

Choices Beyond High School & Student Loans



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Outline

- * Weighing Options & Opportunity Costs
- * Increasing College Costs
- * Student Debt is Rising
- * What Students Should Do
- * How to Calculate Student Loan Repayment



Post-Secondary Options

- * On-the-Job Training
- * Military Training / Military Education Programs
- * Apprenticeship
- * Technical Certificate
- * Two-Year Associate's Degree
- * Four-Year Bachelor's Degree



Weighing Options & Opportunity Costs



- * HUGE Life Decision
- * Rational Decision-Making
- * Think Critically about All Options
- * PACED Steps
 - * Define the **P**roblem
 - * List **A**lternatives
 - * Determine **C**riteria
 - * Evaluate the Alternatives
 - * Make a **D**ecision



Post-Secondary Options

Example: Respiratory Therapy Technicians

Respiratory Therapy Technicians

WHAT THEY DO

Provide specific, well defined respiratory care procedures under the direction of respiratory therapists and physicians.

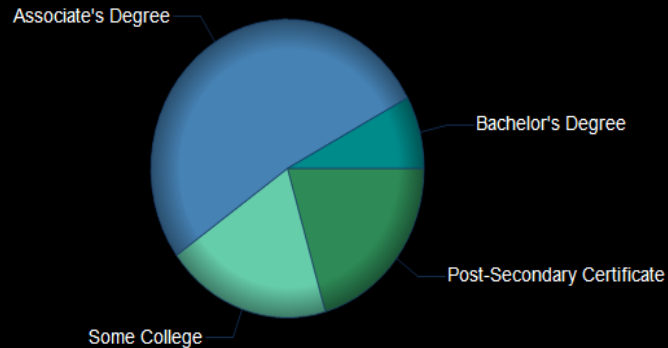


\$47,810 national average

Related to...

WHAT IT TAKES TO GET THERE

Education Obtained by those Currently in the Field



Schools in Wisconsin

Example: Respiratory Therapy Technicians

<u>Name</u>	<u>City</u>
<u>CHIPPEWA VALLEY TECHNICAL COLLEGE</u>	EAU CLAIRE
<u>GATEWAY TECHNICAL COLLEGE</u>	KENOSHA
<u>MID-STATE TECHNICAL COLLEGE</u>	STEVENS POINT
<u>MID-STATE TECHNICAL COLLEGE</u>	MARSHFIELD
<u>MILWAUKEE AREA TECHNICAL COLLEGE</u>	MILWAUKEE
<u>MORAIN PARK TECHNICAL COLLEGE</u>	WEST BEND
<u>NORTHCENTRAL TECHNICAL COLLEGE</u>	WAUSAU
<u>NORTHEAST WI TECHNICAL COLLEGE</u>	GREEN BAY
<u>UW - GREEN BAY</u>	GREEN BAY
<u>WAUKESHA COUNTY TECHNICAL COLLEGE</u>	PEWAUKEE

Pay & Job Outlook

Example: Respiratory Therapy Technicians

Wage Information for Respiratory Therapy Technicians, 2014:

Wage Level	Statewide Hourly	Statewide Annual
Entry	\$16.22	\$33,730
Average	\$23.33	\$48,530
Experienced	\$26.89	\$55,930

Number of Jobs for Respiratory Therapy Technicians, Wisconsin, 2012 - 2022:

Estimated Employment		Percent Change	Ave. # Openings per Year
2012	2022		
171	193	12.87%	4

College is an Expensive Investment

- * Private Four-Year College Tuition
 - * Often over \$50,000 per year or about \$1,500 per week!
- * State Four-Year Universities
 - * Less expensive than private
- * Two-Year Technical Colleges
 - * Less expensive than private or state four-year



College Costs are Rising

- * **Two** times faster than health care . . . and health care is up 257%!
- * **Three** times faster than inflation
- * During the last 30 years, inflation has risen 106%, while college tuition has risen by 439%.



College Costs are Rising

- * “College tuition rose 6 times faster than the increase in average earnings of college graduates over the last two decades.” (**Forbes**)
- * Government is Cutting Funding
 - * In 1980, Wisconsin state funding covered 33% of public university costs
 - * Currently it covers less than 20%



Sources of Financial Assistance

- * Scholarships (no repayment)
- * Grants – Based on Financial Need (no repayment)
- * Assistance from Family Members
- * Military Education Programs
- * Student Loans

Scholarships



Sources of Financial Assistance

- * Student Loans - Currently 71% of Students Attending Wisconsin Public Universities
- * Student Loans – Increase from 50% (1992-1993) of Students Attending Wisconsin Public Universities



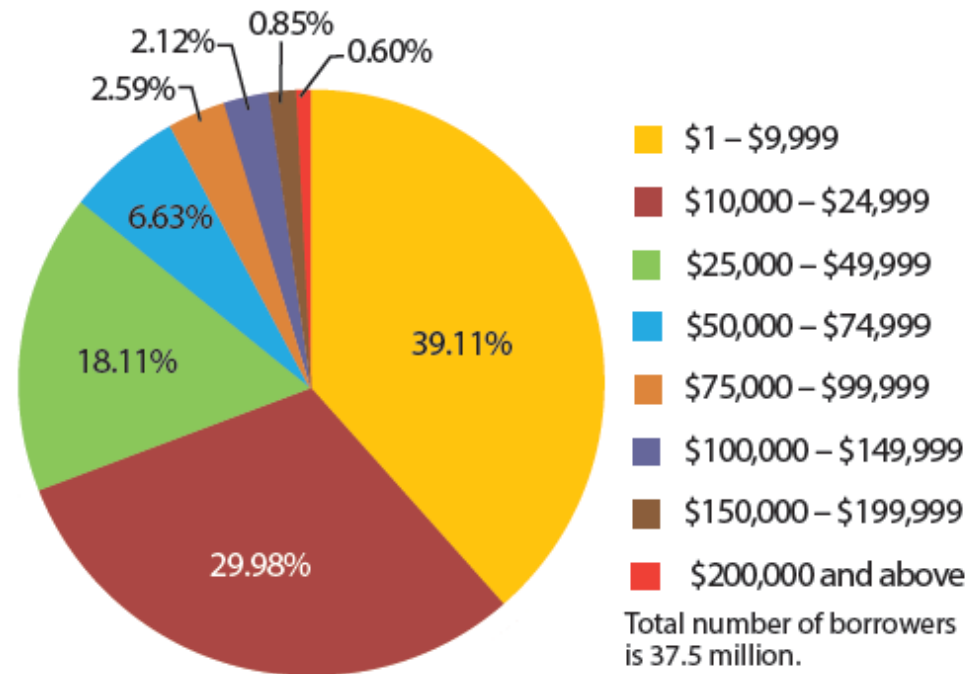
Student Debt is Rising

- * Average Debt at Graduation is \$29,400
- * Current National Total Student Debt is **\$1.3 Trillion**
- * Americans currently Owe More on Student Loans than on Credit Cards



Student Loan Balances

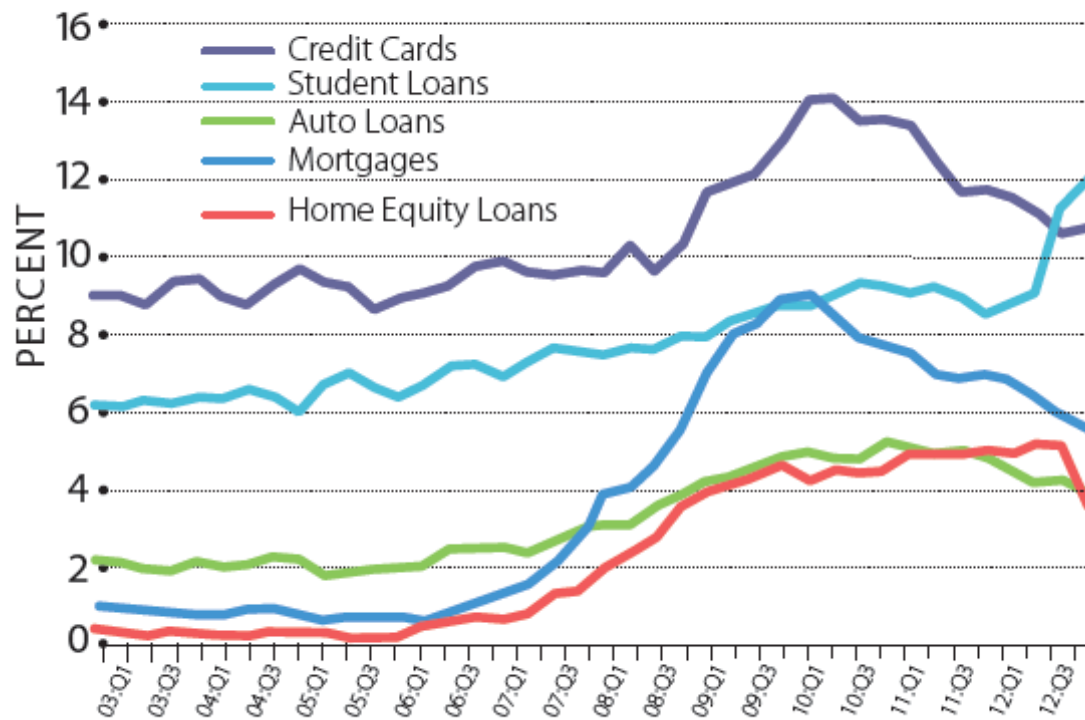
Student Loan Borrowers by Balance Level (2012:Q4)



SOURCE: Federal Reserve Bank of New York Consumer Credit Panel and Equifax.
Percentages do not add to 100 due to rounding.

Percent of Delinquent Loan Balances by Type

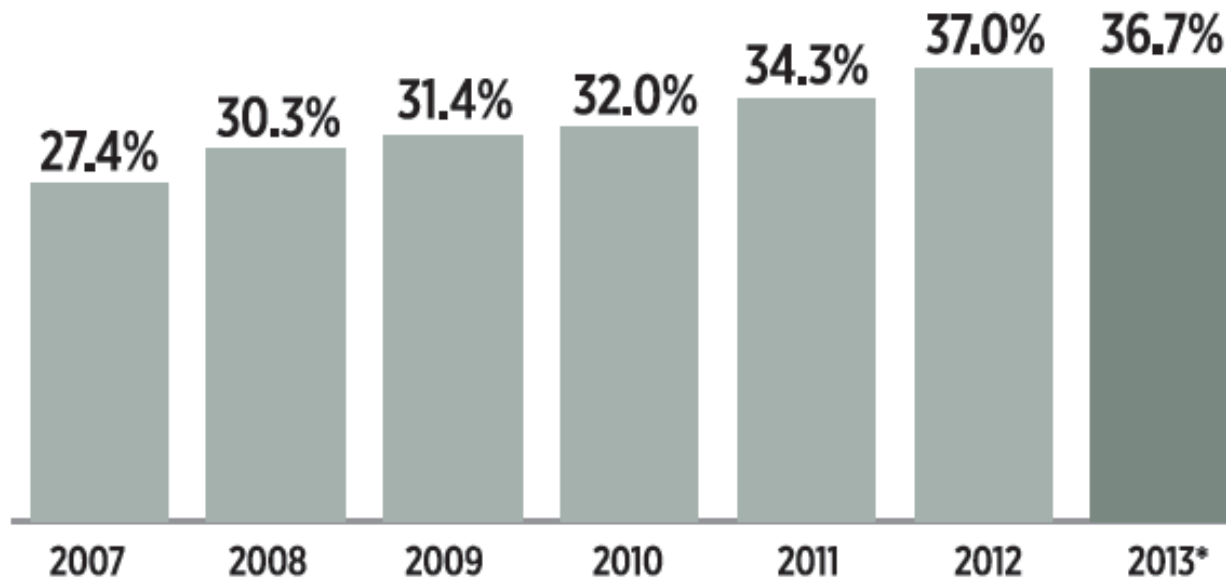
Percent of Loan Balances Delinquent 90+ Days (by Loan Type)



SOURCE: Federal Reserve Bank of New York Consumer Credit Panel and Equifax.

College Grads with Jobs . . . That Do NOT Require a Degree

Recent Graduates with Jobs That Do Not Require a Degree



NOTE: *Through May.

SOURCE: Center for Labor Market Studies at Northeastern University

<http://www.northeastern.edu/news/in-the-news/recent-college-grads-face-36-maj-employment-rate/>.

Career & College Evaluate Criteria

- * Expected Annual Pay
- * Job Outlook % (Marketable Occupation)
- * Programs Offered
- * Graduation Rates
- * Job Placement Statistics



Career & College Evaluate Criteria

- * Cost of Tuition
- * Geographic Location
- * Student-to-Faculty Ratio
- * Housing Options
- * Extracurricular Programs



The University of Wisconsin System Tuition Schedule 2014-2015

University of Wisconsin School (listed by cost of tuition)	Tuition Per Semester	Total Cost <i>if</i> Graduating in Four Years
UW-Madison – Undergrad Engineering	\$ 5,905.08	\$ 47,240.64
UW-Madison – Undergrad Business Administration	\$ 5,705.16	\$ 45,641.28
UW-Madison – Undergrad Certificate in Business	\$ 5,355.12	\$ 42,840.96
UW-Madison – Undergrad Other	\$ 5,205.12	\$ 41,640.96
UW-Milwaukee	\$ 4,695.41	\$ 37,563.28
UW-Stout	\$ 4,534.50	\$ 36,276.00
UW-La Crosse	\$ 4,397.17	\$ 35,177.36
UW-Eau Claire	\$ 4,371.88	\$ 34,975.04
UW-Superior	\$ 3,997.08	\$ 31,976.64
UW-River Falls	\$ 3,875.87	\$ 31,006.96
UW-Whitewater	\$ 3,799.80	\$ 30,398.40
UW-Stevens Point	\$ 3,834.39	\$ 30,675.12
UW-Green Bay	\$ 3,789.16	\$ 30,313.28
UW-Platteville	\$ 3,745.54	\$ 29,964.32
UW-Oshkosh	\$ 3,718.58	\$ 29,748.64
UW-Parkside	\$ 3,663.00	\$ 29,304.00

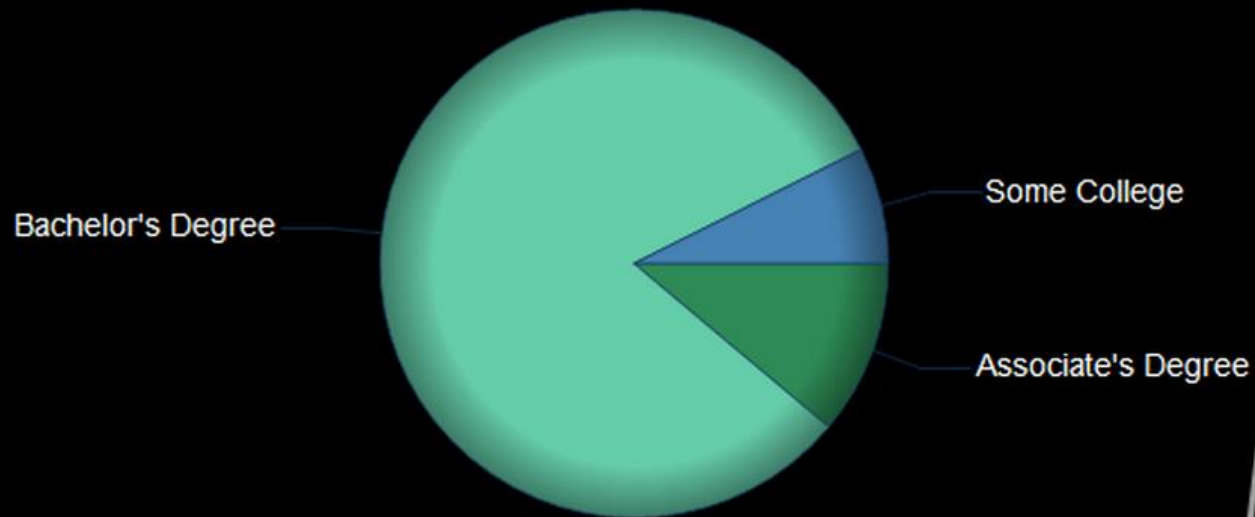
Post-Secondary Options

Example: Graphic Designer

Graphic Designer

WHAT IT TAKES TO GET THERE

Education Obtained by those Currently in the Field



Pay & Job Outlook

Example: Graphic Designer

Wage Information for Graphic Designers, 2012:

Wage Level	Statewide Hourly	Statewide Annual
Entry	\$13.53	\$28,150
Average	\$20.42	\$42,460
Experienced	\$23.86	\$49,620

Number of Jobs for Graphic Designers, Wisconsin, 2010 - 2020:

Estimated Employment		Percent Change	Ave. # Openings per Year
2010	2020		
6270	6860	9.4%	250

Gross vs. Net Pay

Single Person - \$ 28,150 Per year

Your Paycheck Results

Monthly Gross Pay	\$2,345.83
Federal Withholding	\$205.81
Social Security	\$132.73
Medicare	\$31.04
Wisconsin	\$84.59
Health Insurance	\$90.00
401K Retirement	\$100.00
Dental Insurance	\$15.00

Net Pay

Net Pay

\$1,686.66

UW-Stout – Menomonie Tuition & Loan

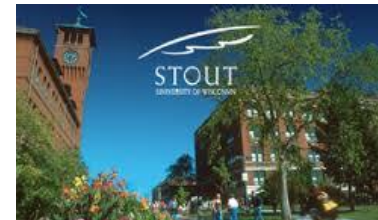
UW-Stout Yearly Tuition	\$ 9,069
x Four Years	<u>4</u>
Loan Amount:	\$36,276

25-Year Loan @ 6.8%

\$ 251.78 Per Month for 25 Years

\$251.78 / \$1,686.66 Monthly Net Pay =

15.00% Net Monthly Pay for Student Loan



UW-Stout Loan Repayment

\$ 251.78 Per Month
x 300 Months (25 years)
=\$75,534.00 Total Paid
- \$36,276.00 Loan Amount
=\$39,258.00 INTEREST ONLY!



Western Technical – La Crosse Tuition & Loan



Western Technical College Tuition \$ 8,849
(66 Credit Program)

3-Years & 2 mo. Loan @ 6.8%

\$ 259.49 Per Month for 3 Years & 2 Mo.

\$259.49 / \$1,686.66 Monthly Net Pay =
15% Net Monthly Pay for Student Loan

Western Technical College Loan Repayment

\$ 259.49 Per Month
x 38 Months (3 years & 2 mo.)
=\$ 9,860.62 Total Paid
- \$ 8,849.00 Loan Amount
=**\$ 1,011.62 INTEREST ONLY!**



The Drain on the Economy

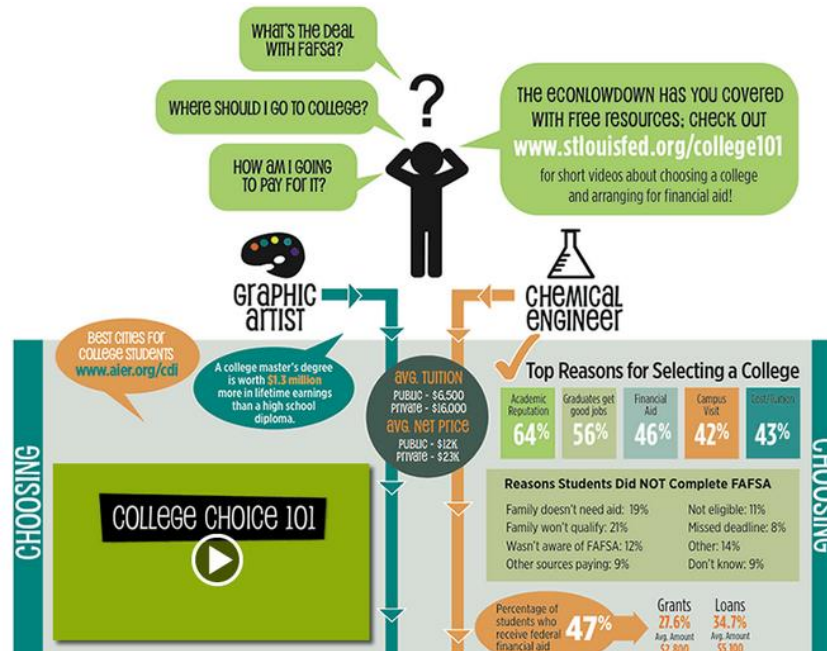


- * Massive Debt Will Impact the U.S. Economy Now and in the Future
- * Repayment of Debt Will Limit Future Spending
 - * Purchasing a Home
 - * Getting Married
 - * Having Children



College Choice 101 Video

- * Federal Reserve Bank of St. Louis Website
- * [LINK: College Choice 101 Video](#)



Sources

- * PewResearch Center: <http://www.pewresearch.org/fact-tank/2014/05/30/5-facts-about-todays-college-graduates/>
- * College Choice 101 Video: http://www.stlouisfed.org/education_resources/college101/
- * Western Technical College: <http://www.westerntc.edu/>
- * Wisconsin Career Pathways <http://www.wicareerpathways.org>
- * Western Technical College: <http://www.westerntc.edu/>
- * UW-Stout: <http://www.uwstout.edu/admissions/costs.cfm>

Sources

- * Pay Check City: <http://www.paycheckcity.com>
- * Student Loan Repayment:
<https://www.mappingyourfuture.org/paying/standardcalculator.cfm>
- * Wisconsin Work Net:
http://worknet.wisconsin.gov/worknet/jsocsrch_results.aspx?menuselection=js&occ=271024&area=SW
- * 2014-2015 Semester Tuition & Fees: www.uwsa.edu/budplan

Sources

- * Military Education Information:
http://www.schoolguides.com/the_military_helps_pay_for_college.html
- * 8th Annual “Get Your Students Pumped Up” Workshop – Lambeau Field in Green Bay on October 17, 2014; Dr. Brian Schultz, Director & Dr. Jennifer Hafer, Associate Director of UW-River Falls Center for Economic Education