

## In the Media

# Report: Students Struggle to Find Accurate Estimates for Non-Tuition Costs

By Sara Weissman on July 6, 2020

When rising junior and first-generation student Debbie Matesun transferred to a four-year institution, she felt blindsided by unforeseen costs. She was required to live on campus, which was more expensive than off-campus housing. A single textbook could cost \$200, so she postponed buying books for the first couple months of the semester, and even then, she had to choose which classes to buy materials for. At one point, she was working multiple jobs, something she couldn't bring herself to tell her Nigerian single mother.



Matesun's university, which she chose to keep anonymous, offered an estimate of non-tuition costs – like books, healthcare, room and board – but they “were double that in reality,” she said. “It's just so disheartening.”

Now she's a student advocacy fellow for uAspire, a non-profit focused on college affordability, where she talks about this issue with policymakers. The organization recently came out with a report titled, “**Beyond the College Bill: The Hidden Hurdles of Indirect Expenses.**” [[www.uaspire.org/Our-Work/Policy-Systems-Change/Beyond-the-College-Bill](http://www.uaspire.org/Our-Work/Policy-Systems-Change/Beyond-the-College-Bill)].

The study drew on 16 student focus groups, nine interviews with senior financial aid administrators, 11 interviews with higher education professionals and data sets from the National Center for Education Statistics. Authors also analyzed more than 800 university websites to assess how schools convey non-tuition expenses to students, focusing on institutions in California, Massachusetts, New York, Pennsylvania and Texas.

Among students surveyed, 51% paid more for indirect expenses than they expected, 53% changed their food shopping or eating habits and 42% were concerned they wouldn't be able to stay enrolled as a result.

The report found that information about indirect expenses is often hard for students to find and confusingly worded on college websites. Out of 820 universities, 39% provided no estimates about non-tuition costs on their websites, while 23% gave itemized lists of costs with no explanations and 7% had missing or outdated estimates.

“Almost half really didn’t give students the information they needed,” said uAspire Chief Policy Advisor Laura Keane, a co-author of the report.

Adding to students’ confusion, universities used 58 different terms for these costs, according to the study. While the Higher Education Act, the legislation governing financial aid, requires institutions to tell students the full cost of attendance, it doesn’t have uniform standards for how to talk about these expenses.

There’s also **no definitive norm for how to calculate them**. The study found that indirect expense estimates from colleges in the same region can widely vary with differences of over \$8,000. That’s because they can estimate expenses differently, Keane said. For example, when a university gives an estimate for transportation costs, that can include or not include trips like travelling home for breaks or a daily commute.

According to the financial aid officers interviewed for the study, **universities also rely on a variety of different data sources for their calculations** – like student surveys, federal and state cost-of-living data, meal plan costs and local realtors – **which can lead them to different estimates**.

**If students don’t know how these expenses are calculated, they struggle to budget accurately and can find themselves falling short of what they need.**

“What we heard from our students in interviews and focus groups is that they want to understand what is actually making up that number,” Keane said. Because if they know what to expect, “students can affect their indirect expenses. They have more control to squish in a small apartment or commute differently or forgo, unfortunately, education materials or books for one class versus another. They want a sense of what’s being included in those estimates and in what ways.”

She calls for a “consumer transparency approach.” The report offers a list of recommendations to universities, like **accompanying their cost estimates with informative explanations**, soliciting student feedback on terms used for expenses and incorporating financial literacy into curricula. It also advised universities to lower non-tuition costs by using open educational resources, subsidizing services like transportation and childcare and investing in programs to prevent student hunger, like partnerships with local food banks. And **when students do fall short and have trouble meeting expenses, universities should have emergency aid**, it suggested, and make sure students know how to apply for it.

On a policy level, the report calls on states to make sure financial aid dollars can be used on non-tuition expenses and asks for a federal standard for the terms used to refer to indirect expenses, as well as state and federal guidance for how to calculate them. **It also suggested universities be required to include an itemized breakdown of estimated indirect costs on their websites, among other measures.**

As a student, Matesun had some advice of her own. When she transferred, she found herself asking university staff the same questions over and over again, she said, and she was shuffled from office to office. In addition to making every effort to reduce non-tuition costs, **she wants to see universities streamline communication between financial aid offices and others responsible for student supports, as well as with students themselves.**

Her main charge to universities: “just be transparent, in every aspect.”