



KANSAS BOARD OF REGENTS

AGENDA

System Council of Business Officers

Wednesday, January 5, 2011

8:30am-9:00am, Conference Rm B

Teleconference Dial-in 866-620-7326 and Code 476-523-6449

1. Discussion -- Net-Price Calculator Workgroup (attached)
2. Other Issues

Charge to the Net-Price Calculator Work group: This Work group will present to System Council of Business Officers a list of recommendations and guidance for Kansas public institutions as they develop and construct an institutional Net-Price Calculator in order to comply with HEOA 2008 (Higher Education Opportunity Act). Each institution must have their Net-Price Calculator (NPC) available for the public by October 29, 2011.

Work group members:

Barbara Winter	Pittsburg State University	Kurt Gunnell	KBOR Staff
Jan Bloodgood	Manhattan Area Technical College		
Gene George	Butler Community College		
Elaine Henrie	Emporia State University		
Robert Gamez	Kansas State University		
Brenda Maigaard	University of Kansas		
Melodie Christal	Washburn University		
Lois Tatro	Wichita State University		
Kent Williams	Butler Community College		

Final Recommendations:

- 1) Institutions are able to select the Net Price calculator tool of their choice to post on their website in order to be compliant with this HEOA requirement. Institutions may:
 - a) use the U.S. Department of Education's Net Price Calculator, or
 - b) develop their own customized calculator that includes, at a minimum, all the same data elements included in the Department's template, or
 - c) use a third-party calculator with the same requirements as (b)
- 2) Institutions should provide caveats and explanations of institutional data to prevent any potential misunderstandings about the data used in the Net-Price Calculator.
- 3) Institutions that decide to develop their own net price calculator must include, at a minimum, the input and output elements included in the U.S. Department of Education's Net Price calculator. The Department lists these elements as follows :
 - a) Input data elements:
 - i) Data elements to approximate the student's Estimated Family Contribution (EFC), such as income, number in family, and dependency status or factors that estimate dependency status
 - b) Output data elements:
 - i) Estimated total price of attendance
 - ii) Estimated tuition and fees; http://nces.ed.gov/ipeds/resource/net_price_calculator.asp)
 - iii) Estimated room and board
 - iv) Estimated books and supplies
 - v) Estimated other expenses (personal expenses, transportation, etc.)
 - vi) Estimated total grant aid
 - vii) Estimated net price
 - viii) Percent of the cohort (full-time, first-time students) that received grant aid, and
 - ix) Caveats and disclaimers, as indicated in the HEOA.
 - c) For institutional aid, when used as an input data element by institutions, the following recommendations are provided:
 - i) Veteran waivers will not be included

- ii) Faculty and staff waivers will not be included
- iii) Athletic scholarships will not be included
- iv) Private scholarships and grants will not be included

Supporting Information:

Within the efforts of the work-group, it was decided that the institutions should determine which tool would best fit their circumstances and their ability to effectively respond to this HEOA requirement.

Other factors influenced this decision:

- 1) As of November 2011, the U.S. Department of Education has not yet released the newest Net Price template for the institutions. This late release shouldn't be a hindrance or obstacle for institutions in their preparations.
- 2) Through a quick survey of the other states, it was found that many, if not the majority of states, were not involved in a state-wide coordination or management of the Net Price Calculators for the institutions they direct or govern. They left the decisions of the development and management of the NPC to their institutions.
- 3) The complexity of the collection and reporting of the data elements in the NPC became obvious. Institutions should be allowed some flexibility to be responsive, yet compliant to this requirement. Standardizing the NPC reporting process across all the KBOR institutions would be a complicated and time/resource consuming effort.

Background: The Net-Price Calculator requirement is part of the Higher Education Opportunity Act, HEOA, signed into law on August 14, 2008. The HEOA includes a number of new reporting and disclosure requirements. The NPC calculator is one of these new disclosure requirements. As such, institutions must provide a Net-Price Calculator on their website. This requirement does not involve reporting data to the Department of Education.

On October 29, 2009, U.S. Department of Education made available a Net-Price Calculator Template. Institutions have 2 years from the release of the template to post their calculator, which would be October 29, 2011. An institution may use either the NPC developed by Department or it may develop its own. Institutionally developed calculators must include "at a minimum the same data elements" found in the Department template.

According to the law the purpose is to "to help current and prospective students, families, and other consumers estimate the individual net price of an institution of higher education for a student. The calculator shall be developed in a manner that enables current and prospective students, families, and consumers to determine an estimate of a current or prospective student's individual net price at a particular institution." P.L. 110-315, sec. 132 (h) (1).

Cautions and Limitations: Institutions are instructed to provide explanations and caveats about the Net-Price Calculator and its estimates. These estimates are not binding, and don't represent a final determination or actual award, of financial assistance, or a final net price. They are based on price of attendance and financial aid provided to students in a previous year. The Department of Education, National Center for Education Statistics recommends additional caveats/explanation about the estimates which might include the following:

1. Listing of any student groups or types of aid/grants which are not included in the NPC.
2. Instructions on how to access an institution's financial aid website
3. Notifications of any major planned changes to price or grants that could affect the validity of these estimate
4. Explanations of differential tuition rates, or any other underlying parameters which influence price estimates