



Straight Talk

About the Cost, and the Value, of College

Dear parents,

I've worked in higher education most of my adult life and I have never seen parents and families as concerned about the cost, and the value, of college as they are right now. Magazines and newspapers are full of articles about the cost of attending college and there are lots of articles questioning the relevance and value of college.

I'll just announce my biases right up front, since you probably suspected them anyway:

I believe it is essential, in the economy of today and tomorrow, for your child to earn a college degree if he or she can. People who tell you otherwise are mistaken, pure and simple.

I believe it is smart, as you look at college options, to take a look at Southwestern College, **a top private college** in Kansas. The college is affordable and, as an investment in your child's future success, it's an outstanding value.

The Short Version. Here's the argument for people in a hurry.

The case for college. Those who question the value of a college education are mistaken. The country has been in a tough recession for almost five years, but **the unemployment rate for Americans with a bachelor's degree is about 4.5%, half the national rate.** For those with only a high school diploma, the unemployment rate has exceeded 10% for several years. In 2010 the median income for men with a bachelor's degree was over \$57,000. For those with a high school diploma, median annual income was \$32,500. Multiply that gap times 40 years in the workforce and the difference gets awfully big. People with college degrees also live longer, are happier, and have more successful marriages. So, college is a sound investment.

The case for Southwestern. Southwestern College's tuition is higher than the tuition at state universities in our region. But Southwestern awards a lot more scholarship and other financial aid than is given by state universities. That helps make Southwestern affordable. Moreover, **Southwestern students are much more likely to finish their degree in four years than are students at state universities.** Four years to finish at Southwestern vs. five years (or six!) at a state school evens costs out pretty quickly. That's the cost argument.

Here's the value argument. Southwestern's classes are much smaller than those at public universities. The classes are taught by our faculty, not by graduate students. The college is personal (we'll keep track of your kid) and career-minded (we'll stay after your kid to get a plan). The outcomes achieved by our graduates show that our approach works. **In the middle of the worst economic downturn since the Great Depression, 88% of our new graduates are employed or in graduate school in the year after they graduate. That's value.**

The full version. Bells, whistles, and data included.

Here is a comparison that looks at the cost of attending Southwestern College and the cost of attending some of the familiar state universities in our region. The average net price of a year of college is what we're comparing. That means the total cost of tuition, room and board, fees and other expenses minus the total amount of grant aid provided (grants don't have to be repaid like loans do).

Institution	*Average net price per year (2010-11)
Kansas State University	\$14,352
University of Kansas	\$14,768
University of Oklahoma	\$15,289
University of Texas – Austin	\$14,629
Southwestern College	\$19,359

You can see, Southwestern costs more, between \$4,000 and \$5,000 more a year. There are a couple of obvious reasons for this difference. First, we don't get any support from taxpayers, like state universities do. Second, and this is more important, we do things that are educationally sound but costly, like teaching our students in classrooms with 15 students, not 400, and having the teaching done by experienced scholars with Ph.D.s, not graduate students who are "practicing" on the undergrads.

When we look at the average student loan taken by students to attend for a year at these same schools we see the following:

Institution	**Average student loan from all sources (2010)
Kansas State University	\$5,558
University of Kansas	\$5,787
University of Oklahoma	\$5,900
University of Texas – Austin	\$5,048
Southwestern College	\$7,720

The fact that Southwestern costs more per year is reflected in the fact that our students borrow more each year than do students at public universities. But this is where the math gets interesting.

Four years of borrowing \$7,700 equals roughly \$30,000. Four years at the big state universities at, say, \$5,500 looks cheaper: \$22,000. But is it really a four-year deal at the state universities?

The information that follows indicates that it isn't. While 86% of the students who ever graduate from Southwestern do it in four years, the percentage of graduates who finish in four years at the big state schools is much lower. So, multiply \$5,500 times five or six years, not four, and things even up.

Institution	*Percentage of graduates who finish in four years (cohort that began college in 2005)
Kansas State University	41%
University of Kansas	52%
University of Oklahoma	52%
University of Texas – Austin	65%
Southwestern College	86%

*Average net price and graduation data from National Center for Educational Statics **College Navigator**.

Student loan data from The Education Trust College **Results Online.

What is it worth to get into the job market in four years, not five? A lot. The average starting salary of employed new college graduates in 2010 was a little over \$48,000. As the car mileage and weight loss commercials say, "Your results may be different," but given a choice between earning a salary and paying another year of tuition, which would you choose?

A note of caution. I need to stop here and really drive home a point. Not everyone who attends Southwestern, or KU, or OU, actually graduates. One of the most counterproductive things a young person can do is borrow money to attend college and then not graduate. The employers of the world are not breathlessly waiting for yet another person with 32 hours of college credit. Earning a degree is about gaining a set of perspectives and skills, for certain, but it's also a demonstration by the student that he or she can take on a complex and demanding task, persevere, and succeed. That's what the diploma represents; that's what employers value.

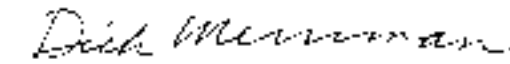
Going to college is an investment. Borrowing \$30,000 to attend college will certainly repay your child more handsomely than borrowing \$30,000 for a new car or truck, but only if he or she graduates. It's critical that you and your child candidly evaluate his or her readiness for college and look carefully for a college that will offer the mix of challenge and support that will lead to success and graduation.

Summing it up. In my experience, most parents don't tell their children where to go to college, in part because 18-year-olds don't follow parents' orders very well. What parents do instead is encourage their children to look at several schools, evaluate which school feels like a "good fit," and then talk about whether it's financially possible to attend.

I believe you should include Southwestern College in your search. We offer exceptional instruction in a strong and supportive campus community. As a result our graduates enjoy exceptional outcomes that vindicate the investment they have made in attending. If you would like to learn more about the college you should experience SC firsthand. See what is distinctive about us! During your visit you can meet with a professor in the area of your child's interest, tour campus with a student ambassador, sit in on a class, learn how to get admitted to SC, and learn about financial aid options from our certified financial planner.

Ready to schedule a visit? Sign up online at www.sckans.edu/admissions/visit or call Tami Schmidt at 1-800-846-1543 between 8 a.m. and 5 p.m., Monday through Friday. Tami is also ready to answer any questions you may have. Saturday visits are available upon request.

Good luck with your college search! Please call on us if we can help in any way.



Dick Merriman, President
Southwestern College



100 COLLEGE ST.
WINFIELD, KS 67156-2499

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Important Information About College Costs



Southwestern College

**100 College St.
Winfield, KS 67156-2499**

**Contact the Office of Admission
620-229-6236 / 800-846-1543
scadmit@sckans.edu**

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