Task: What is it Worth to Be in Class?



NAME: DATE:

Directions: Calculate how much getting that high school diploma is worth.

Given the average lifetime earnings for:

Professional Degree	.\$4	,159,000
Doctoral Degree	.\$3	,525,000
Master's Degree	.\$2	,834,000
College graduate with bachelor's degree	.\$2	,422,000
Two-year college associate's degree	.\$1	,813,000
High school diploma (or GED)	.\$1	,371,000
Less than high school	.\$	936,000

 Figure the <u>difference in potential income</u> between a high school graduate and someone who did not go to school beyond the ninth grade:

\$ 1,371,000 Average lifetime earnings (high school diploma)

- \$ 936,000 Average lifetime earnings (ninth-grade education or less)

= \$ (A) Potential additional future earnings for a high school graduate

 <u>Divide</u> the potential additional future earnings for a high school graduate (A) <u>by the number of years</u> typically spent <u>in high school</u>:

\$ (A) Potential additional future earnings for a high school graduate

(A) ÷ 4 years

\$ (B) Potential additional future earnings associated with each year of high school

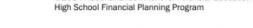
3. <u>Divide</u> the potential additional <u>future earnings per school year</u> (B) <u>by the average number of school days</u> per school year (C):

\$ (B) Potential additional future earnings per school year (for a high school graduate)

(B) ÷ 180 days per school year

= \$ (C) Approximate value of a day's education for a high school graduate

Additional Source: Sandy Baum, Jennifer Ma and Kathleen Payea; Education Pays 2010: The Benefits of Higher Education for Individuals and Society, College Board Advocacy & Policy Center.



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¹ Note: Based on the sum of median 2011 earnings of workers aged 25 to 64 who maintain full-time, year-round employment over a 40-year time period. No allowance is made for the shorter work life resulting from time spent in college or out of the labor force for other reasons. Source: U.S. Census Bureau, 2011 American Community Study.