

Average Net Price of College

Public discussions around college affordability most often focus on tuition charges and the increases in those charges. However, the amount of financial aid a student receives, and how that affects their net price (amount paid by the student) directly impact a student and their family. This month we examine the Integrated Postsecondary Education Data System's (IPEDS) most recently available data on total cost of attendance, grant aid, and average net price a student pays for attending Purdue and compare Purdue to the other Big Ten institutions.

Table 1. In-State Average Tuition and Fees for full-time undergraduates

	2010-11	2011-12	2012-13	2013-14
Penn State	\$15,250	Penn State \$15,984	Penn State \$16,444	Penn State \$16,992
Illinois	\$13,096	Illinois \$13,838	Illinois \$14,522	Illinois \$14,750
Rutgers	\$12,582	Minnesota \$13,022	Minnesota \$13,459	Minnesota \$13,555
Minnesota	\$12,288	Rutgers \$12,754	Rutgers \$13,073	Rutgers \$13,499
Michigan	\$11,837	Michigan \$12,634	Michigan \$12,994	Michigan \$13,142
Michigan State	\$11,152	Michigan State \$12,202	Michigan State \$12,622	Michigan State \$12,862
Ohio State	\$9,420	Ohio State \$9,735	Wisconsin \$10,378	Wisconsin \$10,403
Purdue	\$9,070	Wisconsin \$9,665	Ohio State \$10,037	Indiana \$10,209
Indiana	\$9,028	Indiana \$9,524	Indiana \$10,033	Ohio State \$10,037
Wisconsin	\$8,983	Purdue \$9,478	Purdue \$9,900	Purdue \$9,992
Maryland	\$8,416	Maryland \$8,655	Maryland \$8,908	Maryland \$9,162
Iowa	\$7,417	Iowa \$7,765	Iowa \$8,057	Iowa \$8,061
Nebraska	\$7,224	Nebraska \$7,563	Nebraska \$7,984	Nebraska \$8,060

Breakdown Total Cost of Attendance

The total cost of attendance, as reported in IPEDS, consists of tuition and required fees, books and supplies, on campus room and board, and other on campus expenses. Tuition is the amount of money charged to students for instructional services. Tuition may be charged per term, per course, or per credit. Required fees are a fixed sum charged for items not covered by tuition that are required for certain courses or programs. Purdue has dropped our tuition and fee cost compared to our Big Ten Peers over the last four years.

Table 1 shows the average tuition and required fees by residency status. In the year 2010-11, Purdue ranked 8th highest in tuition and fees charged to in-state students, as of 2013-14 Purdue had dropped to 10th highest. Additionally, Purdue has maintained its place as the 6th highest out-of-state tuition and fees from 2010-11 to 2013-14. Purdue also showed the lowest growth in tuition and fees for both in-state and out-of-state students in the Big Ten between 2012-13 and 2013-14, as we instituted our tuition freeze beginning in 2013-14.

Out-of-State Average Tuition and Fees for full-time undergraduates

	2010-11	2011-12	2012-13	2013-14
Michigan	\$36,001	Michigan \$37,782	Michigan \$39,122	Michigan \$40,392
Michigan State	\$29,108	Michigan State \$31,148	Michigan State \$32,580	Michigan State \$33,750
Indiana	\$27,689	Indiana \$29,540	Indiana \$31,483	Indiana \$32,350
Illinois	\$27,238	Penn State \$28,066	Penn State \$28,746	Penn State \$29,566
Penn State	\$27,114	Illinois \$27,980	Purdue \$28,702	Illinois \$29,132
Purdue	\$26,622	Purdue \$27,646	Illinois \$28,664	Purdue \$28,794
Maryland	\$24,831	Maryland \$26,026	Maryland \$27,287	Maryland \$28,348
Wisconsin	\$24,233	Rutgers \$25,416	Wisconsin \$26,628	Rutgers \$27,523
Rutgers	\$24,044	Wisconsin \$25,415	Rutgers \$26,393	Iowa \$26,931
Iowa	\$23,713	Iowa \$25,099	Iowa \$26,279	Wisconsin \$26,653
Ohio State	\$23,604	Ohio State \$24,630	Ohio State \$25,445	Ohio State \$25,757
Nebraska	\$18,924	Nebraska \$19,848	Nebraska \$20,734	Nebraska \$21,388
Minnesota	\$16,588	Minnesota \$18,022	Minnesota \$18,709	Minnesota \$19,805

Table 2. Books and Supplies

	2010-11	2011-12	2012-13	2013-14
Ohio State	\$1,554	Ohio State \$1,602	Penn State \$1,568	Penn State \$1,696
Rutgers	\$1,474	Rutgers \$1,550	Rutgers \$1,550	Rutgers \$1,550
Penn State	\$1,456	Penn State \$1,536	Purdue \$1,370	Indiana \$1,500
Purdue	\$1,270	Purdue \$1,330	Ohio State \$1,248	Ohio State \$1,248
Illinois	\$1,200	Illinois \$1,200	Illinois \$1,200	Purdue \$1,200
Wisconsin	\$1,100	Wisconsin \$1,140	Wisconsin \$1,190	Illinois \$1,200
Iowa	\$1,090	Iowa \$1,090	Maryland \$1,130	Wisconsin \$1,200
Michigan	\$1,048	Maryland \$1,076	Iowa \$1,090	Maryland \$1,130
Maryland	\$1,025	Michigan \$1,048	Nebraska \$1,050	Nebraska \$1,050
Nebraska	\$1,010	Nebraska \$1,020	Michigan \$1,048	Michigan \$1,048
Minnesota	\$1,000	Minnesota \$1,000	Michigan State \$1,026	Michigan State \$1,044
Michigan State	\$980	Michigan State \$996	Minnesota \$1,000	Iowa \$1,040
Indiana	\$812	Indiana \$824	Indiana \$848	Minnesota \$1,000

Books and supplies are the average cost of books and supplies for a typical student for an entire academic year. Other expenses is the amount of money (calculated by the financial aid office) needed by a student to cover expenses such as laundry, transportation, entertainment, and furnishings.

Table 2 shows the average books/supplies across the Big Ten institutions. In 2010-11 Purdue ranked 4th highest among the Big Ten institutions in books and supplies costs, and had lowered the cost in 2013-14 leading us to now rank 5th highest.

Room charges are for an academic year for housing accommodations for a typical student sharing a room with one other student. Board charges are the charge for an academic year for meals, for a specified number of meals per week.

Table 3 shows Purdue had a steady rise in room and board charges from years 2010-11 to 2012-13. However, the university reversed that trend in 2013-14 showing a slight drop in room and board charges, the only Big Ten institution to show a drop.

Table 3. On Campus Room and Board

	2010-11	2011-12	2012-13	2013-14
Rutgers	\$11,216	Rutgers \$11,262	Rutgers \$11,412	Ohio State \$11,740
Ohio State	\$10,164	Ohio State \$10,782	Ohio State \$11,182	Rutgers \$11,578
Maryland	\$9,798	Illinois \$10,080	Purdue \$10,378	Illinois \$10,636
Illinois	\$9,714	Maryland \$9,877	Illinois \$10,332	Purdue \$10,300
Michigan	\$9,192	Purdue \$9,510	Maryland \$10,146	Maryland \$10,280
Purdue	\$9,120	Michigan \$9,468	Michigan \$9,752	Penn State \$10,116
Penn State	\$9,054	Penn State \$9,432	Penn State \$9,702	Michigan \$9,996
Iowa	\$8,331	Iowa \$8,750	Iowa \$9,170	Nebraska \$9,532
Indiana	\$7,918	Indiana \$8,419	Nebraska \$9,122	Iowa \$9,424
Michigan State	\$7,820	Michigan State \$8,204	Indiana \$8,853	Indiana \$9,149
Nebraska	\$7,660	Nebraska \$8,196	Michigan State \$8,526	Michigan State \$8,856
Minnesota	\$7,576	Minnesota \$7,834	Minnesota \$8,412	Minnesota \$8,532
Wisconsin	\$7,435	Wisconsin \$7,724	Wisconsin \$8,024	Wisconsin \$8,287

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Total Cost of Attendance

Table 4 shows the general trend of a rise in total cost of attendance for both in-state and out-of-state students in the Big Ten. Purdue's average cost of attendance for in-state students compared to the Big Ten average has been consistently lower. Additionally, with Purdue's tuition freeze and efforts to lower room and board the gap between Purdue's cost of attendance and the Big Ten average is widening. The difference has increased from \$1,748 for the year 2010-11 to \$3,223 lower for the year 2014-15 for in-state total cost of attendance. Additionally, Purdue actually showed a decline in total cost of attendance for in-state students in 2013-14 and 2014-15.

A similar trend holds true for Purdue's cost of attendance for out-of-state students. Purdue's out-of-state total cost of attendance was \$1,104 higher than the Big Ten average in 2010-11 and has dropped to be \$1,832 lower than the Big Ten average in 2014-15. Additionally, Purdue showed a decline in total cost of attendance for out-of-state students in 2013-14 and 2014-15 as well.

Table 4 Total Cost of Attendance Public Big Ten Institutions

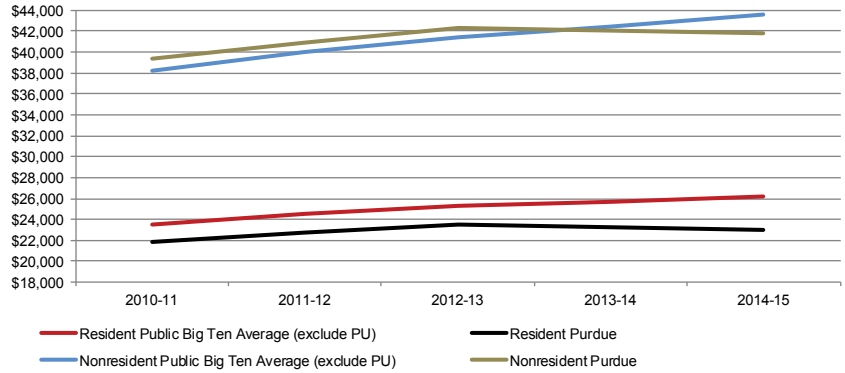


Table 5. Percent of Full-Time First-Time Undergraduates Receiving any Financial Aid

	2010-11	2011-12	2012-13		
Minnesota	93%	Ohio State	85%	Nebraska	87%
Nebraska	83%	Nebraska	83%	Ohio State	83%
Ohio State	82%	Minnesota	82%	Iowa	83%
Iowa	81%	Iowa	81%	Minnesota	77%
Rutgers	78%	Rutgers	79%	Rutgers	76%
Maryland	75%	Maryland	73%	Maryland	73%
Indiana	72%	Wisconsin	71%	Indiana	71%
Michigan State	71%	Indiana	70%	Penn State	68%
Penn State	69%	Illinois	68%	Purdue	66%
Purdue	69%	Penn State	67%	Illinois	65%
Illinois	68%	Michigan State	66%	Wisconsin	64%
Wisconsin	67%	Michigan	65%	Michigan State	63%
Michigan	64%	Purdue	64%	Michigan	63%

Percent of Students Receiving Student Financial Aid

Purdue has had a focused effort on reducing its total cost of attendance for students. However, most students do not pay the sticker price. To offset the total cost of attendance institutions award financial aid from various sources including federal, state, and institutional aid. As reported in IPEDS, financial aid is defined as grants, loans, assistantships, scholarships, fellowships, tuition waivers, tuition discounts, veteran's benefits, employer aid (tuition reimbursement) and other monies (other than from relatives/friends) provided to students to meet expenses. This includes Title IV subsidized and unsubsidized loans made directly to students.

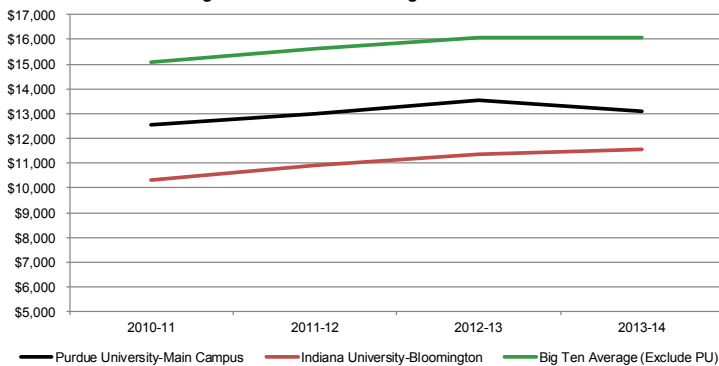
As seen in Table 5, the percentage of Purdue's full-time, first-time, degree/certificate-seeking undergraduate students who received any financial aid ranges from 69% in 2010-11 to 66% in the most recently reported year 2012-13. Purdue has maintained one of the lowest percentage of students receiving any type of aid in the Big Ten.

Table 6. Undergraduate Students Receiving Federal, State, Local, Institutional or Other Sources of Grant Aid

2010-11		2011-12		2012-13	
Percent	Avg. Amount	Percent	Avg. Amount	Percent	Avg. Amount
Michigan	\$13,493	Michigan	\$13,542	Michigan	\$13,992
Illinois	\$10,224	Illinois	\$10,387	Illinois	\$11,051
Rutgers	\$9,548	Rutgers	\$10,271	Rutgers	\$10,654
Michigan State	\$8,528	Indiana	\$9,935	Indiana	\$10,361
Indiana	\$8,432	Michigan State	\$8,859	Purdue	\$8,993
Purdue	\$8,302	Purdue	\$8,709	Michigan State	\$8,979
Maryland	\$8,174	Maryland	\$7,849	Ohio State	\$8,170
Nebraska	\$7,767	Ohio State	\$7,538	Maryland	\$8,152
Ohio State	\$7,526	Iowa	\$7,439	Iowa	\$7,875
Iowa	\$7,243	Wisconsin	\$6,961	Wisconsin	\$7,596
Wisconsin	\$6,527	Minnesota	\$6,789	Minnesota	\$6,966
Penn State	\$5,702	Nebraska	\$6,500	Nebraska	\$6,699
Minnesota	\$5,592	Penn State	\$5,895	Penn State	\$6,218

Table 6 indicates that for the last three most recently reported years Purdue has maintained 50% of its undergraduate students receiving any type of grant aid (aid from federal, state, or the institution the student does not have to repay) with only Illinois, Wisconsin, and Nebraska students less likely to receive grant aid. Purdue has the 5th highest average amount of grant aid awarded to undergraduate students in 2012-13. However, the average amount of grant-aid (\$8,993) is lower than many of our direct competitors such as University of Illinois (\$11,051), Indiana University (\$10,361) and University of Michigan (\$13,992). Purdue does maintain a lead over Ohio State (\$8,170) and Michigan State (\$8,979).

Table 7 Resident Average Net Price for Public Big Ten Institutions



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The average net price was introduced in the Higher Education Opportunity Act (HEOA) of 2008, which required the Education Department to include in its annual data collection a measure of colleges' average cost of attendance after taking into consideration financial aid. The average net price is seen as an estimate of the actual amount of money that students need to pay to cover educational expenses in a given year. The Education Department's formula for calculating that figure is the total cost of attendance for first-time, full-time in-state students minus the average amount of need-based and merit-based grant aid for the first-time, full-time in-state students who receive financial aid.

Purdue's consistent lower total cost of attendance for in-state students has allowed it to maintain one of the lowest average net prices in the Big Ten for in-state students. Only Indiana University has managed to maintain a lower net price for in-state students. While Purdue's tuition freeze has lowered our net-price and has dropped our total cost of attendance below Indiana, IU's larger average grant aid has kept their net-price lower than Purdue as of 2013-14.