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**College Financial Aid Award Letters Fall Far Short of Being Clear,
Comparable, and Consumer-Friendly**
New Analysis Highlights Need to Standardize Award Letter Elements

Oakland (CA)—A new analysis released today by the Institute for College Access & Success (TICAS) reveals major shortcomings in the financial aid information that colleges are sending to students. [Cost in Translation: How Financial Aid Award Letters Fall Short](#) details how the vast majority of almost 200 award letters analyzed by TICAS failed to communicate critical information to prospective college students, and provides examples of the most problematic elements of those letters.

“Students need to be able to understand college costs and the real value of financial aid offers before deciding where to enroll,” said **Diane Cheng**, TICAS associate research director and report co-author. “Students can’t make informed decisions if the information they need is muddled, misleading, or incomplete.”

To best help students make informed decisions about where to go to college and how to pay for it, financial aid award letters should provide the full cost of attendance, separate aid that needs to be earned or repaid from aid that doesn’t, and calculate the net price, which is the difference between the full cost of attendance and grants and scholarships. Yet TICAS’ analysis of almost 200 award letters from public and private nonprofit four-year colleges found that fewer than one-quarter (23%) voluntarily used a federally developed, standardized letter that meets all of the criteria above, and *only seven percent of the remaining 150 letters met all three criteria for clarity and comparability.*

These findings underscore TICAS’ longstanding recommendation to standardize the key elements of award letters, as bipartisan legislation previously introduced in both the House and Senate would do. Until award letter elements are standardized, see TICAS’ [Tips for Interpreting Award Letters](#) for suggestions on how counselors and the students they work with can avoid common mistakes when trying to understand and compare award letters.

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An independent, nonprofit organization, The Institute for College Access & Success (TICAS) works to make higher education more available and affordable for people of all backgrounds. Our Project on Student Debt works to increase public understanding of rising student debt and the implications for our families, economy, and society. For more information see www.ticas.org or follow us on Twitter at www.twitter.com/TICAS_org.