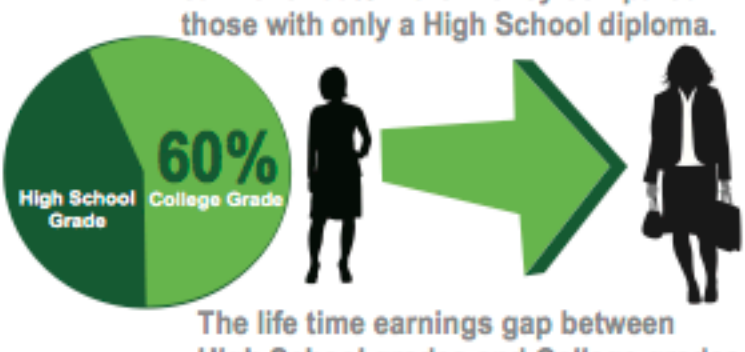
# Is Debt still worth a degree?

**The Bureau of Labor and Statistics reports**

***College Graduates are twice as likely to find employment*** vs. Individuals who only have a high school diploma.

***In a 2007 Study by the College Board showed:***

Those who earned a Bachelor's degree earn over 60% more money compared those with only a High School diploma.




The life time earnings gap between High School grades and College grades is over $800,000!

***The unemployment rate for those with a college degree is HALF the national average, about 4.1%.***

## But... at what cost?

In March of 2012 Student loans exceeded ***$1 TRILLION DOLLARS***, with $864 billion in Federal loans and $150 billion in private loans.

According to the Project on Student Debt, the average total of student debt for 4 year graduates is $24k, but in the some states ranges as high as $30k.

### *Top 10 States with the Highest Student Loan Debt*

**Washington, DC - $30,000/average per student**
**New Hampshire - $29,443/average per student**
**Maine - $29,143/average per student**
**Iowa - $28,883/average per student**
**Vermont - $27,786/average per student**
**Minnesota - $27,467/average per student**
**Pennsylvania - $25,066/average per student**
**Rhode Island - $26,573/average per student**
**Alaska - $26,344/average per student**
**Ohio - $25,842/average per student**

***The price of a college education has increased over 1000% in the last 3 decades.***

***Student loan debt has gone up 300% in just the past 8 years alone!***

***37 Million Americans have federal or private student loans.***

***10% of those loans exceed $54,000.***

***40% of households are headed by someone under 35 who owes college debt,, and more than 80% of bankruptcy attorneys reported a moderate-to-significant increase in clients with student loan debt in 2012.***

## Additional costs for grades entering the workforce... $+

### *Students and Credit Cards*

91% of undergraduates have at least one credit card, up from 76% in 2004

50% of college students have 4 or more cards.

***The average credit card debt for an undergraduate is at an all time high, at $3,173.***

***The average credit card debt for graduating seniors is up 42% from 2004, at $4,100.***

**25% of students have paid a late fees**

**15% of students have paid over-limit fees**

20% of households had student loan debt in 2010, up 100% from 1989.

10% of net income is the recommended amount for debt obligations, yet people 18 - 20 spend nearly 30% of their income on paying debt!

7.2% of students drop out of college due to debt and/or financial pressures.

## The need for financial literacy

Studies have found that high school students lack an understanding of basic personal finance concepts, with survey participants having an average of just **57%** of the questions correct.

Only **45%** of teens know how to use a credit card, and only **26%** understand how interest and fees work on credit cards.

**84%** of undergraduates admit they need more financial management education.

Of those who admitted this need, **64%** would have preferred some type of financial literacy education in high school, and **40%** would have liked that as college freshman.


**Sources**

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