

## How Many Degrees Are Enough?

This project will demonstrate the importance of education and the effect it has on future earnings. Use the information in the two tables to answer the questions. (source: Current Population Survey, U.S. Bureau of Labor Statistics, U.S. Department of Labor; [http://www.bls.gov/emp/ep\\_chart\\_001.htm](http://www.bls.gov/emp/ep_chart_001.htm))

### 2013 Median Weekly Earnings of Full-Time Workers

|   |   |
|---|---|
| Doctoral degree: \$1,623 (\$84,396 annual salary)   | Some college, no degree: \$727 (\$37,804 annual salary) |
| Master's degree: \$1,329 (\$69,108 annual salary)   | High School diploma: \$651 (\$33,852 annual salary)     |
| Bachelor's degree: \$1,108 (\$57,616 annual salary) | No High School diploma: \$472 (\$24,544 annual salary)  |
| Associate's degree: \$777 (\$40,404 annual salary)  |   |

### Monthly Expenses

|   |  |
|---|--|
| <b>Housing</b><br>Rent (1-br apartment): \$875<br>Rent (2-br condo): \$1,100<br>Mortgage (\$250,000 house): \$1,475     | <b>Clothing (includes footwear)</b><br>Malls/Outlets: \$200<br>Thrift stores: \$100  |
| <b>Transportation (includes insurance)</b><br>Used car: \$225<br>New car: \$350<br>SEPTA: \$91                          | <b>Entertainment</b><br>Cable TV w/ High-Speed Internet<br>80 Basic channels: \$79<br>150 Upgraded channels: \$109<br>200+ Premium channels: \$169 |
| <b>Food</b><br>Acme/Sam's Club: \$500<br>Wal-Mart: \$400<br>Bottom Dollar: \$300  | <b>Cell Phone</b><br>Limited minutes and data: \$69<br>Unlimited minutes, 1GB data: \$99<br>Unlimited minutes/data: \$129                          |
| <b>Restaurants:</b><br>Once a week: \$200<br>Twice a month: \$100<br>Once a month: \$50                                 | <b>Going out (movies, attractions, etc)</b><br>Once a week: \$200<br>Twice a month: \$100<br>Once a month: \$50                                    |
| <b>Vacations (based on entire year)</b><br>Day trips only: \$100; 2 long weekend trips: \$150; 2 week long trips: \$250 |  |

Determine what you can afford with the annual salary for each education level. Remember, some things may be cheaper but may not be the best deal. For example, SEPTA may be cheaper but limits the freedom and flexibility you have for shopping, trips, and moving things. Write a summary for each education level describing why you chose the items for each category and what you found you couldn't choose because there wasn't enough money. Provide the total you spent for each category.

#### **No High School diploma**

|                 |              |             |
|-----------------|--------------|-------------|
| Housing:        | Restaurants: | Cable TV:   |
| Transportation: | Clothing:    | Cell phone: |
| Groceries:      | Going out:   | Vacations:  |
| Summary:        |              |             |

**High School diploma**

Housing:  
Transportation:  
Groceries:

Summary:

Restaurants:  
Clothing:  
Going out:

Cable TV:  
Cell phone:  
Vacations:

**Some college:**

Housing:  
Transportation:  
Groceries:

Summary:

Restaurants:  
Clothing:  
Going out:

Cable TV:  
Cell phone:  
Vacations:

**Associate's degree:**

Housing:  
Transportation:  
Groceries:

Summary:

Restaurants:  
Clothing:  
Going out:

Cable TV:  
Cell phone:  
Vacations:

**Bachelor's degree:**

Housing:  
Transportation:  
Groceries:

Restaurants:  
Clothing:  
Going out:

Cable TV:  
Cell phone:  
Vacations:

Summary:

**Master's degree:**

Housing:  
Transportation:  
Groceries:

Restaurants:  
Clothing:  
Going out:

Cable TV:  
Cell phone:  
Vacations:

Summary:

**Doctoral degree:**

Housing:  
Transportation:  
Groceries:  
Restaurants:  
Clothing:

Cable TV:  
Cell phone:  
Going out:  
Vacations:

Summary: