



Is College Worth It?

A new set of income statistics answers those questions quite clearly: Yes, college is worth it, and it's not even close. For all the struggles that many young college graduates face, a four-year degree has probably never been more valuable. The pay gap between college graduates and everyone else reached a record high last year according to data based on an analysis of Labor Department statistics by the Economic Policy Institute. Americans with four-year college degrees made 98 percent more an hour on average in 2013 than people without a degree. All post-secondary education, a two-year degree, four-year degree, master's degree, technical school, license or certificate courses, all lead to greater income for you long term!

I'm going to get financial aid to pay for college so, why sign up for College Bound?

According to a government data analysis by financial aid experts at Edvisors, the class of 2014 graduated with an average student loan debt of \$33,000. Other reporting has estimated that the average personal debt that graduating students were carrying in 2014, that's credit cards and personal loans, was an additional \$15,000. If these studies and statistics are correct then the average graduate today will start their work life after college with \$48,000 in total student loan and personal debt upon graduation. Looked at another way, \$48,000 of debt over a ten-year payback term with an average interest rate of 8% is a \$578.00 per month payment right off the bat! Clearly, financial aid alone is insufficient and anything you can do to minimize costs or capture other sources of support like your employer's College Bound Program benefit will be an advantage to you.

I plan on going to a technical college – will this College Bound money pay for that?

Yes, the College Bound money from your employer can be used to pay for tuition, fees, books, supplies and equipment for any course of study whether it's a two-year technical college, a community college, a four-year program or certificate courses.

I'm a sophomore in high school, why do I need to sign up for this benefit now?

If you are in high school, all of the time that you work for your employer and the benefit that you earn for those hours is "banked" so when you do enroll in college or technical school or take other courses in the future, the benefit that you "banked" while in high school is available to pay tuition when you need it!

I'm a senior in high school, this won't work for me as I plan to attend school in another city. Why do I need to sign up for this benefit?

Plans change, priorities change, life happens. According to the National Association for College Admission Planning, about ***One Third*** of all college students will transfer schools during their college career. For many, it's a financial decision. It is simply more expensive to attend school out of your home state, even if you attend in a state that has tuition reciprocity with your state. You may also decide to return home during breaks and summers while in school and thus, can pick up hours to apply towards your College Bound Program plan requirements. As the administrator of this program, I can't tell you how many students over 15 years of running College Bound have told me that this wouldn't work for them because of the time and hours requirements but signed up anyway and hey, a couple of years later they were glad they did because they ended up changing their plans or coming back and working summers and "vested" their benefits and we delivered a check from their employer. You have everything to gain and nothing to lose by enrolling. Another simple fact is that the average graduate with a bachelor's degree now spends 6.2 years to get that degree. Plans change, interests change, majors change, personal issues, family issues, financial issues, these things can all come into play – life happens! You just don't know what challenges you will face as you move forward in life, all you really know is that education is expensive and this College Bound Program through your employer is a tax free tuition benefit that you can't lose on! There is absolutely no cost involved for participants in this program. All benefit dollars are provided by your employer.

I'm already in college locally or in another city. Why do I need to sign up for this benefit?

Plans change, priorities change, life happens. You will start accruing a benefit with your first pay period after enrolling. With the debt load so many college students are carrying, isn't even the chance to get extra from your employer worth the 5 minutes it takes to get enrolled? Also, you may just decide on graduate courses so, your college timeline extends further into the future.

I don't think I'm going to college so, why sign up?

Once again, plans change, priorities change, life happens. You may not go right off to college after you graduate high school. You may take a year off and then decide to go to school. The College Bound program benefits do not just go away once you have completed your plan requirements. You have up to 2 years after you "vest" your benefit to get enrolled in a program of study and up to 6 years after that to file a claim for benefits. That's a lot of flexibility!

Will this benefit decrease my financial aid package?

College Bound was designed as a "Reimburse Upon Request" Educational Assistance Program to avoid any negative impact in the financial aid process. The benefit is tax exempt as well. That means it is not counted as income to you when the dollars go to pay for qualified education expenses. Also, your College Bound benefit can be claimed at any time after you have fulfilled the plan requirements.

How does this benefit impact me & my parents for tax purposes?

You or your parents may have access to educational benefits through the tax system. We will help you to review these federal benefits to determine when to file a claim for your benefits under the College Bound Program and how the timing of that claim for College Bound Program benefits can be coordinated for maximum advantage.

When do I receive this money?

The College Bound benefit dollars start to "accrue" from the day you sign up. When you complete the Work Plan hours and time of service requirements, you can submit a claim to receive the full benefit amount you have accrued. If you terminate your employment before you finish your Work Plan, you receive no benefit, but you lose nothing either. Your wages and raises are not affected in any way by your participation. A claim can be processed for you as soon as you finish your Work Plan. There must be education expenses due or already paid for by you to claim your benefit.

What if I have no education debt?

It doesn't matter if you have no education debt, the College Bound money will reimburse you for qualified expenses paid in any prior year for tuition, fees, books, supplies and equipment.

Don't miss out on this benefit! Don't just shrug it off and think it doesn't apply to you. It does apply to you! It was designed to apply to you! Hours minimums are flexible; the whole plan is flexible. No matter what your plans are today you have everything to gain and nothing to lose by enrolling through your employer. If you decide that your current job is not for you and you quit, there are no negative consequences for you. If you do stay with your College Bound employer and complete the plan requirements you gain tax free benefits to pay tuition costs. No job is perfect however, over 80% of high school students and over 90% of college students work a part time job during their high school and college years. You can do what most of your peers do and move from job to job with no long term benefits or you can recognize that no job is perfect and this part time work is a way to move forward, accrue benefits until you complete your schooling and begin your lifetime career.

You may have additional questions about your participation in the College Bound Program. Please feel free to call our office at 1-651-253-1204 or e-mail me at jim@collegeboundinc.com for more information.

