



ITHAKA S+R

Addressing ROI in Higher Education

July 19, 2023

Raising the Bar: What states need to do to hit their ambitious higher education attainment goals


Released February 2020

State (select from drop-down): **United States**

Notes: cells in blue are assumptions that can be adjusted

| From Plan | For Model |
|--------------------|--------------------|
| Target: 60% | Target: 60% |
| Year: 2025 | Year: 2025 |
| Age Group: 25-64 | Age Group: 25-64 |
| BA or AA+: AA+ | BA or AA+: AA+ |
| Include Certs: Yes | Include Certs: Yes |

If selecting a new state set equal to the values from plan



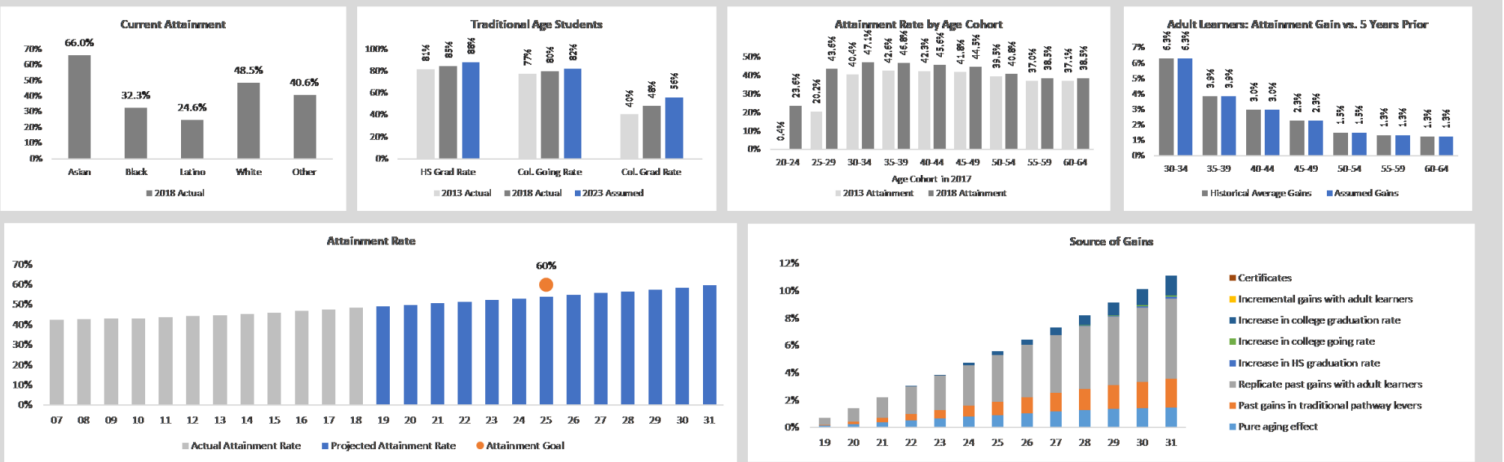
Current Attainment & Assumptions

| Current Attainment (AA+) | | | Assumptions: Traditional Age Students | | | | Assumptions: Adult Learners - Gains Above Historic Increases (AA+) | | | | | | |
|--|--------------|-------------|---|------------------------|------------------------------|------|--|---------------------|---------------------|------------------------|---------------------------------|-------------------|---------------------|
| Source: 2018 ACS (AA+) & Lumina (certificates) | | | Note: baseline rate projects forward past gains | | | | Shows attainment gain from when the cohort was 5 years younger | | | | | | |
| Attainment | Attain. Rate | Pop. | Current Rate | Annual PP Gain (13-18) | Assumed Annual PP Gain (19+) | Cap | 2018 Cohort | Attainment In: 2013 | Attainment In: 2018 | 5-Year Gain (1 cohort) | Average 5-Year Gain (3 Cohorts) | Incr. 5-Year Gain | Assumed 5-Year Gain |
| Asian | 66.0% | 10,669,316 | 84.6% | 0.6% | 0.6% | 100% | 30-34 | 40.4% | 47.1% | 6.6% | 6.3% | 0.0% | 6.3% |
| Black | 32.3% | 21,458,547 | 79.6% | 0.5% | 0.5% | 100% | 35-39 | 42.6% | 46.8% | 4.1% | 3.9% | 0.0% | 3.9% |
| Latino | 24.6% | 29,827,532 | 48.0% | 1.5% | 1.5% | 100% | 40-44 | 42.3% | 45.6% | 3.3% | 3.0% | 0.0% | 3.0% |
| White | 48.5% | 103,880,674 | 5.2% | NA | 0.0% | 100% | 45-49 | 41.8% | 44.5% | 2.6% | 2.3% | 0.0% | 2.3% |
| Other | 40.6% | 5,002,760 | | | | | 50-54 | 39.5% | 40.8% | 1.4% | 1.5% | 0.0% | 1.5% |
| Overall | 43.2% | 170,838,829 | | | | | 55-59 | 37.0% | 38.5% | 1.5% | 1.3% | 0.0% | 1.3% |
| Certificates | 5.2% | | | | | | 60-64 | 37.1% | 38.5% | 1.3% | 1.3% | 0.0% | 1.3% |
| Attainment | 48.4% | | | | | | | | | | | | |

Projections

| | Actual 2018 | Projected 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | Year Target Met |
|-------------------|-------------|----------------|------------|------------|------------|------------|------------|------------|-----------|-----------|-----------|-----------|-----------|---------|-------------|-----------------|
| Attainment Rate | 48.4% | 49.1% | 49.9% | 50.6% | 51.4% | 52.3% | 53.1% | 54.0% | 54.9% | 55.7% | 56.6% | 57.6% | 58.5% | 59.5% | 60.6% | 2032 |
| Attainment Goal | 60.0% | 60.0% | 60.0% | 60.0% | 60.0% | 60.0% | 60.0% | 60.0% | 60.0% | 60.0% | 60.0% | 60.0% | 60.0% | 60.0% | 60.0% | |
| Remaining Gap (%) | 11.6% | 10.9% | 10.1% | 9.4% | 8.6% | 7.7% | 6.9% | 6.0% | 5.1% | 4.3% | 3.4% | 2.4% | 1.5% | 0.5% | -0.6% | |
| Remaining Gap (#) | 19,788,714 | 18,616,380 | 17,383,187 | 16,080,384 | 14,718,762 | 13,280,543 | 11,819,497 | 10,351,183 | 8,886,458 | 7,370,935 | 5,818,851 | 4,200,547 | 2,532,898 | 792,217 | (1,022,986) | |

Graphs

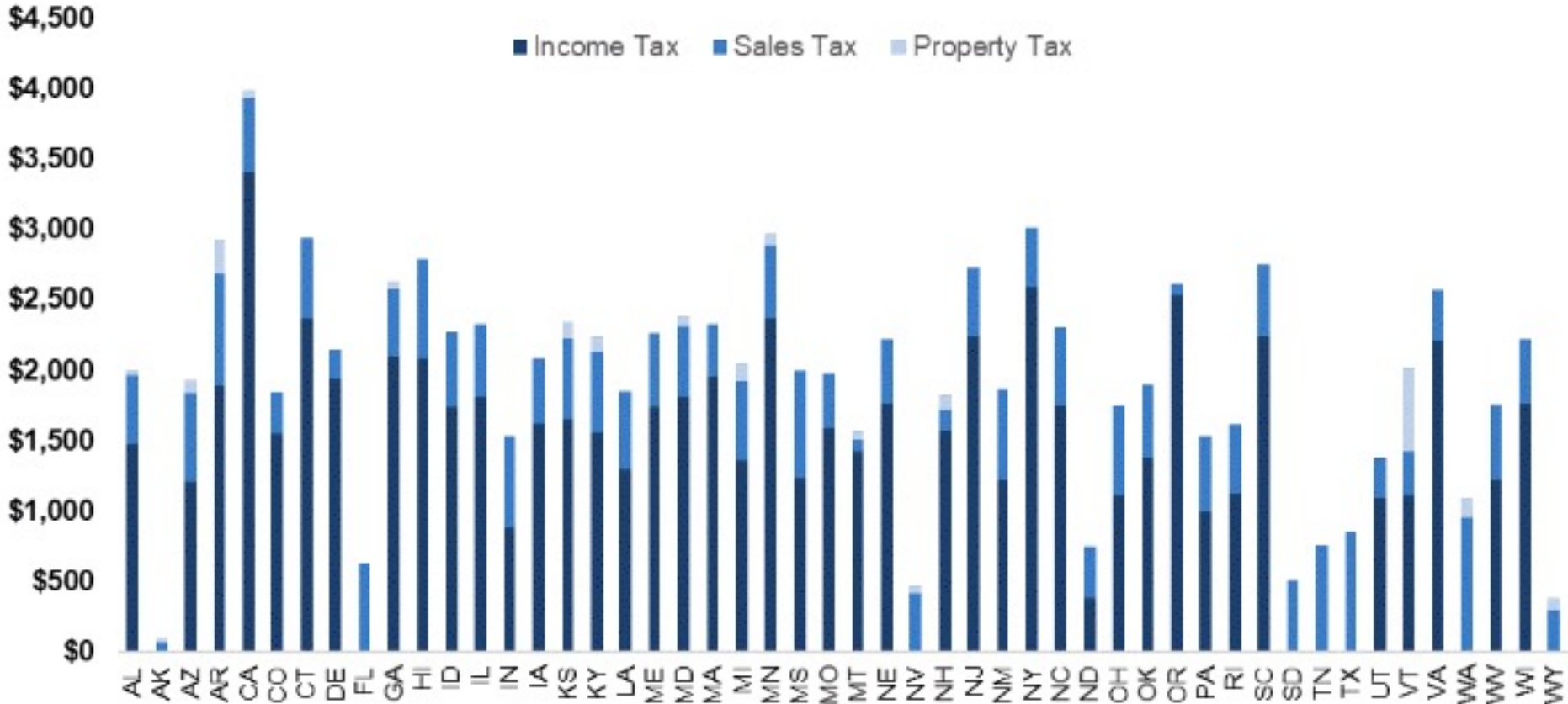


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It's Complicated: The relationship between postsecondary attainment and state finances

Released January 2021

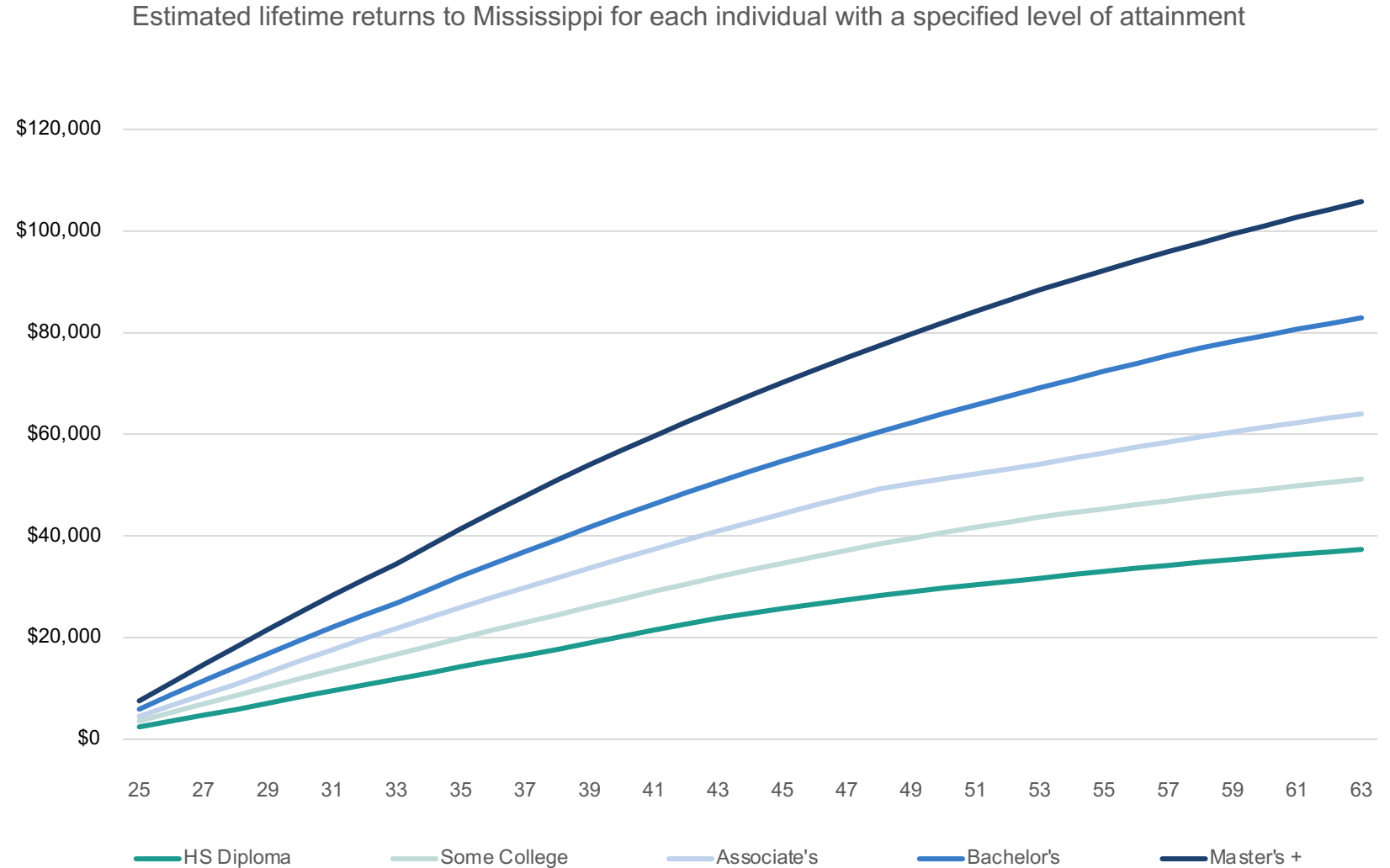
Figure 3: State revenue effects for a bachelor's degree, by state



Strengthening Mississippi's economic future through postsecondary investment

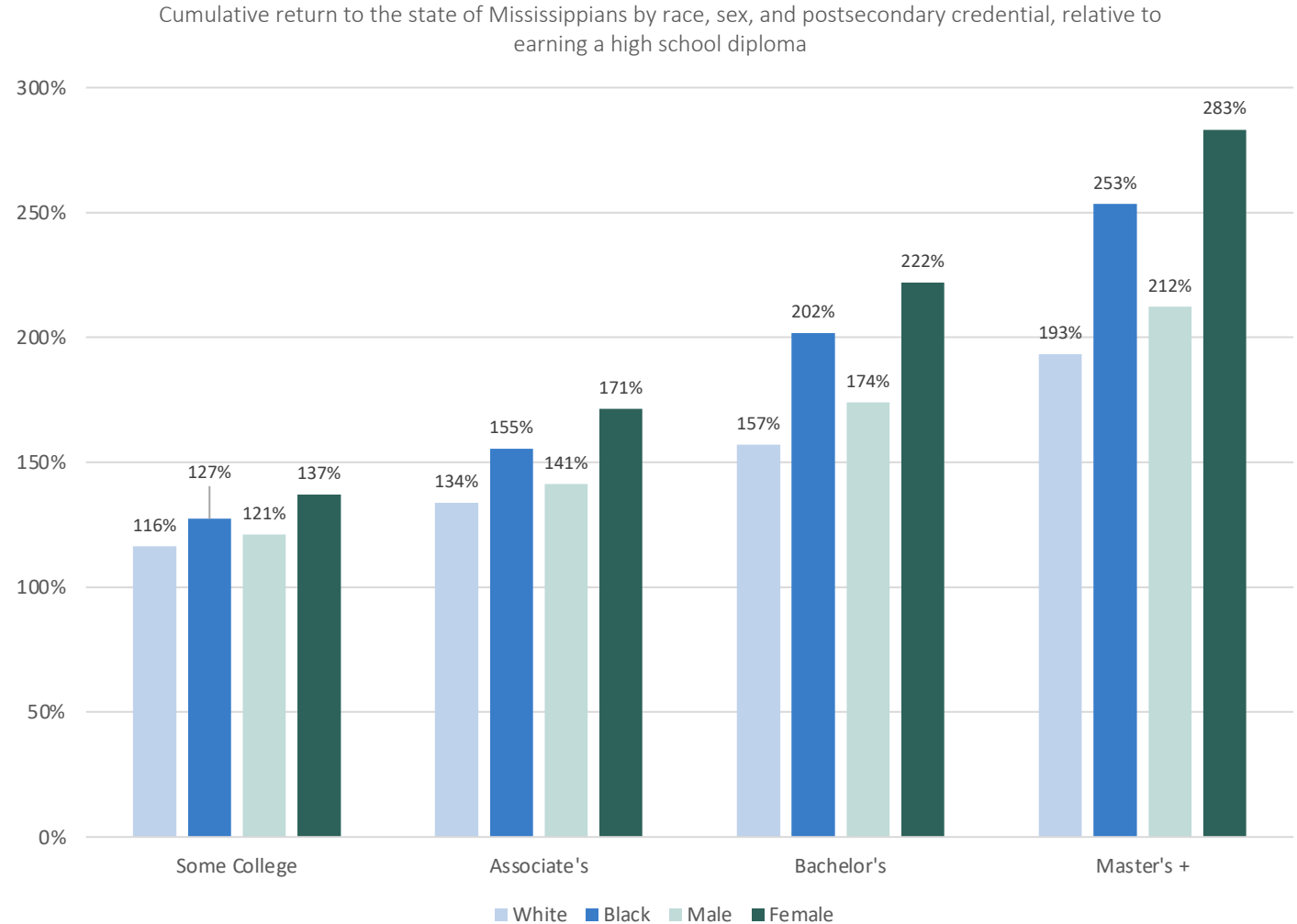
Released January 2023

- The curves track cumulative returns to the state in 2020 dollars for an individual of a given education level, adjusting for inflation, over the course of their working life.
- Estimates of public return incorporate annual estimated state income tax, sales tax, property tax, and cost to the state in Medicaid and welfare spending.
- Mississippians with higher levels of education pay more in taxes, and cost less to the state in Medicaid and welfare spending.

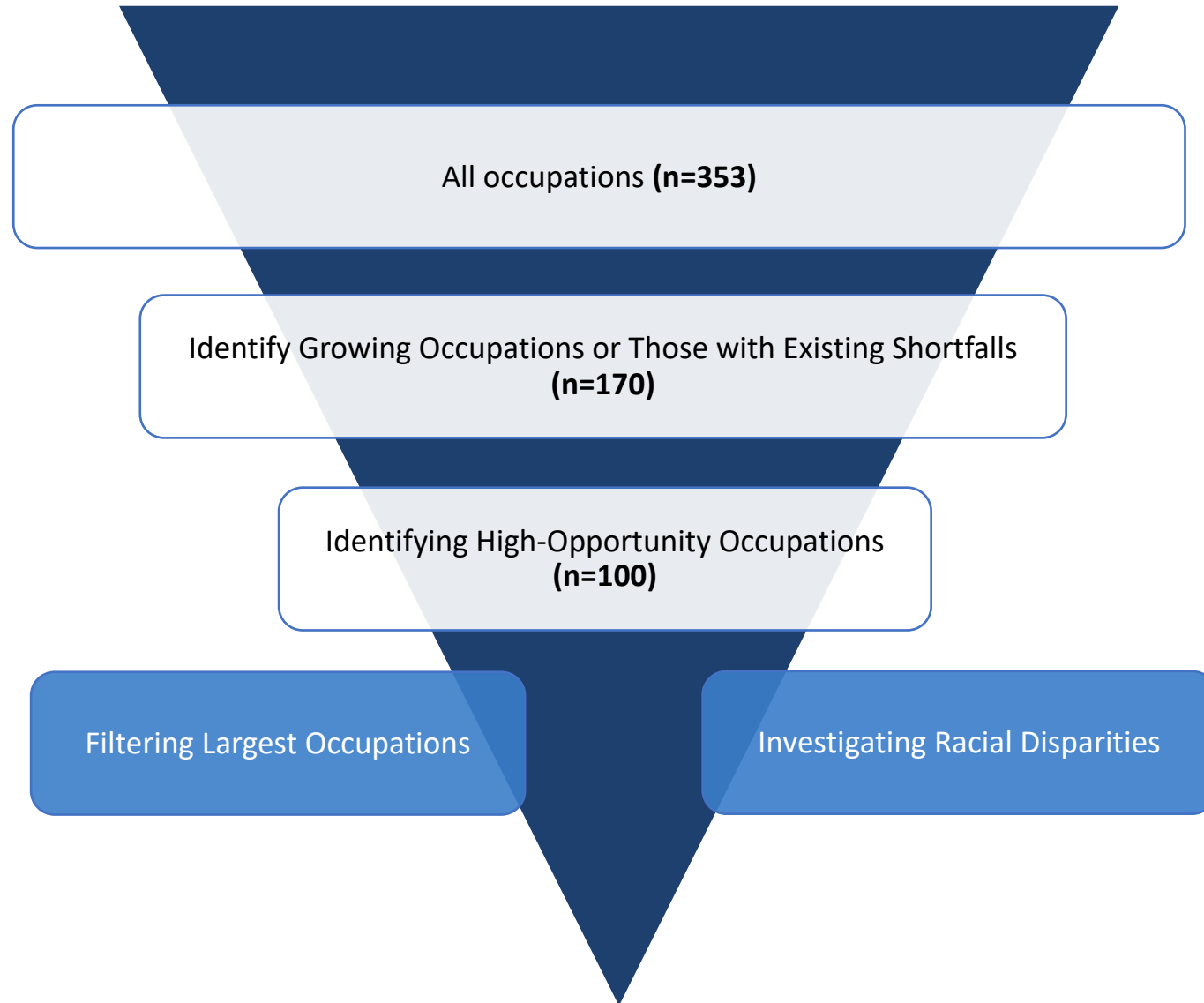


Investing in educational opportunities for Black and Female Mississippians may have the greatest fiscal return for the state

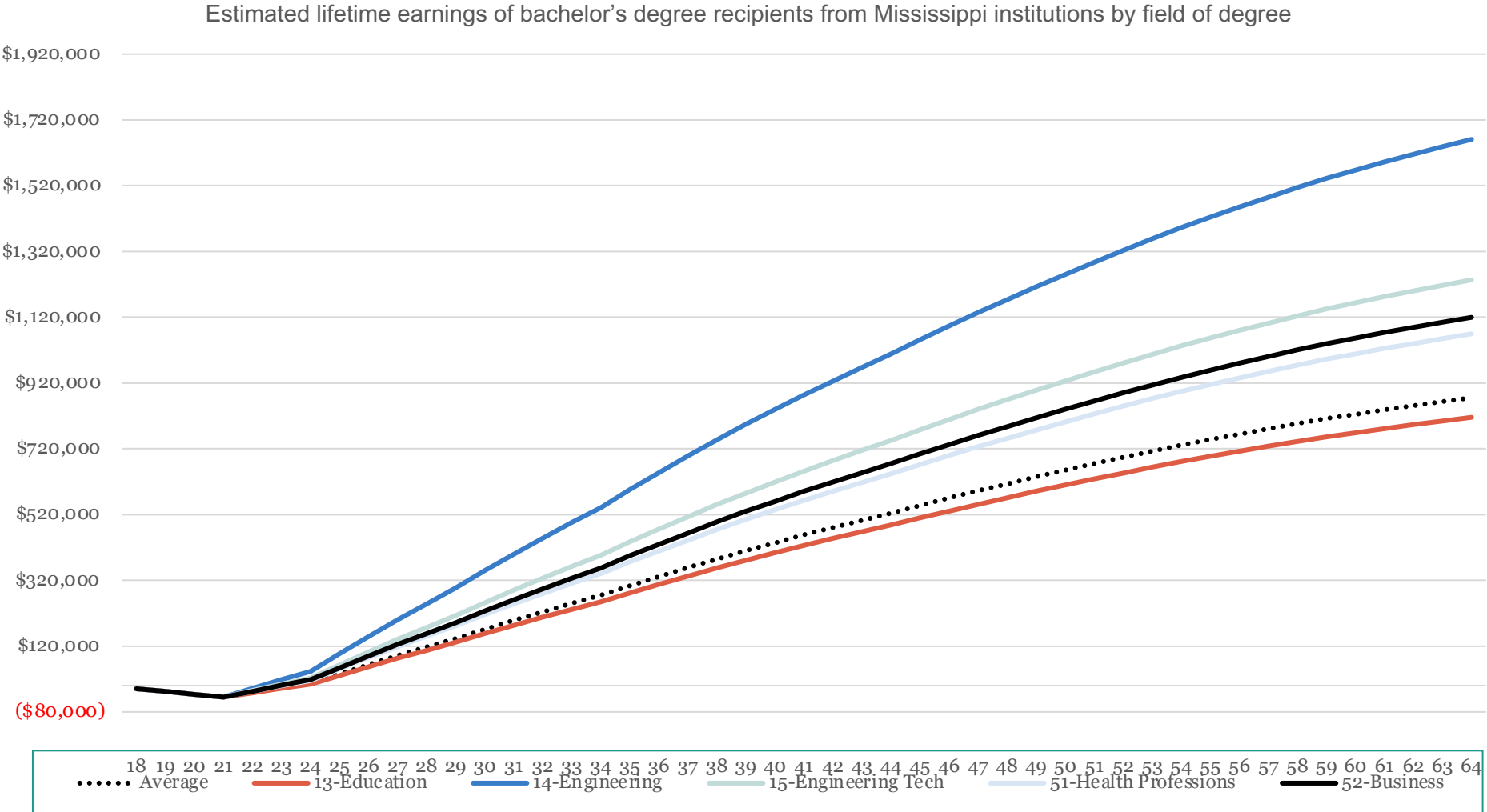
- This graph shows the percent difference in public return associated with a given level of educational attainment *relative* to only earning a high school diploma.
- Black residents with a Bachelor's degree return more than 2 times more in taxes and reduced spending than if they had only received a high school diploma, compared to white residents who return 1.57 times more.
- Female residents with a Bachelor's degree return 2.22 times more in taxes and reduced spending than if they had only received a high school diploma, compared to males who return 1.74 times more.



Identifying High-Opportunity Occupations



Creating pathways to high wage careers can help bridge the gap in expected earnings between Black Mississippians, white Mississippians, men, and women



Where do we go from here?

- **How is demand for high-opportunity occupations being met?**
 - Are graduates from in-state institutions filtering into areas of need?
- **How valuable are sub-associate degree credentials to the state?**
- **Using administrative data from state longitudinal data systems can help us answer these questions**



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Thank You

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