

2006-07 College Costs Keep Rising Prices in Perspective

There's no escaping the fact that college costs are rising. According to recently released reports from the College Board, most students and their families can expect to pay, on average, from \$90 to \$1,238 more than last year for this year's tuition and fees, depending on the type of college.

But there is good news. There is more financial aid available than ever before—over \$134 billion. And, despite all of these college cost increases, a college education remains an affordable choice for most families.

"Sticker Price" vs. Affordability

Although some of the college price tags you hear about can be quite daunting—\$30,000 or more for yearly tuition and fees—most colleges are more affordable than you might think. For example, did you know that about 65 percent of students attend four-year schools with annual tuition and fees below \$9,000? After grants are taken into consideration, the net price the average undergraduate pays for a college education is significantly lower than the published tuition and fees. And remember, financial aid will further reduce the amount your family will actually pay.

Average College Costs 2006-07	But Did You Know That...
<p>Four-year private \$22,218 (up 5.9 percent from last year)</p> <p>Four-year public \$5,836 (up 6.3 percent from last year)</p>	<ul style="list-style-type: none"> ▪ About 65 percent of students enrolled at four-year colleges or universities attend institutions that charge tuition and fees of less than \$9,000 per year. ▪ Fifty-six percent of full-time students enrolled in public four-year colleges and universities attend institutions that charge published in-state tuition and fees between \$3,000 and \$6,000. ▪ While private four-year institutions have a much wider range of tuition and fee charges, only about 5 percent of all students attend colleges with tuition and fees totaling \$33,000 or higher per year.
<p>Two-year public \$2,272 (up 4.1 percent from last year)</p>	<ul style="list-style-type: none"> ▪ 41 percent of all students attend two-year colleges. The average full-time student enrolled in a public two-year college student receives about \$2,200 in grants and tax benefits, which reduces the average tuition and fees paid from the published price of \$2,272 to a net price of under \$100.
<p>Students will pay, on average, from \$337 to \$386 more than last year for this year's room and board, depending on the type of college.</p> <p>The average surcharge for out-of-state or out-of-district students at public institutions is \$4,208 at two-year colleges and \$9,947 at four-year colleges.</p>	<ul style="list-style-type: none"> ▪ A record \$134 billion in financial aid is available to students and their families. ▪ About 62 percent of all full-time college students receive grant aid. In 2005-2006, aid in the form of grants and tax benefits averaged about \$2,200 per student at two-year public colleges, over \$3,100 at public four-year colleges, and about \$9,000 per student at private four-year colleges.

Did you know that, according to U.S. Census Bureau statistics, people with a bachelor's degree earn nearly twice as much on average than those with only a high school diploma? Over a lifetime, the gap in earning potential between a high school diploma and a B.A. (or higher) is more than \$1,000,000. In other words, whatever sacrifices you make for a college education in the short term are more than repaid in the long term.

Note: Cost and aid figures are from the College Board's [*Trends in College Pricing 2006, 2006*](#), [*Trends in Student Aid*](#), and [*Education Pays 2006*](#).