



Fact Book Bulletin

REPORTING SIGNIFICANT TRENDS AFFECTING EDUCATION PROGRESS IN THE SREB STATES

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Latest Data Confirm a College Affordability Gap for Students from Middle- and Lower-Income Families

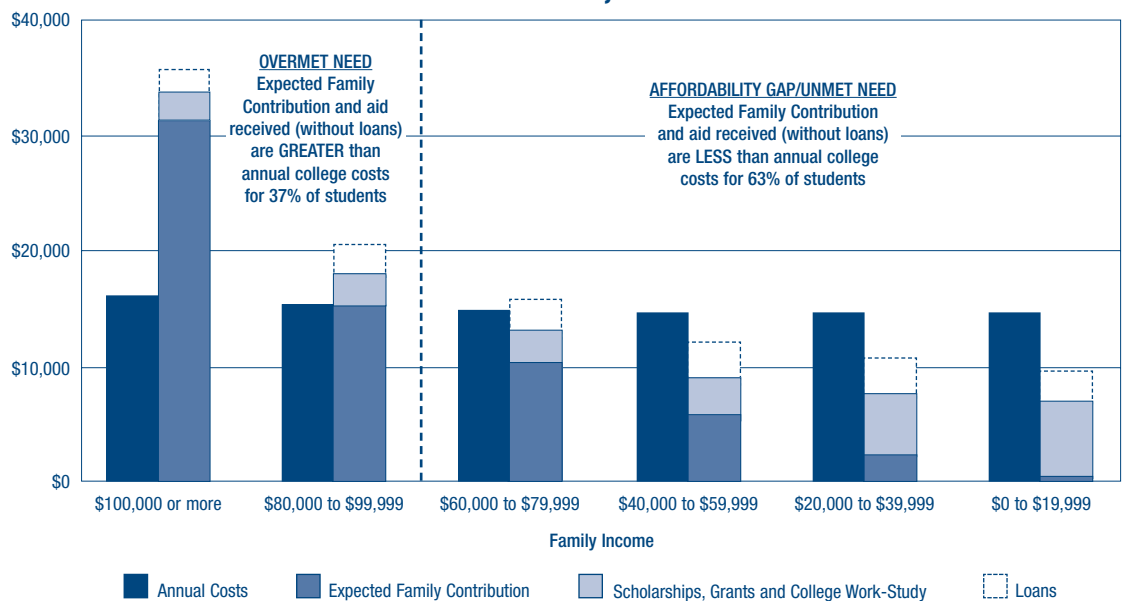
Sixty-three percent of undergraduates at public four-year colleges and universities in the United States in 2004 did not have enough funds from their Expected Family Contribution and financial aid to cover the costs of college attendance. Even with loans (which add to costs because of interest), 45 percent of these students had a shortfall, or gap.

On the other hand, 37 percent of students from upper-income families had more than enough to pay college costs based on Expected Family Contribution alone — yet they received financial aid and loans to offset the contribution by their families.

The 2005 SREB report *Creating Opportunity for All: Prepared Students and Affordable Colleges* documented the college affordability gap for a growing number of students from middle- and lower-income families and called on states to conduct state studies to ensure that *all* eligible and prepared students in SREB states can afford to go to college. The National Center for Education Statistics conducted a comprehensive nationwide study in 2004, and 11 states (including four SREB states) chose to expand their participation so that state results could be produced. The affordability gap that headlines this report was confirmed by these data for the nation and for each of the participating states.

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College Affordability Gaps at Public Four-Year Colleges and Universities, United States, 2004



Notes: Students were full-year, single-institution, in-state, dependent undergraduates. Annual attendance costs include tuition and fees, room and board, books and supplies, and transportation and personal expenses.

Source: Tom Mortenson and Nicole Brunt, *Postsecondary Opportunity*, from National Center for Education Statistics data.

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When tax credits are factored in, a student from an upper-income family (with annual income averaging \$89,400) had an unmet need of \$3,400 without loans and \$6,000 with loans. A student from a middle-income family (with average income of \$49,600) had an afford-

ability gap/unmet need of \$5,000 without loans; \$2,100 with loans. A student from a lower-income family (with average income of \$30,100) had an unmet need of \$6,600 without loans and \$3,600 with loans.

For further information about this bulletin or the *SREB Fact Book*, contact Joe Marks at the Southern Regional Education Board, 592 10th St. N.W., Atlanta, GA 30318-5776, (404) 875-9211.

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