

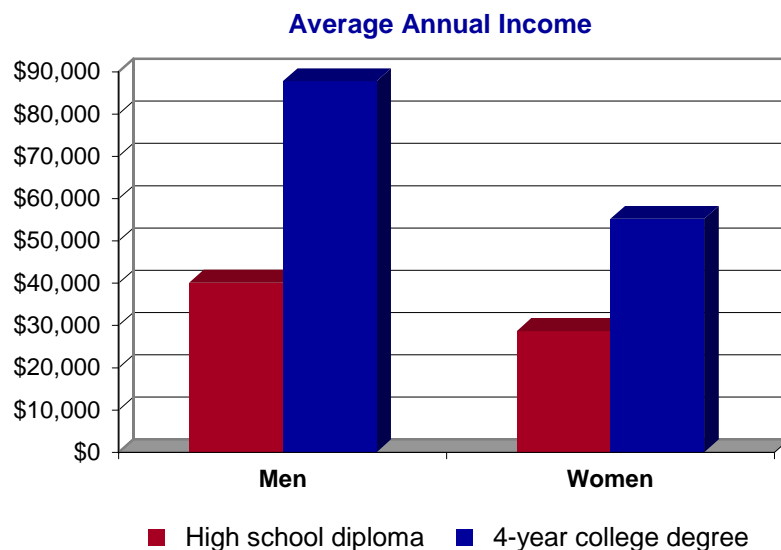
The Benefits of a College Education

For many, accumulating funds for the children's education is a savings goal that is often thought about, but seldom acted upon. There are numerous reasons why saving for college is an essential need.

- **Economics:** Statistically, the average worker with a 4-year college education earns far more than the average worker with only a high school diploma.
- **Increasing costs:** In recent years, college costs have increased at a rate greater than the general rate of inflation.¹
- **Years of study:** Four years of study may not be sufficient. In many professions, six or even eight years of study are required.

What Is a College Education Worth?

College educated, full-time workers statistically enjoy a higher median income than those with less education. In a recent report on education and earnings,² the Census Bureau found that those with four years of college could expect to have substantially higher annual earnings than high school graduates.



Over a lifetime of work, 39 years on average, a four-year college education can increase a man's total income by over \$1,858,935. Because of time spent raising children, the average woman spends 28 years in the workforce. A college education could increase her lifetime earnings by over \$743,820.³

¹ See "Trends in College Pricing – 2007," published by The College Board, page 10.

² U.S. Statistical Abstract, 2008; Table No. 681, Average Earnings of Year-Round, Full-Time workers, by Educational Attainment: 2005.

³ Figures do not take inflation into account.

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What Does a College Education Cost?

In recent years, college costs have often exceeded the general rate of inflation. The table below projects college costs for a small group of well-known institutions.

	Annual Costs¹ (Assumes inflation is 5.5% per year.)			
	2008	2013	2018	2023
Private Institutions				
Yale University New Haven, Connecticut	\$45,000	\$58,813	\$76,867	\$100,461
Northwestern University Evanston, Illinois	\$45,840	\$59,911	\$78,301	\$102,337
Stanford University Stanford, California	\$45,608	\$59,608	\$77,905	\$101,819
Public Institutions				
State University of New York Stony Brook, New York	\$14,370	\$18,781	\$24,546	\$32,081
University of Michigan Ann Arbor, Michigan	\$18,638	\$24,359	\$31,836	\$41,609
University of Colorado Boulder, Colorado	\$15,682	\$20,496	\$26,787	\$35,010

¹ Annual costs are for the 2007-2008 academic year and include tuition, fees, and on-campus room and board. Books, transportation, and personal expenses are additional. Costs for out-of-state students at public institutions are higher.