

College Net Price Calculators – Video Transcript

If you have a son or daughter who's looking at colleges, you might be interested to know whether financial aid will be available. A good way to find out is by looking at a college's net price calculator.

Every college has one on its website.

A net price calculator gives families a behind-the-scenes look at a college's financial aid process *before* a student applies by estimating how much grant aid a student might receive in a given year based on the family's personal and financial information.

A college's total cost minus grant aid equals the net price—or your out-of-pocket cost.

A net price calculator has five sections:

- Student general information
- Parent household information
- Parent income
- Parent assets, and
- Student finances

It should take about 10 to 15 minutes to complete.

After you enter your information, you'll get a results page with several figures.

Your estimated cost of attendance. This figure includes direct billed expenses for tuition, fees, room and board, plus indirect costs for books, personal expenses, and transportation. The cost of attendance is different at every college.

Your estimated grant aid. This is the total amount of grant aid the college is offering. This money does not need to be repaid.

Your net price. This figure equals the total cost of attendance minus grant aid.

Estimated self-help, which is an obligation from the student in the form of a loan and/or job.

And finally, your estimated remaining cost. This is the final estimated cost after a student loan and/or job is factored in.

By running net price calculators for different colleges and then comparing the results, you can easily see which schools have the lowest net price.

This information can be very helpful as you and your child consider college options.

Just keep in mind that the calculator results apply only for a single year. As college costs, family information, and college aid resources change from year to year, so will your results.

And remember that the results are an *estimate* of grant aid, not a guarantee.

Still, the goal of net price calculators is to give a grant estimate that is very close to an actual award. So families would be wise to take advantage of this valuable tool.