aid amounts correct?

# The Options

- Use the NCES template
- Develop your own
- Contract with outside company



# Financial Aid Calculator

## Step 1 Student Information

What grade are you in?

12th Grade

Please read the Help messages! >>>  
Click the [Next] button to continue.

- Dependent Student + Parent
- Independent Student

Loan Calc

Start Over

Next

MORE INFORMATION

### Student's Current Year in School

Select the student's grade level during the 2009-2010 academic year from the drop down menu. The student's current year in school determines future college costs AND future expected family contribution calculations.

A what-if-calculator  
will appear here  
after the Report.



# Financial Aid Calculator

## ESTIMATED Family Contribution (FC) REPORT

	Federal Methodology <sup>1</sup>	Institutional Methodology <sup>2</sup>
Parent Contribution	17,433	8,917
Student Contribution	0	1,500
<hr/>		
2010-2011 School Year Estimated FC	17,433	10,417

If you are a student planning to enter Williams in the 2010-2011 academic year your eligibility for assistance might include the following potential Williams aid package:

+ Williams Cost of Attendance <sup>3</sup>	55,000	+ Williams Scholarship <sup>4</sup>	42,783
- Your FC (as estimated above)	10,417	+ Student Loan (read footnote <sup>5</sup> )	0
= Your Estimated Need	44,583	+ Campus Employment <sup>6</sup>	1,800
		= Estimated Eligibility for Assistance	44,583

Educational loans are available to help pay for FC. Use the Education Loan Calculator to estimate monthly loan payments for Stafford, Perkins, PLUS, and other alternative loans. (After you leave this screen, click [MENU] button and select Education Loan Calculator.)

[Print](#)[Close Report](#)[Open Detailed EFC Report](#)[Loan Calculator.](#)

to receive actual financial aid awards, the FAFSA must be submitted each year of attendance.


## Leave us Feedback

We appreciate your feedback. Send comments or questions regarding the Purdue Financial Aid Estimator to [facontact@purdue.edu](mailto:facontact@purdue.edu). If you have other financial aid questions visit the [Division of Financial Aid website](#) for a wealth of information and frequently asked questions regarding financial aid at Purdue University.

Enter data elements below as requested. Users will need to calculate an expected family contribution (EFC) with an estimated parental contribution (PC) and student contribution (SC) from a separate website calculator. For an approximation of an EFC, PC, and SC we recommend using the [College Board EFC Calculator](#), selecting the "Federal Methodology" formula and making sure to record the results for entry here. Freshmen need to know their high school grade point average in [core coursework](#) and their SAT or ACT test scores.


## Financial Aid Estimator

### Residency

Non-Indiana resident 

#### Family Information:

##### Dependency Status

Dependent 

##### Parental Contribution (PC)

\$ 5000


##### Student Contribution (SC)

\$ 1000

##### Expected Family Contribution (EFC)

\$ 6000

### College Academic Class

Freshman 

#### Academic Background:

##### Core High School GPA

3.5

##### SAT Critical Reading Score

550 (on 200-800 scale)

##### SAT Math Score

600 (on 200-800 scale)

##### SAT Writing Score

580 (on 200-800 scale)

-- OR --

##### ACT Composite Score

(on 36 scale)

##### ACT English/Writing Score

(on 36 scale)

Submit

## Estimated Cost of Attendance for 2009-10

Nonresident Tuition Freshman	\$25,118.00
Room and Board	\$8,710.00
Books and Supplies	\$1,220.00
Nonresident Travel Expenses	\$480.00
Miscellaneous Personal Expenses	\$1,760.00
<b>Total Cost</b>	<b>\$37,288.00</b>

## Need Calculation for 2009-10

<b>Cost of Attendance</b>	<b>\$37,288.00</b>
Expected Family Contribution (EFC)	-\$6,000.00
<b>Total Need</b>	<b>\$31,288.00</b>

## Estimated Award Eligibility for 2009-10

PURDUE GENERAL SCHOLARSHIP	\$5,300.00
INSTITUTIONAL LOAN AWARD	\$1,700.00
FEDERAL DIRECT SUBSIDIZED STAFFORD LOAN	\$3,500.00
FEDERAL DIRECT UNSUBSIDIZED STAFFORD LOAN	\$2,000.00
OTHER FINANCING OPTIONS	\$24,788.00
<b>Total Awards</b>	<b>\$37,288.00</b>

## Net Cost Summary for 2009-10

<b>Cost of Attendance</b>	<b>\$37,288.00</b>
<b>Total Estimated Scholarship and Grant Aid</b>	<b>-\$5,300.00</b>
<b>Estimated Net Cost</b>	<b>\$31,988.00</b>

[Print this report](#)

Email this report

From:

Email 1:

Email 2:

Email 3:

[Send It](#)

Source: Purdue University

# Financial Aid Estimator

Thinking through the cost of attending college is important enough that we want to help you take out the guesswork. Use this simple form to calculate your annual costs in attending North Park — along with the kind of financial aid you can expect. This tool will provide a **basic estimate** of the **financial aid** available to you at North Park. Please remember this is not a substitute for an actual financial-aid application using the **FAFSA** — but it's a great way to find out how low your actual costs may be.



## I currently live in: ?

This estimate calculator is not intended for international students. Please contact the [Admission Office](#) for more information about international student aid.

- Illinois
- Another state

## While at North Park, I plan to live on campus: ?

- Yes
- No

## I am coming to North Park as a: ?

- First-year student
- Transfer student

## My high school class rank is: ?

15 out of 111

## My ACT or SAT (verbal plus math) score is: ?

1150

## My Expected Family Contribution (EFC) is: ?

The EFC is calculated by the US Department of Education. We recommend the [College Board's online tool](#) to calculate your EFC. Choose the "federal methodology" when you start the calculator.

10000

Calculate

Source: North Park University - Chicago

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### Our Investment in You

Scholarships and Grants <sup>?</sup> **\$9,637**

### Your Investment

Student Loans <sup>?</sup> **\$5,500**

Out-of-Pocket Costs <sup>?</sup> **\$11,302**

**Total** <sup>?</sup> **\$26,440**

### Options for Paying Your Out-of-Pocket Costs

If you want to pay your out-of-pocket costs of **\$11,302** by semester, your two payments will be **\$5,651**. Or our payment plan allows you to make ten interest-free monthly payments of **\$1,130**.

### More Options for Investing in Your Education

Many students and their families do a combination of things to pay for their North Park education.

In addition to the payment plan options listed above, you have the following options:


Your parent can borrow a [Federal PLUS Loan](#).

You also have the option of borrowing a [private student loan](#).

You can [work on campus](#).

Finally, there are [other scholarships and grants](#) available from North Park for which you might qualify, which are based on particular criteria and an additional application.

You can also apply for outside scholarships from community groups, foundations, your high school, etc. We will not decrease your institutional aid if you bring in funds from an outside organization. There are [many tools online](#) that can assist you in your search for outside scholarships.



# Possible Implications of the Comprehensive Approach

- Is it too transparent?
  - If your institution does not meet full need and uses differential packaging, will certain segments of your admit/financial pool be scared away when they see the results?
  - Are the other sections of your website compelling enough to “sell” your institution even when the consumer doesn’t like the results of the NPC?
  - The more transparent you are, the more your competition will know about you.

# Other Questions to Consider

- Will institutions with scholarship calculators want to keep the separate calculator?
- Which approach are your competitors using?

# AIR Net Price Calculator Info Center

- Presentations, Papers, and Articles
- Links
- Implementation Status of Non-Federal Organizations
- FAQ's and a Discussion Forum

[www.airweb.org/NPCinfo](http://www.airweb.org/NPCinfo)

# Stay on top of other aspects of HEOA

- If your institutions has its own loan program, TILA disclosure regs apply
- Certain payment plans are subject to the disclosure regs also

# Links to other HEOA info

- Information for Financial Aid Professionals (IFAP):

[www.ifap.ed.gov](http://www.ifap.ed.gov)

- NASFAA:

<http://www.nasfaa.org/redesign/WebinarCenter.asp>

# Questions?

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