

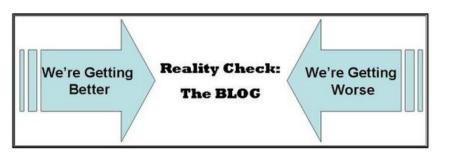
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## Watch Lists

By John V. Lombardi November 15, 2007 9:48 am

OK, I'm following the conversation in Washington about putting universities and colleges on a watch list if they increase their tuition by a percentage deemed too high. What a wonderfully

nonsensical notion.

The solution to the cost of a college education, we learn, is to publish a list that puts a generic public college with tuition of \$3,000 dollars on the bad list because it requires a 10% increase to stay open. That's an increase of \$300. Then we can celebrate the affordability of a very expensive public college with tuition of \$6,000 whose tuition increase of 5% or an equivalent of \$300 dollars falls below some mindless cutoff point. We're supposed to think it's a bad thing worthy of public scorn that the poor public college now has a tuition of \$3,300 while it's a matter of congratulation that the rich public college now has a tuition of \$6,300. Who thinks up this nonsense? Whose child pays tuition with a check written in percentage points?

Who is so naïve and clueless that they fail to recognize that the sticker price of tuition and fees at public and private colleges does not reflect the true cost of attendance? Who is so out of touch they don't understand that the net price to students varies depending on their desirability to the college, their financial circumstances, and other characteristics? Who is so numb that they do not recognize that increases in tuition and fees reflect both decisions about luxury and expensive programs AS WELL AS reductions in state funding?

If Congress wanted to do something useful, they would require a standardized methodology for reporting the net cost of attendance at all colleges and universities, require each college and university to provide a profile of their students by their need-based financial aid status, and require the publication of information on the percent of student financial need met by the college or university.

The price of tuition and fees is one of the poorest indicators of the true cost of college to the consumer, and it fails completely to tell consumers—whether parents, legislators, alumni, or trustees—the amount students with different characteristics will need to pay for their college education. Some places do high-tuition high-aid strategies that charge a lot to people with substantial resources and discount heavily to students with fewer resources. Is this worse that charging a lower flat rate that costs the poor student more than the net to a poor student after financial aid at the high-tuition high-aid institution?

This question is surely worth a policy debate, but the mindless listing of institutions by the percentage rate of increase simply guarantees that the rich will get richer and the poor will get poorly funded higher education.

Perhaps sensible people will eventually intervene in this debate.

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