



Board of Regents Retreat

October 3-4, 2013



William E. Kirwan, USM Chancellor

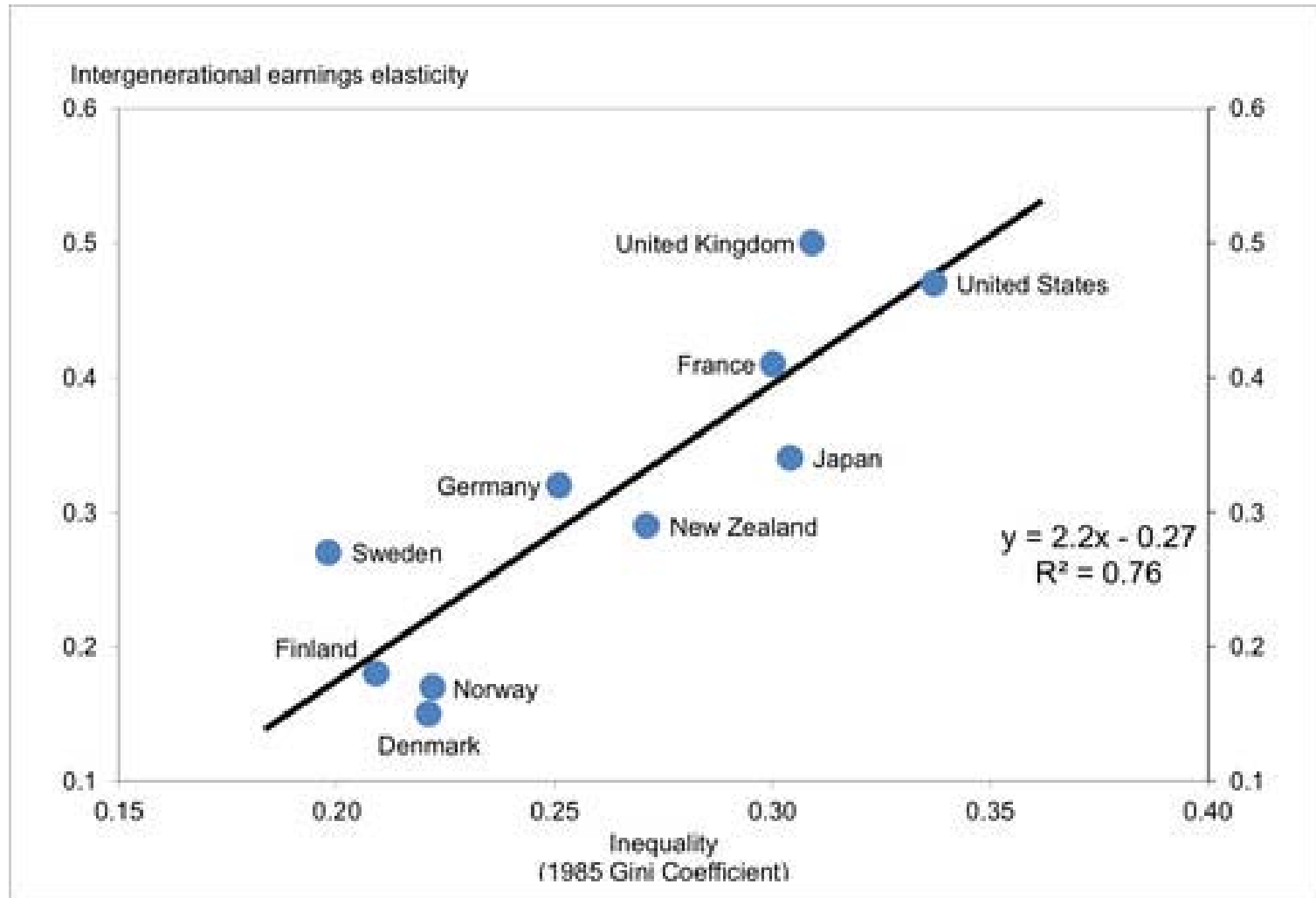


Why Is the College Completion Goal So Important?

- Competitiveness
 - Georgetown University study: 65 percent of jobs in the next decade will require a 2- or 4-year degree
 - Especially true in Maryland given nature of state's economy:
 - 18,000 cyber security openings in Maryland today
- Social Equity
 - “America – the Land of Opportunity” fast becoming a myth



“The Great Gatsby Curve” Inequality and Intergenerational Social Immobility





Social Equity / Social Mobility

Largely Driven by Education Level

- Individual with a HS diploma:
 - \$1.37 million over a lifetime.
- An Associate's degree-holder:
 - \$1.81 million over a lifetime.
- Someone with a bachelor's degree:
 - \$2.42 million over a lifetime.
- That's an **76 percent premium** between a Bachelor's degree and a high school diploma.



United States Lags in Social Equity / Social Mobility

| Rank | Select OCED Country | Odds of being a student in higher education if parents have low levels of education |
|-----------|----------------------|---|
| 1 | Iceland | 73 Percent |
| 7 | Sweden | 52 Percent |
| 11 | Italy | 46 Percent |
| -- | OCED Average | 44 Percent |
| 15 | Germany | 42 Percent |
| 21 | Hungary | 33 Percent |
| 25 | United States | 29 Percent |



Lowest Income Students Limited Access / Limited Completion

- From the Education Trust Study “Priced Out”
- 82 percent of young people from the highest income quartile in America have a bachelor’s degree by age 24
- Only 8 percent of young people from the lowest income quartile in America have a bachelor’s degree by age 24
- If we believe in—and want to continue—“The American Dream”, this ten-fold difference is unacceptable



Low Income & Minority Success Largely Driven by Opportunity

- Sarah Turner (UVA) / Caroline Hoxby (Stanford)
 - High-achieving, low-income students see selective colleges as out-of-reach, both academically and financially
 - Often—thanks to financial aid packages—the reverse is true, students just need to be told they are capable
- Caroline Hoxby (Stanford) Christopher Avery (Harvard)
 - Only 34 percent of high-achieving high school seniors in the bottom fourth of income distribution attended any one of the country's 238 most selective colleges
 - Among top students in the highest income quartile, that figure was 78 percent.



Closing

- “Education, beyond all other devices of human origin, is the great equalizer of the conditions of men, the balance-wheel of the social machinery.”
 - Horace Mann
- We face a clear challenge and responsibility:
 - Education is the remedy to our Social Equity / Social Mobility challenge
 - Need-Based Financial Aid is a primary remedy for our Higher Education Retention / Completion challenge