



USA FRANCE
FINANCIALS GROUP



Rising Costs of Tuition

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Rising Tuition Costs at American Universities

Over the past few decades, the cost of attending a university in the United States has risen significantly, creating financial challenges for many students and families. Understanding the trends in tuition costs and their impact is crucial for prospective students and families.

Current Average Tuition Costs

As of the latest data, the average annual tuition for a four-year public college for in-state students is approximately \$10,560. For out-of-state students at public colleges, the average tuition jumps to about \$27,020 per year. Meanwhile, private non-profit four-year colleges have an even higher average annual tuition of around \$37,650.

Historical Increase in Tuition

The increase in tuition prices over the years has been substantial. According to the College Board, the average tuition and fees at public four-year institutions have increased by about 150% over the past 20 years. This dramatic rise outpaces inflation and wage growth, putting greater financial pressure on students and their families.

Factors Contributing to Rising Costs

Several factors contribute to the rising cost of college tuition:

- 1. Decreased State Funding:** Reduced state support for public universities forces these institutions to raise tuition to cover budget shortfalls.
- 2. Increased Administrative Costs:** Growing expenditures on administrative staff and services add to the overall costs.
- 3. Infrastructure and Technology Investments:** Colleges invest heavily in campus facilities and technology to attract students, leading to higher operational costs.

Impact on Students & their Families

The soaring tuition costs have led to an increase in student loan debt. As of 2021, the average student loan debt for graduates is approximately \$30,000. This debt burden can impact graduates' financial stability, delaying milestones like buying a home or saving for retirement.

Looking Forward

Planning for the increasing cost of college education necessitates a strategic and well-thought-out approach. Given that tuition costs have risen faster than the Consumer Price Index (CPI), covering these expenses has become more difficult. However, with appropriate financial assistance, one can develop an effective college funding strategy to minimize their children's debt, allowing them to start their professional lives on solid footing.

Sources:

1. [College Board - Trends in College Pricing 2023](<https://research.collegeboard.org/trends/college-pricing>)
2. [EducationData.org - Average Student Loan Debt](<https://educationdata.org/average-student-loan-debt>)
3. [U.S. Bureau of Labor Statistics](<https://www.bls.gov/opub/ted/2020/college-tuition-and-fees-increase-63-percent-since-january-2006.htm>)
4. [National Center for Education Statistics (NCES)](<https://nces.ed.gov/fastfacts/display.asp?id=372>)
5. [U.S. Bureau of Labor Statistics - Consumer Price Index](<https://www.bls.gov/cpi/>)



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