

Variations in tuition at public universities have grown, masking the cost of attendance

April 28 2017

Differences in undergraduate tuition rates by a student's degree program or year of study have become increasingly prevalent over the past 25 years, finds a study by New York University's Steinhardt School, Arizona State University, and the University of Louisville.

"Variations in tuition add to the complexity surrounding college costs, leading the costs students face once enrolled to differ from publicly available tuition averages and therefore masking the real cost of attendance," said Gregory C. Wolniak, director of the Center for Research on Higher Education Outcomes at NYU Steinhardt and one of the study's authors.

Wolniak and his coauthors, Arizona State University's Glen R. Nelson and University of Louisville's Casey E. George, presented their findings on April 28th at the American Education Research Association's annual meeting in San Antonio.

College affordability is a major concern in the United States. For <u>higher</u> <u>education</u> institutions, particularly public colleges and universities, declining state funding has exacerbated the affordability problem, leading many institutions to seek new revenue streams.

One such stream is differential tuition, or variations in undergraduate tuition rates by a student's program of study or year of enrollment. For instance, an undergraduate student studying science or engineering may pay more in tuition than a student in a liberal arts program, or vice versa,



or a junior may pay more in tuition than a freshman.

In the current study, the researchers sought to better understand the prevalence of differential tuition practices and explore the institutional characteristics associated with adopting these practices. They focused on all 143 public four-year universities, comparing tuition practices from the 1991-1992, 1999-2000, and 2007-2008 academic years, and gathering new data on the 2015-2016 academic year.

In order to gather the new data, the research team reviewed the information available online for each institution to locate the 2015-2016 tuition rates, associated fees, and other costs. They captured whether tuition varied by program of study, class standing, or both, and assessed how difficult it was to find the information on an institution's web site.

The researchers found that 86 of the 143 public institutions (or 60.1 percent) had differential tuition policies. The number of institutions that have adopted these policies has steadily increased over time, up from nine institutions (6.3 percent) in 1991-1992 and 30 (20.9 percent) in 1999-2000.

They also determined that the ease of locating tuition data, though seemingly straightforward, was actually inconsistent and varied across individuals on the research team who were tasked with determining how simple it was to find the information. This suggests that the public, particularly prospective students and families without familiarity with college and university practices, will experience even greater difficulty arriving at accurate cost information.

One source of this lack of transparency was the varying labels and terminology used to communicate tuition policies. For example, what one institution may call a "differential tuition," others may call "program fees," "major fees," "additional fees," or "enrichment fees."



The researchers also found differences in tuition policies based on institutional characteristics, including region, land-grant status, and tuition; differences were not found based on the size of the <u>institution</u>.

The Plains, Rocky Mountains, and Great Lakes were home to larger shares of institutions with differential tuition policies, unlike the Southeast and West, which had greater shares of institutions without these policies.

In terms of tuition, compared to colleges and universities with relatively low out-of-state tuition, those with medium to high out-of-state tuition had greater likelihoods of using differential tuition policies.

"Our findings strengthen the recommendation that institutions with differential tuition policies should work toward increased transparency and ease of accessibility to communicate those costs to individuals," Wolniak said.

"In addition, differential tuition may be a mechanism for inequality. Access to clear and accurate information about educational costs is essential for student decision-making, especially low-income and first-generation students who may not have the resources to navigate the complexities of the college application process," Wolniak added.

Provided by New York University

Citation: Variations in tuition at public universities have grown, masking the cost of attendance (2017, April 28) retrieved 3 May 2024 from https://phys.org/news/2017-04-variations-tuition-universities-grown-masking.html

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