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Study: Families need more financial info

By [Zane McMillin](#) | Published 02/10/10 10:13pm | Updated 02/10/10 10:13pm

Students and their families often do not make the best financial investments in higher education because of a lack of readily available information, a study published Tuesday said.

The report, released by Massachusetts-based policy think tank MassINC, found the complexity of investing money and finding ways to pay for a college education are lost in a muddle of intricate, yet insufficient information.

Tony Broh, a higher education consultant and the study's co-author, said information available to students and their families about ways of paying for higher education is presented in a way where they do not take the overall investment into account.

Broh said he came up with the study's findings by using publicly available information, such as information that might be found on a lending agency's Web site.

He said although the study dealt only with private and public colleges and universities in the state of Massachusetts, its findings have national implications.

"College is not about making a living," Broh said. "It's finding out how to live your entire life. All of that's important, but with the price of tuition fees ... getting higher and higher all the time, it's increasingly becoming more important as a financial consideration."

Broh said the lack of information is inherent in colleges and universities, lending agencies and state and federal governments.

The problem, he said, is that throughout the past 30 years, opportunities to pay for college have become increasingly scarce.

"What happened, I think, is colleges, and I should say lending institutions and the government, didn't understand the responsibility they had to treat college applicants as a consumer and to think of them in the same way as someone who's buying a house or a car," Broh said.

MSU President Lou Anna K. Simon said she had not seen the report and could not comment on it specifically.

However, she said the process of figuring out ways to pay higher education costs can be a confusing process. MSU specifically, she said, takes measures to increase cost transparency, such as a “budget calculator” that can be found on the Office of Financial Aid’s Web site.

“We’ve tried to use a lot of Web-based tools to (help) families understand programs that are available,” Simon said. “We’re constantly trying to (be transparent).”

Simon said it is possible that federal financial aid forms, such as the Free Application for Federal Student Aid (FAFSA), also need to be simplified for students and their families.

Samantha Ayscue, a social relations and secondary education senior, said she does not feel there is an adequate amount of information about methods of paying for college for students and their families.

Such information is needed, she said, especially with tuition costs increasingly on the rise.

Ayscue said work could be done on all levels to make the process more transparent, such as increasing awareness of financial aid and scholarship opportunities on the college level. She said making key Web sites more concise also might help.

“I’ve used the Office of Financial Aid’s Web site for scholarships, but some were from like 2006,” Ayscue said. “They need to update stuff like that and just make it more accessible.”