

The Impact of the Rising College Tuition on Employed Students

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Project Video Link - <https://youtu.be/NVESTJ8aHtU>

Video Script

Higher education students today are paying a lot more for their college tuition and graduating with extreme amounts of debt. With the rise of college tuition in America seen in recent years, there is a major concern for these students. Here, I'll be looking at college tuition, student loan debt, and wages using past & present numbers, which will correlate to students balancing work & school and how this can affect them.

For the academic year 2019-2020, the average tuition for full-time undergraduate students attending 4-year public institutions was \$14,200. Private nonprofit institutions, such as SNHU, are \$28,100. Private for-profit institutions are \$23,200. All of these numbers include tuition and required fees, books and supplies, and the average cost for room, board, and other expenses. For a comparison of how much this tuition has risen, according to the U.S. Department of Education, in the academic year 2010-2011, college tuition for private nonprofit 4-year institutions was around \$30,000. In the academic year 2020-2021, this tuition price had risen to around \$37,000. Now, let's go further back in my research to the 1980s. For the academic year 1981-1982, the average tuition for all public institutions was \$6,439. Using this number and comparing it to numbers from 2012, the tuition price has increased by 326%.

Now, most students cannot afford to pay this amount of money upfront, so our government helps us pay for college tuition in the form of federal loans and grants. The Free Application for Federal Student Aid, or FAFSA, determines the eligibility of students that can qualify for this relief. This guidance is supposed to aid students in their pay for college, yet there has been a decline in finances given to students. From the 1980s to 2011, the percentage of tuition that is covered by federal grants has decreased from 62% to 36%. Another option for students to help pay for their college are private loans. Although this is another choice for

students, this is less desirable because they have higher interest rates with aggressive repayment requirements.

With these increases in college tuition and decreases in federal grants, many students are taking loans, which therefore means they are taking huge amounts of debt. In 2008, the average debt taken on by graduate students was \$15,123. By 2012, this number had risen to \$29,400. In 2009, the total student loan debt of \$850 billion surpassed total credit card debt in America. Federal minimum wage also plays an important role here. According to the U.S. Department of Labor, as of 2009, the federal minimum wage for covered nonexempt employees is \$7.25 per hour. 16 U.S. states follow this minimum wage, including New Hampshire.

All of this information that has been shared is important to bringing it to the point of students balancing academics and employment. Due to rising college tuition, decrease in grants given, an increase in loans and debt, and the unchanged minimum wage, students find the alternative form of working while in school to decrease the stress of finances in the present or future. According to my research, about 70% of undergraduate students aged 16-24 have jobs. 30% of students in higher education who do not borrow loans, federally or privately, work full-time jobs while enrolled.

Based on multiple studies pulled together regarding work and school, the results were similar across all of them: working over 25 hours a week negatively affects academics and health. When students work this many hours, this can affect their GPA, involvement in extra-curricular activities, time management, sleep and mental health. Yet, if they are not borrowing or trying to graduate with the least amount of debt, working multiple hours year-round is a necessity.

Now, what needs to happen? Well, if college tuition is going to continue rising, not only do students need more access to federal grants and financial aid to decrease their debt, but minimum wage also needs to be increased. By spreading this information, it will bring more knowledge to those who can make a change.