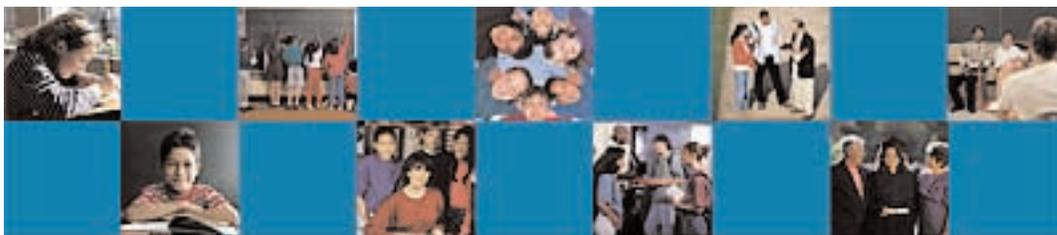


the condition of education 2001



INDICATOR 25

Perceptions of College Costs

The indicator and corresponding tables are taken directly from *The Condition of Education 2001*. Therefore, the page numbers may not be sequential.

Additional information about the survey data and supplementary notes can be found in the full report. For a copy of *The Condition of Education 2001*, visit the NCES web site (<http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2001072>) or contact ED PUBs at 1-877-4ED-PUBS.

Suggested Citation:

U.S. Department of Education, National Center for Education Statistics, *The Condition of Education 2001*, NCES 2001-072, Washington, DC: U.S. Government Printing Office, 2001.

NATIONAL CENTER FOR EDUCATION STATISTICS

U.S. Department of Education
Office of Educational Research and Improvement



Transition to College

Perceptions of College Costs

In 1999, 6th- to 12th-graders and their parents overestimated the price of attending college.

Increases in tuition and fees charged at 4-year colleges often outpace increases in median family income (Davis 1997). Although increases have occurred at many institutions, much of the media attention about rising college prices focuses on a few, highly selective private institutions that charge \$20,000 or more in tuition per year (e.g., “Those Scary College Costs” 1996). Such publicity can foster the perception that college is unaffordable and discourage some students and parents from making the necessary financial and academic preparations for the student to attend. Whatever the perception, the average in-state tuition and fees charged full-time undergraduates at public 4-year institutions in 1998–99 was about \$3,200 (The College Board 1998). It is useful, therefore, to compare perceptions of the price of college with the actual price of attendance.

In 1999, 6th- to 12th-graders and their parents who thought the student would enroll in postsecondary education were asked if they knew or could estimate the tuition and mandatory fees for 1 year at the type of college the student planned to attend. Among those estimating tuition and fees at 4-year public institutions in their state, estimates

reported by both students and parents were substantially higher than the average amount charged full-time undergraduates in the same year (\$5,664 and \$5,970, respectively, versus \$3,243). Moreover, 27 percent of these students and 28 percent of their parents estimated tuition and fees at \$8,000 or more, even though no public 4-year institutions had tuition and fees that high.

In addition to students’ and parents’ misperceptions of tuition and fees, their uncertainty about tuition and fees was high. Such uncertainty can also affect the decision to attend (Hossler, Schmit, and Vesper 1999). Examining students’ and parents’ estimates for all types of institutions, even among 11th- and 12th-graders, 37 percent of students and 29 percent of their parents could not estimate the price of tuition and fees at the institution students planned to attend. For both students and their parents, the likelihood of such uncertainty declined as family income and parents’ education increased. In other words, in families with the lowest incomes and least educated parents, students and parents knew the least about the price of attending college (see supplemental table 25-1).

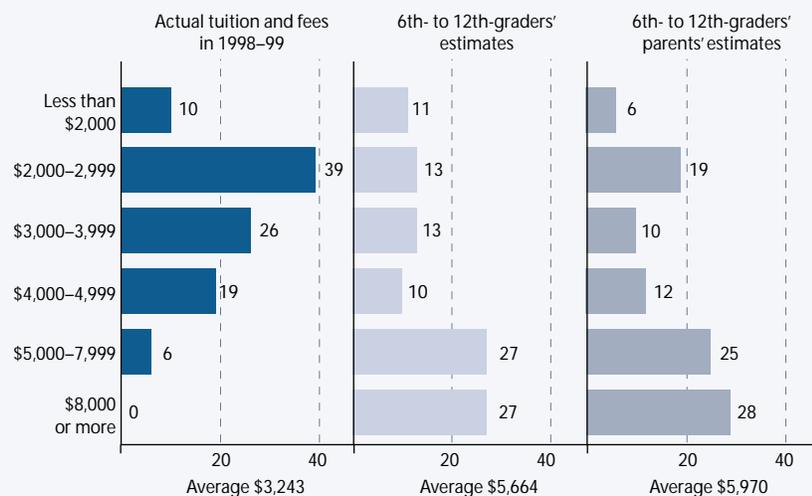
NOTE: Distributions for in-state tuition only. Students’ and parents’ estimates include only those who were able to provide estimates of tuition and fees. Percentages may not add to 100 due to rounding.

SOURCE: U.S. Department of Education, NCES, National Household Education Surveys Program (NHES), 1999 (Parent and Youth Interview Surveys); The College Board, *Trends in College Pricing, 1998* (for actual tuition and fees).



FOR MORE INFORMATION:
 Supplemental Notes 1, 3, 14
 Supplemental Table 25-1
 “Those Scary College Costs”
 1996
 Davis 1997
 The College Board 1998
 Hossler, Schmit, and Vesper 1999

PERCEPTIONS OF COLLEGE COSTS: Percentage distribution of tuition and fees charged at public 4-year institutions and estimates reported by 6th- to 12th-graders and their parents: 1999



Perceptions of College Costs

Table 25-1 Among 6th- to 12th-graders and their parents who reported postsecondary education plans for the student, the percentage distributions according to the accuracy of their estimates for tuition and fees for the postsecondary institution that students planned to attend: 1999

Student or parent characteristic	Percentage of students				Percentage of students' parents			
	Estimated tuition within 25 percent of actual*	Over-estimated	Under-estimated	Could not estimate	Estimated tuition within 25 percent of actual*	Over-estimated	Under-estimated	Could not estimate
Total	16.3	11.9	5.2	66.6	26.0	21.0	7.1	45.8
Grade								
6-8	11.4	3.0	2.2	83.6	22.9	15.6	5.7	55.9
9-10	16.4	10.4	4.5	68.7	26.2	21.6	5.7	46.5
11-12	24.0	28.1	10.7	37.2	31.0	29.1	11.1	28.9
Parents' education								
Less than high school	13.6	7.5	4.3	74.6	7.2	5.0	2.2	85.5
High school diploma or equivalent	14.7	10.6	5.1	69.6	17.5	13.8	5.1	63.5
Some college, including vocational/technical	14.8	11.0	5.5	68.7	23.9	24.0	8.2	43.9
Bachelor's degree or higher	19.1	14.6	5.2	61.0	38.0	27.0	8.8	26.2
Household income								
\$15,000 or less	12.5	9.0	5.3	73.3	12.1	13.7	6.3	67.9
\$15,001-30,000	15.9	10.3	6.0	67.9	18.6	15.4	5.4	60.6
\$30,001-50,000	14.8	11.7	5.8	67.7	24.6	20.2	7.3	47.9
\$50,001-75,000	17.0	14.0	4.9	64.1	32.9	24.4	8.6	34.1
More than \$75,000	20.2	13.9	3.8	62.1	38.1	29.1	7.8	25.0

*An accurate estimate was within 25 percent of the actual average tuition and fees for the type of postsecondary institution students intended to attend in their state of residence.

NOTE: Percentages may not add to 100.0 due to rounding.

SOURCE: U.S. Department of Education, NCES, National Household Education Surveys Program (NHES), 1999 (Parent and Youth Interview Surveys).

Perceptions of College Costs

Table S25 Standard errors for the percentage distribution of tuition and fees charged at public 4-year institutions and estimates reported by 6th- to 12th-graders and their parents: 1999

Tuition and fees	6 th - to 12 th -graders' estimates	6 th - to 12 th -graders' parents' estimates
\$8,000 or more	3.1	2.1
\$5,000-7,999	3.3	2.1
\$4,000-4,999	1.8	1.4
\$3,000-3,999	2.6	1.5
\$2,000-2,999	2.1	2.0
Less than \$2,000	2.0	1.1
Average tuition and fees	\$430	\$228

NOTE: The actual tuition and fees are taken from a universe survey of institutions so there are no sampling standard errors associated with them, and thus they do not appear in this table.

SOURCE: U.S. Department of Education, NCES, National Household Education Surveys Program (NHES), 1999 (Parent and Youth Interview Surveys).

Perceptions of College Costs

Table S25-1 Standard errors for among 6th- to 12th-graders and their parents who reported postsecondary education plans for the student, the percentage distributions according to the accuracy of their estimates for tuition and fees for the postsecondary institution that students planned to attend: 1999

Student or parent characteristic	Percentage of students				Percentage of students' parents			
	Estimated tuition within 25 percent of actual	Over-estimated	Under-estimated	Could not estimate	Estimated tuition within 25 percent of actual	Over-estimated	Under-estimated	Could not estimate
Total	0.5	0.5	0.3	0.7	0.6	0.6	0.4	0.7
Grade								
6-8	0.7	0.3	0.3	0.8	0.9	0.7	0.5	1.0
9-10	1.1	0.8	0.6	1.3	1.2	1.1	0.7	1.4
11-12	1.2	1.2	0.9	1.4	1.3	1.2	0.9	1.3
Parents' education								
Less than high school	1.8	1.3	1.0	2.3	1.3	1.1	0.7	1.8
High school diploma or equivalent	1.0	0.9	0.6	1.3	1.1	1.0	0.7	1.4
Some college, including vocational/technical	0.9	0.8	0.6	1.2	1.1	1.1	0.7	1.3
Bachelor's degree or higher	0.9	0.8	0.6	1.2	1.2	1.0	0.7	1.1
Household income								
\$15,000 or less	1.4	1.2	1.0	1.9	1.4	1.5	1.2	2.1
\$15,001-30,000	1.2	1.0	0.8	1.5	1.3	1.2	0.7	1.6
\$30,001-50,000	1.0	1.0	0.7	1.3	1.2	1.1	0.8	1.4
\$50,001-75,000	1.2	1.1	0.7	1.5	1.5	1.3	0.9	1.5
More than \$75,000	1.2	1.0	0.5	1.4	1.5	1.3	0.8	1.3

SOURCE: U.S. Department of Education, NCES, National Household Education Surveys Program (NHES), 1999 (Parent and Youth Interview Surveys).