

College Calculator Methodology

This calculator is designed to show the user the affordability of going to a postsecondary education institution based on a variety of factors. While going through the calculator users are able to input values which allow users to see the total income and expenses that are expected to occur as a result of a 4-year postsecondary education. Along with this, recommendations on next steps are provided as a guide to help with the affordability of college. We hope that you find this calculator to be insightful in your search to maximize your college affordability. This data is provided in partnership with Massachusetts Institute of Technology, along with data collected from the Department of Education and TuitionTracker. The outputs provided are estimates based on the collected data, therefore actual expenses, such as living costs, student loan payments, and annual salary, may not be reflective of the user's actual income or expenses.

Inputs

School: Input what University or College that you will be attending. If the postsecondary institution is not presented that means that there is currently no data on that institution. This is only for institutions in the United States.

Major: What major (field of study) most closely resembles the major you are interested in or are already pursuing? If a major is not presented that means that there is currently no data on that major for that specific institution you inputted. Feel free to pick a major which most closely aligns with your field of interest.

In-state/out-of-state: Are you living in the same state that the school is located in? If yes, you will be in-state. If no, you will be out-of-state.

Annual Scholarships & Grants: Dollar amount of scholarships or grant funding that you will be receiving. This can be either from your college/university or from other sources (i.e The SleepingGiant Catalyst Scholarship)

Annual Personal Contribution: Represent any additional funds that will be used for higher education. Examples include: financial assistance from relatives/friends, part-time job funds, university stipends, etc.

Post-Graduation Residence: The living wage is calculated at the county, metropolitan area, state, regional, and national level. Geographic definitions are consistent with those published by the Office of Management and Budget, last updated in 2017.

Advanced*

Tuition: Latest cost of tuition & fees (this changes based on whether you select in-state or out-of-state)

Tuition Growth Rate: Estimated percentage increase in tuition each year. This is constant at 3.3% based on Bureau of Labor Statistics (BLS) data.

Room & Board: Costs associated with on-campus living and corresponding meal plans

Other Annual Expenses: Any other expenses that you currently owe that may affect your overall expenses.

Loan Interest Rate: This is a standard field which is always at 5.8%. This is based off of the average interest rate according to a 2017 report by New America

Expected Annual Salary: Median annual salary (before taxes) that you are expected to receive based off of your major and university/college.

Expected Annual Living Costs**

Expenses needed to cover basic family expenses (basic needs budget) plus all relevant taxes. This is the same number as it is in the outputs but you are able to change the number here.

All advanced inputs are automatically populated based on the six main inputs unless explicitly stated.

The living expenses does not allow for what many consider the basic necessities enjoyed by many Americans. This just includes the basic expenses that allows an individual to live in a specified location in the United States. In light of this fact, the living wage is perhaps better defined as a minimum subsistence wage for persons living in the United States.

Outputs

Annual Costs vs Income (USD) Bar Graph: This adjustable graph allows for the user to visually see how their projected annual income compares to their projected expenses (annual living costs & annual student loan payments)

Net Income: Net income is calculated on a yearly basis by taking major salary subtracted by living costs & yearly student loan payments.

Total College Debt w/o interest: How much debt you will accumulate each year without interest. This is calculated by taking your college cost and subtracting that by any funding you may receive. Funding includes scholarships/grants and any other contributions.

Total College Debt with interest: How much debt you will accumulate each year including interest. This is calculated by taking your college cost and subtracting that by any funding you may receive. Funding includes scholarships/grants and any other contributions. This number changes based on the number of years it takes to pass off your student loans. The more years it takes, the higher your college debt.

Payback Period timeline: Payback period refers to how long it will take for you to fully pay off a loan amount in full. This sliding chart allows for you to change the payback period in order to see how your monthly payment will change.

Student Loan Payments: Based on your annual debt load, your monthly debt payment shows how much your debt payment will be over a 21 year payback period. This changes when the payback period changes.

Total Living Costs: Expenses needed to cover basic family expenses (basic needs budget) plus all relevant taxes.

Major salary: This field will show you the median annual salary based on the major from the corresponding institution that was inputted.

Sources: Department of Education, TuitionTracker, Glasmeier, Amy K. Living Wage Calculator. 2020. Massachusetts Institute of Technology.