

New Study on Missouri Graduate Earnings FACT SHEET

New Earnings-by-Degree-Program Study

- The Missouri Department of Higher Education and the University of Missouri collaborated on a study to see which degree programs in Missouri are associated with the highest earnings six months to a year after students graduate. The study included graduates from all public two-year and four-year institutions in Missouri. Included in the study were only those graduates who went on to work in Missouri. Excluded were graduates who went back to school, as well as degree programs with fewer than 15 completers. It is important to note that the study did not consider which fields the earners actually entered after their graduations but only their areas of study. (See tables below.)

Missourians' Overall Median Earnings by Education Level, U.S. Census Bureau, 2006 American Community Survey

- 2006 Census data shows that in Missouri, the median income for people with less than a high school education is \$17,844; for those with a high school education, it increases 38 percent to \$24,698; for those with some college or an associate's degree, it goes up another 22 percent to \$30,125; for those with a bachelor's degree, it jumps another 35 percent to \$40,648; and for those with a graduate or professional degree, it increases another 24 percent to \$50,212. A key difference between this data and the data for the MDHE degree program study is that the Census looked at *all* earners who responded to the survey, not just new completers. (See graph in Missouri Connections News Room at www.dese.mo.gov/divcareered/MC_newsroom_educ-attainment_072508.htm)

Missouri's Hot Jobs, 2006-2016

- The "Missouri Hot Jobs" flyer (www.dese.mo.gov/divcareered/documents/MCE_Missouri_Hot_Jobs_2006-2016.pdf) is now updated with 2006 wage and 2006-2016 employment projection data provided by the Missouri Economic Research and Information Center (MERIC). Missouri jobs making the list reflect those with a better than average occupation outlook through the year 2016.

The Status of Financial Aid

- **What is FFELP?** The Federal Family Education Loan Program is a guaranteed-insured loan program with four components: Stafford Loan, Unsubsidized Stafford Loan, Federal PLUS Loan, and Consolidation Loan. More about FFELP is available at <http://www.ed.gov/programs/ffel/index.html>.
- **What is causing some negative reports about FFELP?** Some lenders have withdrawn their participation in federal student loan programs, and secondary markets and servicers across the nation have had recent bond issuances and other attempts to raise funding fail. In addition, the College Cost Reduction and Access Act (CCRAA) of 2007 dramatically slashed revenues and increased the cost of operations for FFELP lenders, secondary markets, and guarantors. When combined with recent disruptions experienced in credit markets throughout the United States, the result is that it's more difficult for FFELP secondary markets and other "non-bank" lenders to raise capital and/or obtain credit. And, therefore, funding for student loans has been more limited.
- **So are FFELP loans getting harder for Missourians to obtain?** No. Although some lenders have withdrawn from FFELP participation, there are still hundreds of participating lenders. Additionally, organizations such as the National Association of Student Financial Aid Administrators (NASFAA) have kept a close watch to ensure access is not reduced. The U.S. Department of Education has also been contacting schools to ensure that FFELP lenders are available to their students. Further, FFELP guarantors have Lender of Last Resort (LLR) programs to ensure that access to lenders is always available. In Missouri, state statutes allow the Missouri Department of Higher Education to use the state's designated secondary market and student loan servicer as the lender of last resort if any access issues were to occur. Therefore, if

any Missouri schools and their students were to encounter difficulty in finding a FFELP lender, the MDHE would be able to implement the LLR program to provide the needed student loan.

- **What about private loans?** While the FFELP loans sought by Missouri student loan borrowers enjoy greater safeguards, access to private educational loans, which generally have specific credit requirements, may be restricted. Some private educational loan lenders have recently announced more stringent approval requirements. (FFELP credit approval requirements are established by the federal government. Subsidized and unsubsidized Stafford Loans do not include a credit check. Graduate and parent PLUS loans do require a credit check and the definition of satisfactory credit is established within federal rules.)
- **What does this mean for Missouri students?** Missouri students may have a smaller list of FFELP lenders from which to choose and may also find it harder to obtain a private (non-FFELP) educational loan. However, the available list of lenders is still hundreds strong, and there is no risk at this time to the viability of the FFELP programs. There is every reason to be confident that Missouri students will still be able to obtain subsidized and unsubsidized Federal Stafford Loans as well as graduate/professional Federal PLUS loans. And, during the 2008-09 academic year, parents should not experience any reductions in the availability of parent Federal PLUS loans.

Median Earnings by Degree Level New Graduates 2005-06, Missouri Public Institutions 6-12 months after graduation	
Associate	\$26,192
Bachelor's	\$29,000
Master's	\$39,345
Professional	\$42,963
Doctoral	\$46,293

Source: Missouri Department of Higher Education, July 2008

Top Paying Degrees		Median Earnings
New Graduates 2005-06, Missouri Public Institutions		6-12 months after graduation
ASSOCIATE DEGREE		
Dental Support Services and Allied Professions		\$44,855
Fire Protection		\$41,973
Electrical and Power Transmission Installers		\$41,707
Nursing		\$41,610
Precision Metal Working		\$36,653
Allied Health Diagnostic, Intervention, Treatment Professions		\$35,092
American Sign Language		\$34,032
Heavy/Industrial Equipment Maintenance Technologies		\$33,058
Health Professions and Related Clinical Sciences, Other		\$31,919
Electrical Engineering Technologies/Technicians		\$31,663
BACHELOR'S DEGREE		
Chemical Engineering		\$57,503
Electrical, Electronics and Communications Engineering		\$53,295
Mechanical Engineering		\$50,176
Computer Engineering, General		\$49,535
Industrial Engineering		\$49,298
Civil Engineering		\$44,721
Nursing		\$43,540
Computer and Information Sciences, General		\$42,943
Allied Health Diagnostic, Intervention, and Treatment Professions		\$41,837
Management Information Systems and Services		\$38,707
MASTER'S DEGREE		
Nursing		\$62,973
Computer and Information Sciences, General		\$61,652
Management Information Systems and Services		\$60,000
Civil Engineering		\$59,000
Rehabilitation and Therapeutic Professions		\$46,794
Accounting and Related Services		\$45,419
Business Administration, Management and Operations		\$45,122
Business/Commerce, General		\$44,082
Educational Administration and Supervision		\$42,608
Social and Philosophical Foundations of Education		\$42,494
PROFESSIONAL DEGREE		
Pharmacy, Pharmaceutical Sciences, and Administration		\$92,117
Dentistry (DDS, DMD)		\$57,692
Veterinary Medicine (DVM)		\$54,647
Law (LL)		\$42,480
Medicine (MD or DO)* <i>*While in a residency program</i>		\$40,242
DOCTORAL DEGREE		
Social and Philosophical Foundations of Education		\$65,155
Education, General		\$63,508
Multi/Interdisciplinary Studies, Other		\$57,794

Source: Missouri Department of Higher Education, July 2008