



## The 2004-2005 College Money College Cost Survey

Every year, College Money does a survey of the current costs of a group of representative colleges. Our purpose is to develop a way to help parents and financial advisors build college savings plans that are reality-based rather than simply guesswork.

Few parents and advisors have a grip on what college really costs now and what it might really cost in the future. Information is haphazard. While it is often easy to glean tuition amounts and sometimes even room & board costs from magazines and the websites, there are additional costs that are difficult to pin down. Sound financial planning relies on solid projections so it is important to have good information going in.

In order to bring some order to the chaos of college costs, College Money developed six college cost categories. They are:

1. Community Colleges
2. Low Cost – state colleges for in-state students
3. Medium/low Cost – state colleges for out-of-state students
4. Medium Cost – small, private colleges
5. Medium/High – larger, private colleges
6. High – Ivy League and Ivy League type colleges

By using categories, parents and advisors can get a handle of the range of options they actually have when it comes to saving for college. There is no need to save for an Ivy League type school if that isn't what the parents' aspirations are.

In order to provide good data, the College Money College Cost Survey includes all costs. Each college develops what is called a budget bill for the year. They are expected to include:

- Tuition and fees (fees are usually student activity fees, graduation fees, etc.)
- Room and board
- Books and course specific fees
- Personal expenses (laundry money, toiletries, etc.)
- Transportation (most students go home at least once during the school year)

Our experience has taught us, however, that parents find they are shelling out additional money to their students. We call this “pizza money.” This is the additional \$20 - \$50 parents slip their kids from time-to-time for those additional social activities, e.g. ordering pizza delivery at 1:00

am, fraternity or sorority dues, formal dances, etc. As a result, we include a “pizza money” factor in our college cost projections.

The survey is based on a selection of 20 benchmark colleges. Benchmark colleges are chosen purposefully. First, they are representative of a strata of college costs. Second, they are representative of typical colleges that students are likely to attend.

Statistically it is not advisable to base a college savings goal on one specific college. Our experience is that colleges manipulate their costs depending on specific things they are experiencing. For example, a school may decide to artificially keep costs down for a few years because they have been experiencing declining enrollment. Eventually they will have to make-up for it by increasing tuition and room & board substantially. Most colleges control three cost centers, tuition, fees, and room and board. Thus a college can keep down tuition, but raise fees or room and board to compensate for rising costs.

By choosing a school for each cost category in four geographic regions of the country, we can smooth out the peaks and valleys of projecting costs. Experience over the past 10 years has shown that college costs tend to be uniform across geographic regions for the most part. The exception being that state college costs for in-state residents tend to be lower than average in the south, and college costs across all categories on the whole are higher in the northeast. Our survey uses the following geographic regions:

1. Northeast
2. Midwest
3. South
4. West

We also compile a US Benchmark Average that takes all 20 benchmark colleges and averages them. If a benchmark college does register increases that take it out of its cost category, we will find another school that fits the cost range of the category. In this manner, college savings goals can remain relatively consistent. When reviewing the tables below, you will note the college cost bands tend to fall into bands of \$5,000 except for the two lowest cost alternatives, community college and state college for in-state students.

#### 2004-2005 US Benchmark Average College Costs

<u>College</u>	<u>Type</u>	<u>Tuition &amp; Fees</u>	<u>Room &amp; Board</u>	<u>Other</u>	<u>Pizza</u>	<u>Total</u>	<u>Change</u>
US Benchmark Average	Community College	\$2,226	\$0	\$3,251	\$1,000	\$6,477	2.03%
US Benchmark Average	Low	\$6,535	\$7,399	\$3,213	\$2,250	\$19,397	8.50%
US Benchmark Average	Medium/Low	\$17,373	\$7,399	\$3,338	\$2,250	\$30,360	9.58%
US Benchmark Average	Medium	\$23,590	\$6,436	\$2,731	\$2,250	\$35,006	5.56%
US Benchmark Average	High/Medium	\$28,856	\$8,193	\$2,282	\$2,250	\$41,581	6.36%
US Benchmark Average	High - Ivy League	\$30,437	\$9,084	\$3,456	\$2,250	\$45,227	5.56%

## College Costs by Category

### 2004-2005 Community College Costs

<u>College</u>	<u>Tuition &amp; Fees</u>	<u>Room &amp; Board</u>	<u>Other</u>	<u>Pizza</u>	<u>Total</u>	<u>Change</u>	<u>Region</u>
Union CC	\$2,804	\$0	\$3,590	\$1,000	\$7,394	0.00%	Northeast
Cuyahoga County CC	\$2,192	\$0	\$2,328	\$1,000	\$5,520	1.92%	Midwest
Roanoke Chowan CC	\$1,286	\$0	\$3,855	\$1,000	\$6,141	1.87%	South
Green River CC	\$2,620	\$0	\$3,231	\$1,000	\$6,851	4.55%	West

### 2004-2005 Low: State Colleges (in-state student)

<u>College</u>	<u>Tuition &amp; Fees</u>	<u>Room &amp; Board</u>	<u>Other</u>	<u>Pizza</u>	<u>Total</u>	<u>Change</u>	<u>Region</u>
Rutgers	\$8,869	\$8,357	\$2,730	\$2,250	\$22,206	7.36%	Northeast
Ohio State Univ	\$7,542	\$7,464	\$3,974	\$2,250	\$21,230	9.89%	Midwest
Univ. of North Carolina	\$4,444	\$6,756	\$2,600	\$2,250	\$16,050	14.54%	South
U of Washington	\$5,286	\$7,017	\$3,549	\$2,250	\$18,102	3.48%	West

### 2004-2005 Medium/Low: State College Costs (out-of-state)

<u>College</u>	<u>Tuition &amp; Fees</u>	<u>Room &amp; Board</u>	<u>Other</u>	<u>Pizza</u>	<u>Total</u>	<u>Change</u>	<u>Region</u>
Rutgers (Non-Res)	\$15,904	\$8,357	\$2,730	\$2,250	\$29,241	7.52%	Northeast
Ohio State Univ (NR)	\$18,129	\$7,464	\$3,974	\$2,250	\$31,817	9.02%	Midwest
U of N Carolina (NR)	\$17,542	\$6,756	\$3,100	\$2,250	\$29,648	14.93%	South
U of Washington (NR)	\$17,916	\$7,017	\$3,549	\$2,250	\$30,732	7.27%	West

### 2004-2005 Medium College Costs

<u>College</u>	<u>Tuition &amp; Fees</u>	<u>Room &amp; Board</u>	<u>Other</u>	<u>Pizza</u>	<u>Total</u>	<u>Change</u>	<u>Region</u>
Lycoming College	\$22,791	\$6,242	\$3,600	\$2,250	\$34,883	6.95%	Northeast
Cornell College (IA)*	\$22,650	\$6,240	\$2,735	\$2,250	\$33,875	5.26%	Midwest
University of Richmond	\$26,520	\$5,390	\$2,540	\$2,250	\$36,700	4.70%	South
Regis University	\$22,400	\$7,870	\$2,047	\$2,250	\$34,567	5.40%	West

### 2004-2005 Medium/High College Costs

<u>College</u>	<u>Tuition &amp; Fees</u>	<u>Room &amp; Board</u>	<u>Other</u>	<u>Pizza</u>	<u>Total</u>	<u>Change</u>	<u>Region</u>
American Univ.	\$26,694	\$10,260	\$1,900	\$2,250	\$41,104	5.65%	Northeast
Kenyon College	\$32,170	\$5,270	\$2,370	\$2,250	\$42,060	7.08%	Midwest
Univ of Miami	\$27,840	\$8,602	\$3,258	\$2,250	\$41,950	4.75%	South
Pepperdine University	\$28,720	\$8,640	\$1,600	\$2,250	\$41,210	8.02%	West

## 2004-2005 High College Costs

<u>College</u>	<u>Tuition &amp; Fees</u>	<u>Room &amp; Board</u>	<u>Other</u>	<u>Pizza</u>	<u>Total</u>	<u>Change</u>	<u>Region</u>
Univ. of Pennsylvania	\$30,716	\$8,918	\$3,720	\$2,250	\$45,604	6.44%	Northeast
Northwestern University	\$30,085	\$9,393	\$3,390	\$2,250	\$45,118	4.04%	Midwest
Duke University	\$30,720	\$8,520	\$3,055	\$2,250	\$44,545	5.23%	South
Stanford University	\$30,227	\$9,503	\$3,660	\$2,250	\$45,640	6.53%	West

## College Costs by Region

### 2004-2005 College Costs: Northeast

<u>College</u>	<u>Type</u>	<u>Tuition &amp; Fees</u>	<u>Room &amp; Board</u>	<u>Other</u>	<u>Pizza</u>	<u>Total</u>	<u>Change</u>
Union CC	Community College	\$2,804	\$0	\$3,590	\$1,000	\$7,394	0.00%
Rutgers	Low	\$8,869	\$8,357	\$2,730	\$2,250	\$22,206	7.36%
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American Univ.	High/Medium	\$26,694	\$10,260	\$1,900	\$2,250	\$41,104	5.65%
Univ. of Pennsylvania	High - Ivy League	\$30,716	\$8,918	\$3,720	\$2,250	\$45,604	6.44%

### 2004-2005 College Costs: Midwest

<u>College</u>	<u>Type</u>	<u>Tuition &amp; Fees</u>	<u>Room &amp; Board</u>	<u>Other</u>	<u>Pizza</u>	<u>Total</u>	<u>Change</u>
Cuyahoga County CC	Community College	\$2,192	\$0	\$2,328	\$1,000	\$5,520	1.92%
Ohio State Univ	Low	\$7,542	\$7,464	\$3,974	\$2,250	\$21,230	9.89%
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Kenyon College	High/Medium	\$32,170	\$5,270	\$2,370	\$2,250	\$42,060	7.08%
Northwestern University	High - Ivy League	\$30,085	\$9,393	\$3,390	\$2,250	\$45,118	4.04%

### 2004-2005 College Costs: South

<u>College</u>	<u>Type</u>	<u>Tuition &amp; Fees</u>	<u>Room &amp; Board</u>	<u>Other</u>	<u>Pizza</u>	<u>Total</u>	<u>Change</u>
Roanoke Chowan CC	Community College	\$1,286	\$0	\$3,855	\$1,000	\$6,141	1.87%
Univ. of North Carolina	Low	\$4,444	\$6,756	\$2,600	\$2,250	\$16,050	14.54%
U of N Carolina (NR)	Medium/Low	\$17,542	\$6,756	\$3,100	\$2,250	\$29,648	14.93%
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Duke University	High - Ivy League	\$30,720	\$8,520	\$3,055	\$2,250	\$44,545	5.23%

## 2004-2005 College Costs: West

<u>College</u>	<u>Type</u>	<u>Tuition &amp; Fees</u>	<u>Room &amp; Board</u>	<u>Other</u>	<u>Pizza</u>	<u>Total</u>	<u>Change</u>
Green River CC	Community College	\$2,620	\$0	\$3,231	\$1,000	\$6,851	4.55%
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Regis University	Medium	\$22,400	\$7,870	\$2,047	\$2,250	\$34,567	5.40%
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Stanford University	High - Ivy League	\$30,227	\$9,503	\$3,660	\$2,250	\$45,640	6.53%

Examination of the tables above will show that increases in costs over the 2003-2004 school year were relatively consistent, with a few notable exceptions. University of North Carolina showed a 14.54% increase in costs for in-state students and a 14.93% increase for out-of-state students fueled by a tuition increase of 31%. According to The College Board, state college costs increased at a higher rate than private colleges. This trend has been relatively recent as state legislatures have been balancing their budget at the expense of state college subsidies.

The bottom line – college costs continue to increase with no sign of relief for parents and students in sight.