

Selecting the Right College

The time has finally come. Selecting a college is no easy task. There are approximately 3,000 accredited colleges in the United States. Of these, approximately 1,800 are four-year colleges. With all these possibilities, it is easy to feel overwhelmed by the search process.

However, by considering a few key factors, you should be able to eliminate all but 30 or 40 colleges. The list can then be pared down further with additional book research, attendance at college fairs, correspondence with particular colleges, and perhaps campus visits. To help with the search, an increasing number of families are turning to professional educational consultants. These families expect the up front costs of such assistance to pay off in the form of a more exhaustive, yet less frenzied college selection process.

Regrettably, students often investigate only those schools that their friends are interested in or those that are extremely popular. As a result, they may miss out on many colleges that would be an excellent fit for them.

Keep in mind that part of the college acceptance game is luck, having the right combination of qualities that a college happens to be looking for at that particular moment. If you have your heart set on a college and it doesn't work out, it may be that the college was looking to strengthen its athletic teams that year, not its academic clubs. Families simply cannot predict these admission preferences that change from year to year, and to do so is to try and hit a moving target. Instead, focus on your strengths, interests, and college expectations.

Factors to consider

The following questions can be answered online or by most college guidebooks on the market, which are available at bookstores or in the reference section of your local library. Online search options are efficient because they can quickly provide a list of colleges that meet your needs (e.g., a medium-sized college in a large city with a strong music program), excluding colleges that do not meet your child's preferences. This list can then be pared down with in-depth research from college guidebooks, individual college websites, and college tours.

Degree level

Is the degree offered a bachelor's degree (typically a four-year college) or an associate's degree (typically a two-year college)?

Type of college

Is the college public or private?

College setting and location

Is the college located in a large city, a small city, a large town, a small town, or a rural area? Is the college located in New England, the Mid-Atlantic, the Midwest, the South, the Southwest, or the West?

Enrollment size

Is the college's enrollment very large (more than 18,000), large (10,000-18,000), medium (3,000-10,000), or small (less than 3,000)?

Admission standards

Does the college accept fewer than 15% of applicants? 25% of applicants? 50% of applicants? What is the median SAT/ACT score and grade point average? How do you fit within these benchmarks? Most students apply to one or more "stretch" schools, where their credentials place them below the benchmark midpoint, one or more "safe" schools, where their credentials place them near the top, and several schools in between.

Tuition and overall cost

Does the school's tuition compare with others in its class, and how must that tuition be paid? Some colleges offer creative tuition payment programs to eliminate the need for parents to write two big checks at the beginning of each semester. For example, you might be able to pay your child's tuition in twelve equal monthly installments. Some colleges may also provide a tuition discount for parents who consent to automatic withdrawals from their savings account.

In addition to tuition, look at the direct billed costs for items like fees, room, and board, and at indirect costs for things like travel to and from the school. How much have total costs increased, on average, in the past five years? Also, find out if some costs, like certain fees and housing, increase for upperclassmen. For example, will your housing costs increase as you graduate from a typical freshman dorm to upperclass apartment-style housing?

Financial aid

With college prices rising each year, the name of the game is financial aid. In almost all cases, federal student aid will be available at the school. In addition, the majority of private colleges offer their own need-based financial aid and merit scholarships based on academics, art, music, drama, or athletics. Understandably, because they are supported by taxpayer dollars, some public colleges do not offer the same level of scholarships as private colleges. As a result, private colleges may present a better overall financial aid package than another college costing far less, due to the award of merit scholarships.

Another important question to answer is what is the average percentage of gift aid (scholarships and grants, which don't need to be paid back) awarded vs. self-help aid (loans and work-study). Some schools may consistently award more gift aid than others, which means you get more money, without incurring debt. You should also find out the average cost of the school after any aid is distributed.

Every college is required to have a college-specific net price calculator on its website. You can use the net price calculator to get an estimate ahead of time of how much financial aid you might receive at that particular college. The calculator requires you to enter your financial and household information, and usually takes a short time to complete.

Degree programs

Does the school offer the courses and type of degree program you want, such as education, biology, business, computer science, etc.?

Online learning

Many colleges are starting to offer courses, and even whole degree programs, online. Most distance degrees are geared to students in their 30s and 40s who are juggling careers and families. But online courses for typical undergraduates are continually evolving and growing. Colleges like the online trend because they can collect tuition but omit the accompanying infrastructure costs (e.g., upkeep of dorm rooms, cafeterias). If this appeals to you (maybe you live at home for a semester to save money), check with the college to see what options are available.

Special programs

Does the college offer any special programs you may be interested in, such as accelerated study, the College Level Examination Program (CELL), co-op education, ROTC, etc.?

Student activities

Does the school offer the services you want (e.g., career placement center, recreation center, late night dining services), as well as the activities you like (e.g., intramural sports, student newspaper, debating club)?

Career success

What percentage of graduates have found jobs in their field?

Dropout rate

What is the school's dropout rate?

Campus security

What measures does the college take to ensure the safety of the students? For example, are all dorms locked? Is there a 24-hour escort service?

Cost-cutting measures

What cost-cutting measures does the college offer as a whole to help reduce costs? Is there a sibling or alumni discount? Does the college offer a three-year degree program, credit for advanced placement courses, and/or a partial co-op education? Are flexible tuition payment plans offered? Are some costs negotiable, such as a full meal plan, health club privileges, or credits for living off campus?

Direct contact with the college

Once a list of potential colleges has been made, you can write directly to each college to request catalogs and brochures. Students can also write directly to department heads or coaches to get specific questions answered, such as the existence of particular scholarships. Although this can be a time-consuming process, there is a good chance your efforts will yield specific information that may tilt the balance in favor of one particular institution.

Many students find a campus visit helpful. Most students visit colleges in the summer and fall of their senior year in high school. Some colleges have weekend or overnight visitation programs specifically geared to prospective students. Things to notice on a campus visit include the following:

- What is the distance between the main campus and the dorms?
- What do the dorms look like? Are freshman tripled up in rooms? Are there common areas with televisions, kitchens, fireplaces?
- What do the library, gym, student union, and dining halls look like? What are their hours?
- Is the campus well-maintained (e.g., landscaped, trash picked up)?
- What type of neighborhood surrounds the campus?
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In addition, you may want to sit in on a class, talk with some students, read the student newspaper, eat lunch in the cafeteria, and otherwise get a feel for the school.

As an alternative, many colleges now offer "virtual tours" of their campuses online. This can be a very viable option for students who do not have the money or time to visit several colleges in person.

Once your college list is pared down to a manageable level, the following are tips recommended by most high school guidance counselors:

- Students should have one or two "safe" schools on their list (i.e., colleges of which the student is relatively confident of his or her acceptance)
- Students should apply to schools where their achievements place them in the top 25 percent of all applicants, in order to increase their chances for a favorable financial aid package (most colleges try to entice their brightest prospects with a nice financial aid package)
- Students should apply to similarly ranked schools and then try to play them off one another (assuming they are accepted at each), in order to increase their chances for a favorable financial aid package

Students can apply to as many colleges as they like, but keep in mind that each requires an application fee, references, and time and effort to write appropriate essays.

Top tier vs. second-tier private and public institutions

Costs are becoming more and more important to families in the college selection process. Parents are increasingly looking to see exactly what they get for their money. In the past few years, as prices at dozens of private colleges pass the \$60,000 mark, there has been a trend of enrollment at "second-tier" private colleges and public institutions.

The belief is that these colleges can provide a challenging course experience and high-caliber education at a more realistic price. As a result, students can avoid more student loans after graduation, and parents can enjoy a more comfortable retirement. For some, the best value is a top-ranked public institution, if you happen to live in that state. Such second-tier schools are now using this dynamic to their advantage, finding their niche and seeking out bright students to fill their ranks. Increasingly, second-tier schools are attracting very smart, well-rounded students who, in some cases, have actually turned down "top" schools. Professionals call this trend avoiding "brand-name paralysis." It can be a win-win situation. For the parents, it may mean that a lower-priced but competitive second-tier school has enabled them to balance other financial areas of their life, such as another child's college education, retirement, or a home addition. However, some believe the less lofty reputations of these schools may hinder job placement at well-

known institutions and that their smaller alumni network may limit job leads in general. And some of these schools may have smaller endowments, which means they may be less generous with the grant portion of their financial aid packages. Realizing that upper-income and upper-middle income students are increasingly choosing to enroll at more affordable institutions, top tier schools are starting to increase the grants and scholarships in their financial aid packages to make their costs more affordable. And they usually have the largest endowments, making it possible for them to guarantee a student's aid package for four years. Remember, the key in comparing costs among colleges is to compare the actual out-of-pocket costs you will incur (i.e., after grants and scholarships), not the total amount of financial aid you are awarded. On a final note, the college market as a whole must be considered as parents try to determine which schools offer the best value. The college market, like the housing market, can be a seller's market or a buyer's market. For example, in the early 2000s, the college market was a buyer's market, where there were more spaces than students. This translated into good news for students, because colleges competed for them, and attractive financial aid packages were more likely to result.

Canada

Again, due to sticker shock at top American institutions, some students look to Canada. It may be cold, but Canadian schools cost far less than American colleges, in part because they are subsidized by Canadian taxpayers. Because all Canadian institutions are government-supported, there is no public vs. private debate. Keep in mind, though, that the varying monetary exchange rate will make it difficult to predict exact costs for future years.

Top Canadian schools offer an education equal to well-regarded American colleges. Aside from affordability, Canadian schools offer another plus--a broader cultural perspective that appears to translate well come job hunting time. Many top employers look favorably on American students who study abroad, realizing that a global perspective may benefit the company in the future.

The downside? Canadian schools do not offer need-based aid of their own. However, the good news is that students are eligible for subsidized student loans from United States lenders if their Canadian school participates in the U.S. Department of Education's accreditation program, which most do.

IMPORTANT DISCLOSURES

The information presented here is not specific to any individual's personal circumstances. To the extent that this material concerns tax matters, it is not intended or written to be used, and cannot be used, by a taxpayer for the purpose of avoiding penalties that may be imposed by law. Each taxpayer should seek independent advice from a tax professional based on his or her individual circumstances.

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