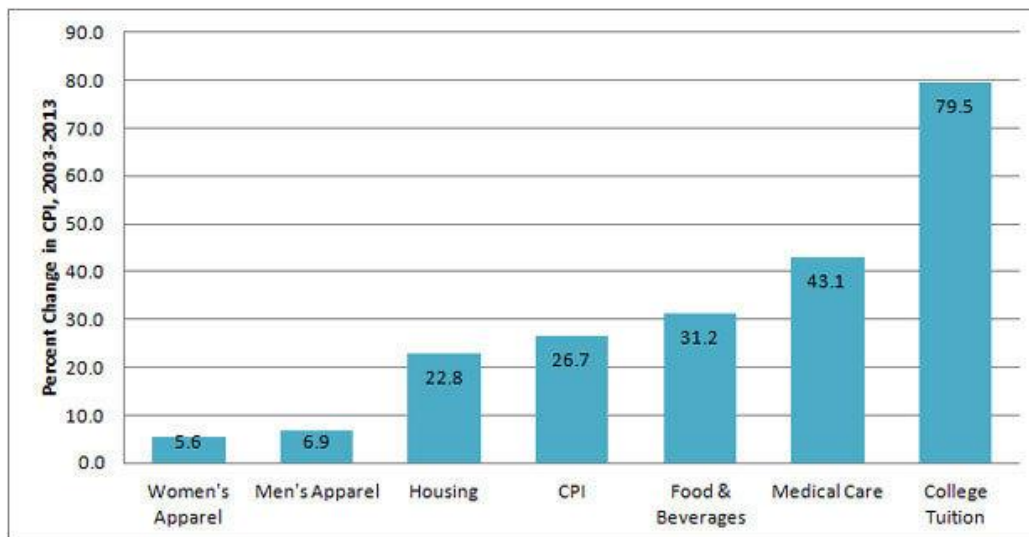


The rising cost of tuition hurts us all

It's in the news frequently: College tuition costs are rising at an astronomical rate. According to data from the U.S. Labor Department, the price index for college tuition grew by nearly 80 percent between August 2003-2013 (*US News & World Report*).

Those numbers don't just affect potential college students: They have a huge impact on employees, their families, their employers – all parts of society. When higher education becomes inaccessible, employment potential as well as employment security is limited. That has a ripple effect that impacts families and future employees.

Another way of looking at that is to compare it to another fast-rising cost: medical care. College tuition has grown nearly twice as fast as medical care.



Source: <http://www.usnews.com/news/articles/2013/10/23/charts-just-how-fast-has-college-tuition-grown>

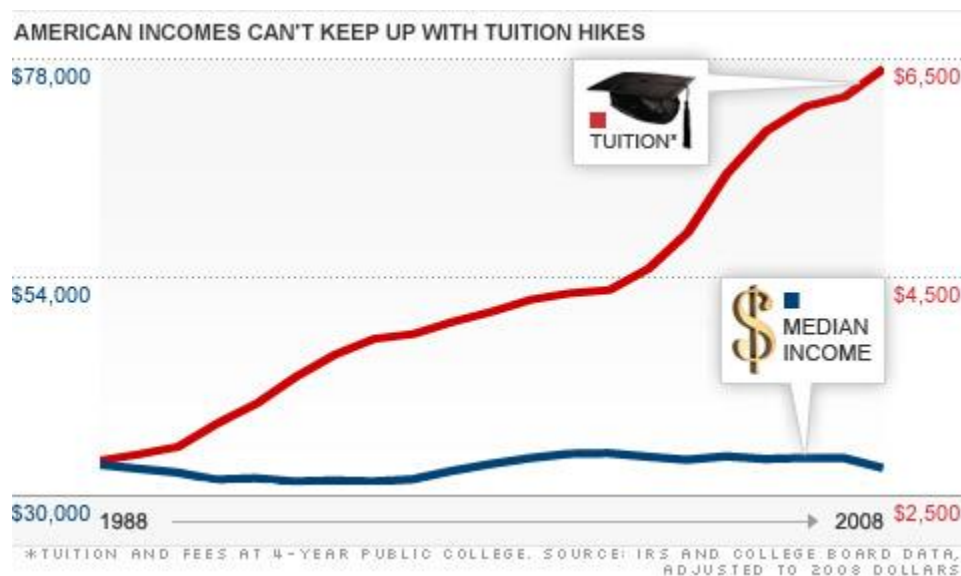
The dramatic increases in tuition are not the whole picture, however. Over the last five years, states have cut higher education funding. In Ohio, adjusted for inflation, the percent change in state spending per student for higher education has decreased by 28.9 percent, according to the Center on Budget and Policy Priorities.

Financial aid has remained stagnant for two decades, according to a 2011 article on CNNMoney: "Since 1992, the maximum available through government-subsidized student loans has remained at \$23,000 for a four-year degree."

Individuals are responsible for more and more of the cost of higher education, the president of the National Association of Student Financial Aid Administrators, Justin Draeger, is quoted on CNNMoney saying. A Stateline report refers to the nonprofit State Higher Education Executive Officers (SHEEO) statement that 25 years ago in 1988, higher education institutions received about 24 percent of their educational revenue from tuition. In 2013, the proportion is 47 percent. (www.pewstates.org/projects/stateline/)

This means families are taking on greater debt to finance college and paying off that debt for a longer time period – often at least 20 years – postponing other financial investments like retirement savings.

(http://money.cnn.com/2011/06/13/news/economy/college_tuition_middle_class/)



As portrayed on the left axis, median income has hovered around \$33,000 since 1988. Meanwhile, college tuition and fees -- portrayed on the right axis -- have more than doubled.

Source: http://money.cnn.com/2011/06/13/news/economy/college_tuition_middle_class/

The average loan for recent graduates is more than \$23,000, according to Mark Kantrowitz, publisher of financial aid sites FinAid.org and FastWeb.com. Ohio residents owe \$3.75 billion in Federal Student Loans. This staggering student debt is crushing to our economy.

Why is this important? As Steve Odland puts it in his March 2012 Forbes.com column, "Education is the great equalizer in this country. It is the facilitator of the American Dream." Our country provides free, compulsory elementary and secondary education free to all students. College, however, is voluntary and the burden of the individual student.

It's important that everyone can afford higher education. Research shows that a college degree leads to career stability and a stronger economy. According to the U.S. Labor Department, college graduates earn \$1 million more over their lifetimes. They also have much lower unemployment rates than high school grads.

Higher education is an ongoing need: training and education are essential to stay ahead of the curve in skills and knowledge. It builds a future for employees as well as their families.

Employees who continue their education are critical thinkers who are current with technology. They are valuable employees, but juggling a career, home life and schooling is challenging enough without the financial strain.