



Fact Book Bulletin

REPORTING SIGNIFICANT TRENDS AFFECTING EDUCATION PROGRESS IN THE SREB STATES

CHALLENGE
TO LEAD

SREB

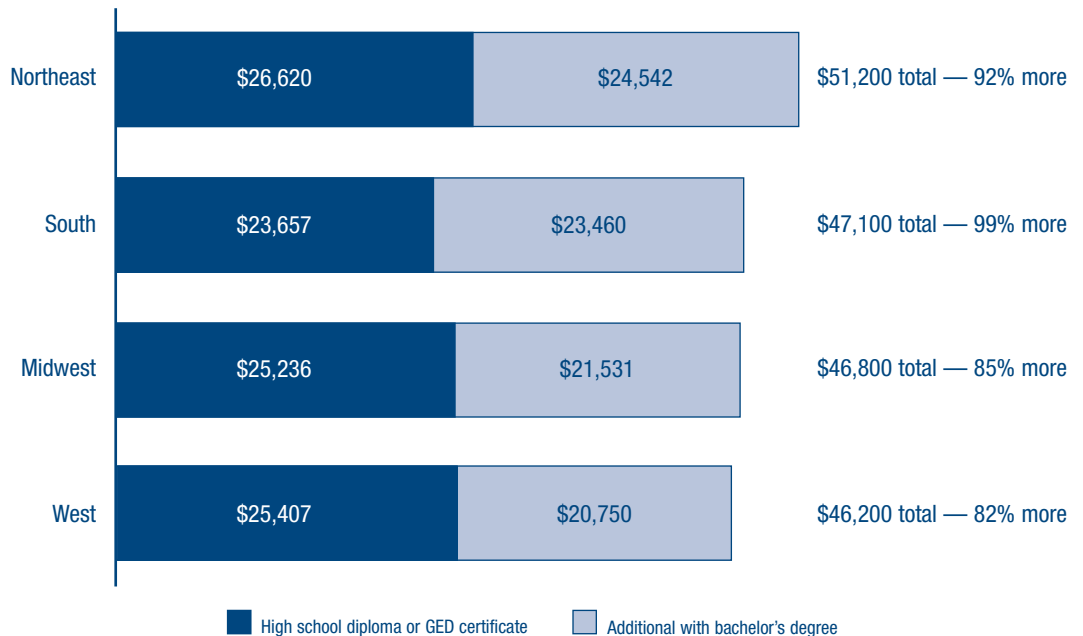
College Degrees Benefit States and Individuals Significantly

In the SREB region, state and local governments spend about 10 percent of their combined annual budgets on colleges and universities. Whether this is the right funding level during a time of growing enrollments, when states are working to boost education participation and close achievement gaps, is a good question for state leaders to ponder. But any way you look at it, state and local spending subsidizes the college educations of millions of students. It's fair to ask, "What do states get for the investment?"

Recent data confirm five advantages that states and individuals gain when residents

hold a bachelor's degree compared with a high school diploma or GED certificate alone. For example, in 2003 the reported annual income of adults with no more than a high school-level education in the South was the lowest in the nation (\$23,700 compared with the U.S. median of \$24,900). Yet the additional annual income earned by Southern adults with a bachelor's degree as their highest education level was the greatest of any region in the country — nearly double what a high school-educated adult earned. Even at its smallest, in the West, the income gain was 82 percent.

**Adults' Reported Gain in Annual Income
With Bachelor's Degree, 2003**



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Source: Institute for Higher Education Policy, based on U.S. Census Bureau data.

In addition to personal income, states and individuals gain several other economic and social advantages from a college education. In fact, the South gains more than any other region on two of five indicators (personal income and health). States benefit from increased tax revenue, increased consumer spending and greater productivity when more residents hold bachelor's

degrees, while individuals enjoy higher incomes, better benefits, more savings and lower unemployment. A college education also has been linked to healthier citizens, higher rates of volunteerism, higher voting rates, improved life expectancy, more leisure time for hobbies and civic activities, and increased charitable giving.

Advantages of College-Educated Adults

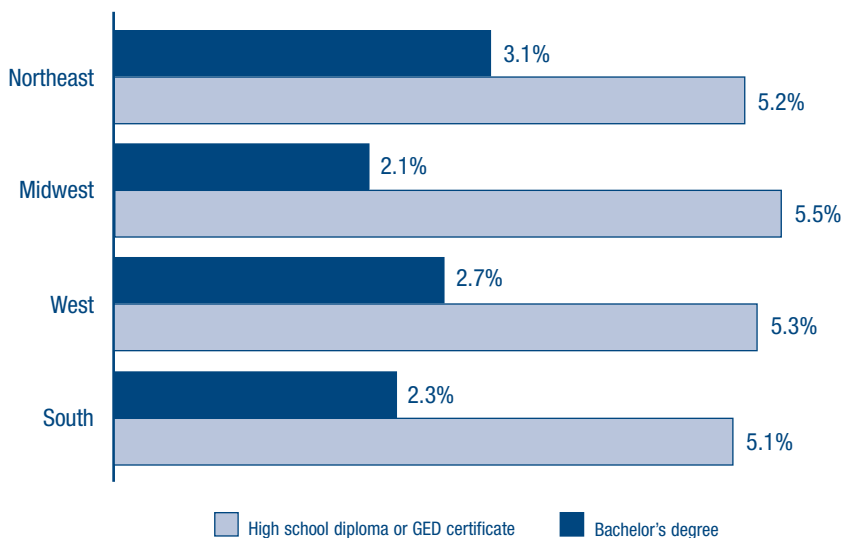
		To States	To Individuals
Economic	Personal Income	Increased tax revenues Increased consumption	Higher salaries and benefits Higher savings levels
	Employment	Greater productivity, less unemployment	Lower chance of unemployment
Social	Health	Increased quality of civic life	Improved health/life expectancy
	Volunteering	Increased charitable giving/community service	More hobbies, leisure activities
	Voting	Increased quality of civic life	Increased civic involvement

Source: Adapted from *The Investment Payoff: A 50-State Analysis of the Public and Private Benefits of Higher Education*, Institute for Higher Education Policy, 2005.

The unemployment rate of adults with no more than a high school education in the South was the lowest in the nation in 2004 (5.1 percent compared with a high of 5.5 percent in the Midwest). But the decrease in the

unemployment rate when Southern adults hold a bachelor's degree was 2.8 percentage points. The greatest difference was 3.4 percentage points in the Midwest.

Percent of Adults Reporting Unemployment, 2004

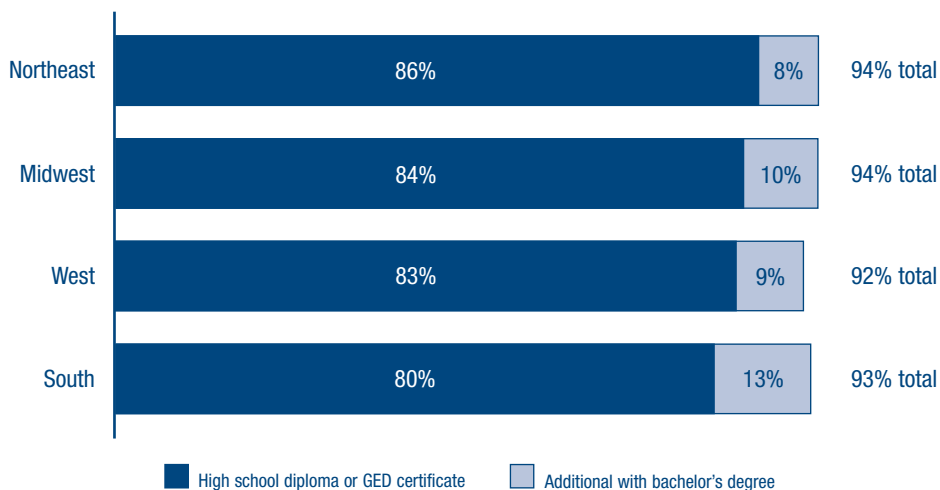


Source: Institute for Higher Education Policy, based on U.S. Census Bureau data.

The self-reported good health of adults with no more than a high school education in the South also was the lowest in the nation in 2004 (80 percent compared with a high of 86 percent in the Northeast). But the increase

in reported good health for adults with a bachelor's degree as their highest education level was greater in the South (13 percentage points more) than in any other region.

Percent of Adults Reporting Good, Very Good or Excellent Health, 2004

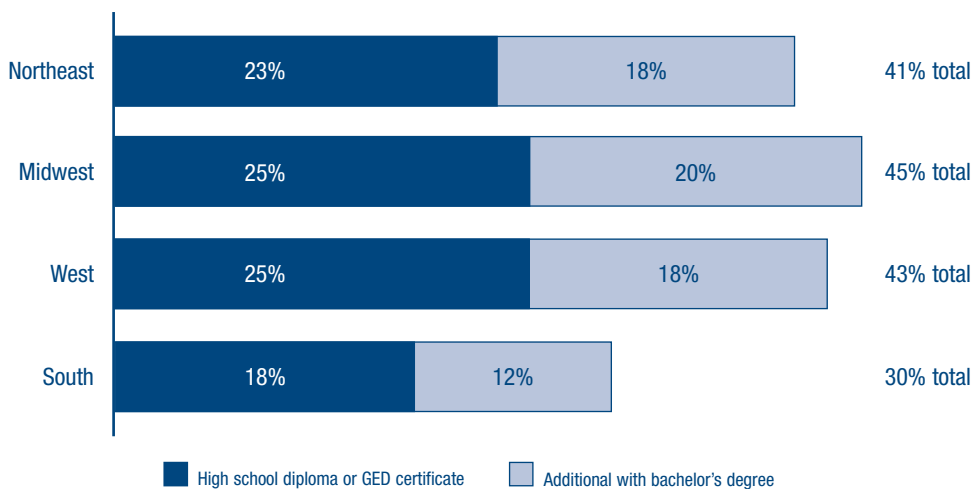


Source: Institute for Higher Education Policy, based on U.S. Census Bureau data.

The rate of volunteer work among high school-educated adults in the South was the lowest in the nation in 2004 (18 percent compared with a high of 25 percent in the West and Midwest). The increase in volunteerism

reported by adults with a bachelor's degree as their highest education level was greatest in the Midwest (20 percentage points more). The gain in the South, while less, was still a significant 12 percentage points.

Percent of Adults Reporting Volunteerism, 2004

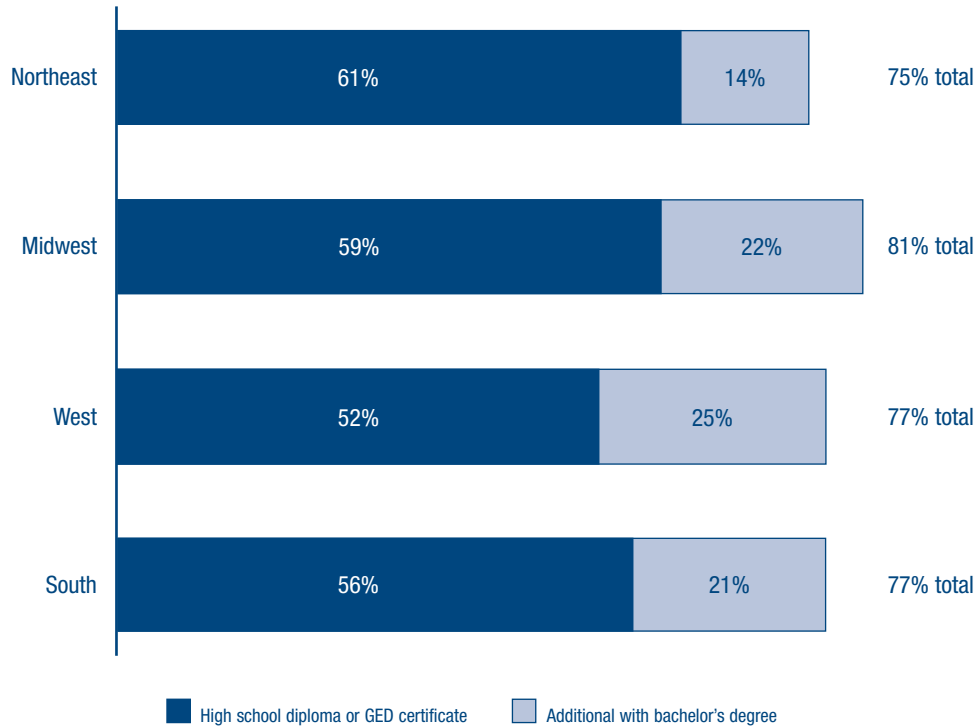


Source: Institute for Higher Education Policy, based on U.S. Census Bureau data.

The rate of voting among adults with no more than a high school education in the South in 2004 was 56 percent compared with a high of 61 percent in the Northeast. The increase in voting among those with a

bachelor's degree as their highest education level in the South was 21 percentage points more, compared with 25 percentage points more in the West.

Percent of Adults Reporting Voting, 2000



Source: Institute for Higher Education Policy, based on U.S. Census Bureau data.

For further information about this bulletin or the *SREB Fact Book on Higher Education*, 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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