

HOME PAGE

Today's columns, news and more

BASICS

Build your financial know-how

INVESTING

Tips and tools for your portfolio

YOUR FINANCES

Latest rates and money-saving tips

PLANNING

Put your financial goals into action

SPENDING

Research home, car and other purchases

TOOLS

Calculators for financial decisions

COLUMNS

Advice and commentary from Kiplinger's experts

COMMUNITY

Ask a question or answer one

EMAIL UPDATES

Sign Up!

PUBLICATIONS

Subscribe, renew, buy books and software

CONTACT US

Customer service, feedback, letters to the editor

ABOUT US

Company privacy and advertising info

Want a real competitive edge?**Kiplinger Forecasts**
.com**Kiplinger Store:**

Try a free issue of Kiplinger's Personal Finance magazine

Planning: RETIREMENT COLLEGE BUDGETING ESTATE PLANNING**SAVING FOR COLLEGE FINANCIAL AID**November 2003 [Email this](#) [Print this](#)
[License or reprint this article](#)**BEST****College****Best Values in Public Colleges**

by Brian Knestout

Between registering for classes, making new friends, navigating an unfamiliar campus and, oh, yes, studying, new college students have plenty of worries. The prospect of graduating with a crushing debt shouldn't be one of them.

But considering the way tuition charges have rocketed in the past year, a little worry isn't just prudent, it's unavoidable. Tuitions at public colleges are 12.5% higher, on average, this year than they were a year ago, according to the American Association of State Colleges and Universities. That's on top of the 9.6% hike in the fall of 2002.

But the averages hide staggering tuition hikes striking some campuses, as lawmakers take aim at college budgets in the scramble to make state budgets balance. Auburn University, in Alabama, hiked in-state tuition and mandatory fees by 17% this fall (to \$4,426) in response to a 6% cut in state appropriations -- and that was before Alabama residents soundly defeated the governor's call for higher taxes. Students in New York marched across the state to protest a 28% increase in state university tuition, triggered by a 20% state budget cut.

In California, the legislature lopped \$410 million off the University of California's budget, an amount equal to the total funding for UC-Berkeley. That led to a 30% hike in the in-state cost of attending each of UC's eight campuses. Students have sued to try to roll back the increase. Students in Maryland, who were hit by a 6% increase in the fall of 2002 and an additional 5% hike this past January, also sued, arguing breach of contract. They lost the suit, and tuition rose another 13% this fall. State regents in Arizona gave up their proud position of offering the lowest in-state tuitions in the country and whacked students at Arizona State and the University of Arizona with a 39% tuition hike, the largest percentage increase in the country.

And skyrocketing tuition is only half of the story. Colleges are tightening their belts, too, resulting in things you're not likely to see in the next recruitment fliers: bare library shelves as acquisition budgets are slashed; empty administrative offices as jobs are eliminated; and more crowded classrooms or fewer courses as faculties are squeezed.

Bargain-hunting

So it's high time to cast a critical eye across a public college landscape to see which colleges give students the best bang for the buck. Our exclusive survey of U.S. public colleges and universities shines a spotlight on schools that combine great academics with reasonable costs.

As our [database](#) shows, there are still dozens of places where students can get an excellent education for a reasonable price. The University of North Carolina at Chapel Hill tops our list for a fourth consecutive time, despite a 5% tuition increase this fall. How? Despite the hike, total costs for in-state (\$11,290) and out-of-state (\$23,138) students remain reasonable, especially when judged against private schools with similar academic reputations.

For Graham Long, a senior from Charlotte with a double major in political science and peace, war, and defense studies, saving money doesn't mean sacrificing quality. "My dad pays my tuition, which he couldn't do if I were going to a much more expensive private school," says Long, who is active in student government and sings in a school choir. "The academic climate is terrific, the professors are incredible, and I'm getting a great education without having to take on any debt."

High-caliber academics and generous financial aid are also keys to UNC's top ranking. Chapel Hill's ability to meet 100% of the shortfall for students with financial need sets the school apart from the pack. "Need" is the difference between a college's cost and the amount formulas calculate a family can "afford" to pay. A school that meets 100% of need offers enough grant money, loans and work-study jobs to fill the gap.

Chapel Hill's sterling academics and reasonable cost let it draw top-notch students without having to rely on beefy merit-based scholarships, saving the money for those with need (the

GETTING STARTED

- ABCs of Saving for College
- Tax Breaks for College Savers
- 529 Plan FAQs
- Uncover the Best Coverdells
- Student Loans 101
- Master the Financial Aid Process

COLLEGE TOOLS

- 100 best values in public colleges
- The best (and the rest) of the college savings plans
- How do I figure a monthly college savings plan?
- What will it take to save for a college education?
- What is the payoff for going back to school?

MAGAZINE**NOVEMBER**

- 
- This Month
 - Nov. Contents
 - Past Issues
 - Try a Free Issue
 - Customer Service
 - Feedback

ADVERTISEMENT

How do you discover new wines to enjoy?

- Recommendations from a wine shop
- Recommendations from friends
- Media articles
- Trial and error
- Wine tastings
- I wish I knew a better way

school does offer merit-based scholarships, but it primarily uses private donations to fund them).

Out-of-state deals

The nation's best deal for in-state students is, unfortunately, available only to North Carolina residents. So this year we applied our evaluation to out-of-state total costs to uncover the best bargains for out-of-state students, too.

Drumroll, please: Backed by its strong academic and financial aid scores, UNC-Chapel Hill comes out on top again. But some schools actually turn out to be better relative values for out-of-state students than for locals. Consider Truman State University, in Kirksville, Mo. It ranks ninth on the list of in-state bargains, but rises to second when ranked on the cost to students from outside the Show-Me state.

Erin Smith, 22, had a lot of choices when it came to college, because she was accepted to all ten of the schools where she applied, including Vanderbilt, Emory and the University of Iowa in her home state. Smith chose Truman because of its rigorous political science curriculum and low out-of-state tuition -- \$14,409 this year.

Her decision paid off. Good high school grades and ACT scores earned her a full scholarship. She'll graduate this December with a 4.0 grade point average and has applied to Harvard, Stanford and Columbia law schools. But Smith, who won the 2001 Miss Iowa title, might put the law on hold if she wins a Rhodes scholarship for which she is being considered. "Some of the things I've done at Truman might not have been possible at another school," she says. "I go to a school big enough to offer all the opportunities of a large state school, but small enough for me to know the university president personally."

Finding the right college is a highly individual decision that no list of "bests" can encompass. But our list of schools, ranging from small (sixth-ranked New College of Florida, with 650 students) to small planet (University of Texas at Austin, with nearly 40,000), and from big city (University of California, Los Angeles) to college town (University of Virginia, in Charlottesville), is a good place to begin your search (see [Expand your search online for the best values](#) for ways to customize your quest).

How the cream rises

We determined our rankings based on data provided by more than 500 public, four-year colleges and universities to Peterson's, a division of the Thomson Corp. We supplemented Peterson's data with our own reporting.

We cut the list to the 200 schools with the highest percentages of the 2002-03 freshman class scoring above 600 on the verbal and math components of the SAT I, or scoring above 24 on the ACT.

We culled that list to arrive at the top 100 schools based on several other measures of academic quality -- including admission rates, student-faculty ratios, the percentage of faculty with the highest degrees in their field, how much each school spends on instruction for each student, how much each school spends on its library facilities, and four- and six-year graduation rates.

Finally, we ranked each school on a combination of quality and cost components. We looked at total cost for in-state students (tuition, mandatory fees, room, board and estimated expenses for books and supplies), the average cost for a student with need after subtracting grants (but not loans), the average cost for a student without need after subtracting merit-based grants, the average percentage of need met by aid, and average debt a student accumulates before graduation.

We repeated the procedure using out-of-state total costs and average costs after aid to determine out-of-state rankings. Overall, our scoring places greater weight on quality, which accounts for about two-thirds of the final score, than on cost.

One catch to these bargains is that you've got to gain admission. That's a tough hurdle at four of our top 20 schools (UC-Berkeley, William & Mary, Virginia and UNC-Chapel Hill), where 40% or fewer of applicants get in.

Total in-state costs among our top 100 range from \$7,913 at Appalachian State University to \$17,616 at UCLA. Out-of-state costs range from \$13,316 at the Mississippi University for Women to \$33,473 at the University of Michigan-Ann Arbor.

That's not cheap, which is why we credit schools that are generous with their need-based aid. Besides Chapel Hill, other schools that meet more than 95% of need include Colorado School of Mines, Iowa State University of Science and Technology, Michigan State University and University of California, San Diego.

-Reporter: Alison Stevenson

Great deals that aren't on our list

Our [database](#) lists 100 great deals at traditional, four-year public schools with broad-based curriculums. But some off-the-radar schools merit special attention, too.

First are the military and service academies, including the federally run Air Force, Army, Coast Guard, Merchant Marine and Navy academies, as well as two public colleges, The Citadel, in Charleston, S.C., and Virginia Military Institute, in Lexington, Va. All seven are highly selective and offer tremendous opportunities. The federal service academies charge no tuition and actually pay students a stipend to attend. The Citadel charges \$15,655 for in-state cadets and \$24,066 for residents of other states. VMI charges \$13,050 for in-state cadets and \$25,762 for others.

All seven require applicants to pass physical exams and physical-fitness tests before entering.

Applicants to the federal academies (except for the Coast Guard) must also obtain congressional or military nominations and must complete a multiyear hitch of military service after graduation. For these reasons, we did not include the schools in our final rankings.

Two other schools were not included on our final list because of limitations in the curriculums they offer. North Carolina School of the Arts (\$9,430 in-state; \$20,030 out-of-state) offers degrees in the visual and performing arts only, and the State University of New York College of Environmental Science and Forestry (\$13,702 in-state, \$18,602 out-of-state) offers bachelor degrees in a limited number of majors tailored to environmental study. While these limitations keep the schools off our list, either could be a fabulous bargain for students seeking these specialized curriculums.

There is also a little-known bargain hidden in the Ivy League. Many alumni of Cornell University in Ithaca, N.Y. (including our editor in chief, Knight Kiplinger), know that the school is actually a unique hybrid -- part privately endowed university, part land-grant state institution. Students in the Colleges of Architecture, Arts & Sciences, Engineering and Hotel Administration are part of private Cornell, and they pay for it -- \$28,754 in tuition and fees for the 2003-04 school year.

But three Cornell undergraduate colleges -- Agriculture and Life Sciences, Human Ecology, and Industrial and Labor Relations -- are state schools. That means they charge much lower tuition -- \$14,624 for New York residents, about half the cost of private Cornell, and \$25,924 for others. The cost of room and board, \$9,529, is the same for all.

Students at the three land-grant Cornell colleges have the run of the campus and sit in the same classes with students enrolled in the privately endowed colleges. The only difference is that their tuition is cheaper. We couldn't rank Cornell's public colleges with the other schools on our list because the university does not track statistical data for financial aid separately by college. But getting an Ivy League degree at a discount may well be worth its weight in gold.

Expand your search online for the best values

Our [database](#) shows you the best bargains in public colleges. Now, there's another Web-based tool that lets you customize your search for affordable colleges and expand it to cover private schools, too. [Peterson's BestCollegeDeals](#), known primarily among a small cadre of financial consultants, focuses on out-of-pocket costs: the amount a parent is really likely to pay, after each school's average aid package is factored into the mix. The site helped Jonathan and Karen Bartels of Princeton, N.J., get a realistic idea of what their family can afford.

The Bartelses' daughter Shana, 17, scored over 1300 on the SATs, so she's likely to get into her schools of choice. But her chances for merit-based aid are hard to gauge. Plus, the family's income hasn't been steady. Jonathan, 50, is switching careers, from financial analysis to sales management, and Karen, 43, runs a desktop-publishing business. So the \$39,400-per-year price for New York University, Shana's first choice, is tough to swallow. So is that of Boston University, at \$38,200. Rutgers-New Brunswick, number 41 on our list of state-college bargains, seems the most feasible, at \$14,300. But Kevin Simme, a financial consultant who specializes in helping families find ways to pay for college, pointed the Bartelses to Peterson's BestCollegeDeals to help get a clearer view of their options.

How it works. The site lets you estimate your expected family contribution, or EFC (the amount a family can supposedly afford to pay), and see how much of the difference between that amount and a school's sticker price is likely to be filled by financial aid -- based on average aid packages of grants, loans, scholarships and work-study jobs awarded by each school. The result is an estimate of the cost for your family. The methodology differs from the calculations in our tables, which compute cost using average gift awards (scholarships and grants) but not loans and work-study income.

BestCollegeDeals' Achilles heel is not knowing the probable breakdown between grants and loans. But the program gives you a valuable hint: the average amount of debt carried by graduates. You can pit any three schools head to head on graduate debt as well as other factors, such as out-of-pocket costs and average financial-aid awards.

Even better is the "deals" link affixed to many of the roughly 1,500 schools in the database. Using information on scholarships, grants and tuition breaks, the site can pull up overlooked bargains at each college, including special breaks for academic merit, first-generation college students, minority students, students who perform community service, siblings attending the same college, as well as a catch-all "other" category that includes, for example, scholarships for children of alumni or 9/11 victims.

Eye opener. BestCollegeDeals can show that colleges that seem financially unattainable may actually be as good a buy as a state school -- or better. For the Bartelses, Peterson's estimated out-of-pocket cost at private Boston University is \$9,600, not that much higher than the \$7,500 estimate for public Rutgers. BU's aid packages meet an average of 90% of the gap between EFC and the school's sticker price, generous enough to offset Rutgers's in-state tuition advantage.

Peterson's cautions that its figures are only estimates based on data that the schools provide and on the accuracy of the EFC figure. If a big chunk of an aid package turns out to be loans, a seeming bargain could turn out to be a mirage. Still, the program can demonstrate that schools that seem financially unattainable may be achievable after all. "It's an incredible resource," Jonathan Bartels says. "This opens up possibilities we never knew we had."

Special offer. Peterson's normally charges \$40 for six months of access to BestCollegeDeals. But [Kiplinger's readers can use the site for only \\$20](#). Use the coupon code "kiplinger" to get the half-price rate.

