What is it Worth to be in Class?[[1]](#footnote-1)

Name \_\_\_\_\_\_\_KEY\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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

Given the average **lifetime** earning for[[2]](#footnote-2):

|  |  |
| --- | --- |
| 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 |
| Certificate holders | $1,611,000 |
| High School diploma | $1,371,000 |
| Less than high school | $936,000 |

1. Figure the difference in potential income between a high school graduate and someone who did not go to school beyond the ninth grade:

**$1,371,000 - $936,000 = $435,000**

1. Divide the potential future earnings of a high school graduate (a) by the number of years typically spent in high school (4). The result is (B) Potential future additional earnings associated with each year of high school.

$ **\_\_$435,000\_\_** (A) Potential additional future earnings for a high school graduate

1. Divided by 4 = **\_$435,000/ 4 = $108,750**
2. = Potential additional future earnings associated with each year of high school.

**= $108,750**

1. Divided the potential additional future earnings per school year (B) by the average number of school days per year (180).

**$108,750/180 = $604.17** = This is the approximate value of a day’s education for a high school graduate.

Assuming 11 hours per day are devoted to school and homework, the value per hour is

**$604.17/11 = $54.92 per hour**

1. 2014 National Endowment for Financial Education, High School Financial Planning Program [↑](#footnote-ref-1)
2. Certificates in this report refer to awards from business, vocational, trade, and technical schools, and technical and non-degree degree awards from two- and four-year colleges. Baccalaureate and graduate certificates are not included<https://cew.georgetown.edu/wp-content/uploads/2014/11/Certificates.ExecutiveSummary.071712.pdf> There exists a wide variation in returns across fields. [↑](#footnote-ref-2)