

J Leif Jensen and Associates

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Solutions Based Consulting & Certified Public Accounting Firm

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Admissions cheating scandal

You have heard a lot lately about the admissions cheating scandal. It kind of seems as if it is never going away. We find this so interesting considering some form of "admissions cheating" has been going on for years.



Professor Doom believes it is still is an issue because the money was going to the administrators now, where before it went to the colleges. <http://professorconfess.blogspot.com/> The wealthy have always bought their kids entry into colleges that they could never get into on merit.

Hell in 1986 Rodney Dangerfield made a movie that incorporated this exact scenario into it. I have included some lines from the movie to prove my point. "Back to School" was hilarious when I was in college and I still find it amusing.

Dean Martin : [Barbay has arrived at the groundbreaking of the new Melon School of Business] Ah, Phillip... so glad you could make it. Mr. Melon, this is Dr. Phillip Barbay. He's the dean of our new Melon School of Business.

Dr. Phillip Barbay : [Thornton extends his hand, Barbay refuses it and takes Martin aside] David, I just want to get it on record that I am totally against this. I don't think that selling admission to an obviously unqualified student is either ethical or honorable.

Dean Martin : Uh, right... Phil. In Mr. Melon's defense, it was a really big check.

Dr. Phillip Barbay : [glaring at Martin in dismay] It's a simple matter of undermining the efforts of our best students, who are here as the result of hard work!

Thornton Melon : [chiming in] Hard work? Listen, Sherlock! While you were tucked away up here working on your ethics, I was out there busting my hump in the REAL world. And the reason guys like you got a place to teach is 'cause guys like me donate buildings.

Dr. Phillip Barbay : I wasn't speaking to you, Mr. Melon.

So, I don't get why are we scandalized? Private colleges especially, only have so much capacity and there are only so many free or discounted

spaces available. So someone has to pay the freight for the discounters, it usually is the wealthy. Remember the bottom 45% of Federal Income Tax filers pay no income taxes and some people get more back than what they put into the system (EIC). So the wealthy pay the freight for most, in all situations.

We just need to get back to the status quo where the money goes to the colleges and not the greedy overpaid administrators.



College as an investment

Is the college your child graduates from necessarily the one they took all their classes at? Is taking 100 level classes at your four year college the smart choice? Is it really important for your 18 year old to have their entire career mapped out?

It is always interesting when I find myself in a similar situation as my clients. It gives me a guilty pleasure when it involves my kids and my kids are making the right moves and my clients kids are not.

My second son graduated college in 3.5 years; he would have done it in three if a couple of necessary classes had been offered. My third son is looking to graduate within 3 years as well. His approach was to take as many accelerated classes in High School, to practically start college as a sophomore. Number 2 took extra classes and summer classes to meet his deadline. Both picked out their own colleges and both negotiated significant scholarships. Both kept me almost completely out of the process.

I just meet with a client's child, who is also technically a client as well. The student has completed their Associates degree and believes

they have finished their junior year, but were not sure how many credits are necessary to graduate. This child is the client's third and closest to getting a degree. But the student is uncertain if they want to finish or not. When I asked why, they had no plans but were uncertain which direction to proceed. I suggested that they meet with their counselor and find the fastest and easiest way to a bachelor's degree, then go for the degree. Get the piece of paper if you are that close.

Over the years I have found that after the first big job, no one cares where you went or what your degree was in. They are only interested in how you can fit in the company and produce; as well as help the company move forward faster. The joke is if you want to be a CPA, lawyer, teacher or doctor, you need more than just a bachelor's degree, so most under graduate degrees will only take you so far.

Where you go to school may help you long term, but it usually is the contacts you make, not the schools name that helps you. Alumni assistance, I include with the contacts made.

I have encouraged clients who are getting ready to send kids off to college to consider local community colleges for the gen-eds just to save money. When I last looked, U of I had 100 level courses that were required to be completed online, this was the only available option. The cost was the same as lecture courses. Why not take them as lecture courses at the local community college and save a couple of thousand dollars?

You want a degree from your college of choice, not all classes need to be from there.

[Link to Blog](#)

College ROI

You have now read about admissions scandals. You have learned how to use college as an investment. Now learn if return on investment is a real thing in regards to your child's college choice?

It is not surprising that there are websites that show the best return on investment for colleges. On the first website I investigated

<https://www.payscale.com/college-roi>, surprised me on how many of the top listed where military service institutions.

MIT was number 3 on the list, but was the first private institution listed. But with a 4 year cost of \$249,000 the average loan amount of only \$30,200 does not seem to gel. There is a lot of cash being paid or scholarships being given.

When I talk about return on investment or ROI, what am I actually talking about? I am addressing the total cost of the college tuition and living expenses if you fled home and lived in a dorm, along with your job prospects and career salaries. Then looking at what you will earn over your lifetime working.

If you got an anthropology degree and are working in a Starbucks your ROI will be low. But if you continued on and became an LPN or RN your ROI will be much higher.

I feel the biggest problem with this process is when you are an 18 years old and are expected to make decisions that will dramatically affect your lives long-term. I was lucky I had parents that encouraged me to dabble a bit before I made my final decision. Though, costs were significantly cheaper in the "Dark Ages" to allow this flexibility.



Though I don't believe that my father completely understood where an accounting degree would lead me, neither did I really. But then the only graduate with an accounting degree my father knew was a manager of a shoe store. But I digress again.

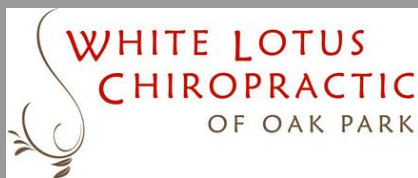
With a vague notion or a firm belief of what you want to do for the majority of your working life, you need to determine where you will get the biggest bang for your dollars. I also suggest that you look at ways to reduce the costs. Community colleges, accredited HS course credits; testing out of lower level courses may also be possible. Then look for any and all options to use other's people's money; preferably money that does not need to be paid back, like loans.

Good schools don't necessarily mean good jobs, first you need to graduate and most colleges do not have 100% graduation rates. Everything about college these days is about balance and fit. Choose wisely.

Idiom of the Month: **Riding Shotgun**

Meaning: riding in the front seat of a vehicle next to the driver

Origin: In the Wild West, the person who sat next to the driver was often equipped with a shotgun to kill any robbers that might happen upon the coach.



Featured Client: White Lotus Chiropractic

White Lotus Chiropractic of Oak Park is dedicated to non-surgical and non-prescriptive health care options, with a resounding respect for the mind-body connection. Restoration of balance in the mind, body and spirit is the main goal of our center, utilizing the benefits of many types of physical medicine, including chiropractic medicine, acupuncture, massage therapy and yoga to manifest and sustain this balance. Restoration of Health. Promotion of Wellness. Celebration of Spirit.

[Visit their website](#)

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