

UAA ranks in top 15% in college return on investment study



Georgetown University’s Center on Education and the Workforce new report, *A First Try at ROI: Ranking 4,500 Colleges*, uses data from the national **College Scorecard**¹ to determine the long-term return on investment (ROI) in a college education.

Historically, individuals with a bachelor’s degree earn much more than those with a high school diploma (65% more in 2017).² As college costs have increased, researchers chose to look at earnings and costs incurred to measure a student’s return on investment.

Researchers reviewed data on net price, median debt, and median earnings from 4,529 public, private nonprofit, and private for-profit colleges that offer predominantly bachelor’s degrees, associate degrees, or certificates. They then calculated median earnings over 10 years and 40 years into the future using a net present value formula to rank each institution in those categories.

LONG-TERM (40-YEAR) ROI:

Colleges that offer predominantly bachelor’s degrees have the highest ROI in the long term (40 years) because they produce higher earnings eventually and overtake returns from most 2-year awards.

The report concludes that the best comprehensive benchmark for judging value is measuring the long-term return on investment.

SHORT-TERM (10-YEAR) ROI:

Community colleges and certificate programs have the highest ROI in the short term (10 years) because students finish their credentials earlier and begin earning faster.

UAA ranked in the **top half** of all institutions (2,094 out of 4,529) for best short-term return on investment and **No. 4 among our peer** institutions.

MEDIAN DEBT

UAA’s median debt of \$9,597 is well below the \$11,659 average median debt among all institutions, one factor in UAA’s ranking.

CALCULATING FUTURE EARNINGS:

The net present value is how much a sum of money in the future is valued today. The report measured costs and future earnings over 10 and 40 year timeframes. Researchers also adjusted earnings based on time-to-degree estimates. As the report explains, “Looking at a 10-year horizon, a student considering an investment in a certificate (assuming completion in a year) would have positive earnings for nine years and incur an investment cost only in the first year.” For a four-year degree, they assumed graduation in five years, for positive earnings in 35 years for the 40-year projection.

TOP
15%

UAA ranked 696 out of 4,529 placing it in the **top 15% of ALL** institutions for best long-term return on investment

and

#1 in long-term ROI among our peer institutions.

Weber State University
 Ferris State University
 College of Staten Island CUNY
 Florida Gulf Coast University
 University of West Florida
 McNeese State University
 Northern Kentucky University
 Boise State University
 Troy University
 Purdue University Fort Wayne
 Youngstown State University
 Northwestern State University of Louisiana
 Idaho State University
 University of Arkansas at Little Rock
 Western Kentucky University

SOURCE: Georgetown University, Center on Education and the Workforce, <https://cew.georgetown.edu/cew-reports/collegeroi/>

¹ The U.S. Department of Education College Scorecard, 2019 reporting on 2017 data.

² U.S. Bureau of Labor Statistics, <https://www.bls.gov/careeroutlook/2018/data-on-display/education-pays.htm>

GEORGETOWN UNIVERSITY COLLEGE ROI STUDY: ALASKA INSTITUTIONS, UAA PEERS, AND UAA COMPETITOR COMPARISONS

Institution	State	Main award conferred	Type	40 YR NPV Rank	10 YR NPV Rank	Grad Rate	Median Debt	40-YR Rank	10-YR Rank	Grad Rate Rank*	Median Debt Rank	% Out of 4,529 institutions
Alaska Institutions												
University of Alaska Anchorage	AK	Bachelor's	Public	696	2094	24%	\$9,597	1	3	5	5	15%
AVTEC-Alaska's Institute of Technology	AK	Certificate	Public	781	41	92%	\$5,257	2	1	1	1	17%
University of Alaska Fairbanks	AK	Bachelor's	Public	1466	2389	28%	\$9,500	4	4	4	4	32%
Alaska Pacific University	AK	Bachelor's	Private nonprofit	1466	3210	50%	\$12,900	3	6	3	6	32%
University of Alaska Southeast	AK	Bachelor's	Public	1910	2728	21%	\$9,152	5	5	6	3	42%
Alaska Career College	AK	Certificate	Private for-profit	2412	1888	70%	\$7,199	6	2	2	2	53%
UAA Peer Institutions												
University of Alaska Anchorage	AK	Bachelor's	Public	696	2094	24%	\$9,597	1	4	17	3	15%
Weber State University	UT	Bachelor's	Public	747	1888	33%	\$8,250	2	2	11	2	16%
Ferris State University	MI	Bachelor's	Public	765	1985	44%	\$16,913	3	3	3	16	17%
College of Staten Island CUNY	NY	Bachelor's	Public	968	1547	30%	\$7,557	4	1	14	1	21%
Florida Gulf Coast University	FL	Bachelor's	Public	1074	2491	47%	\$12,000	5	8	1	6	24%
University of West Florida	FL	Bachelor's	Public	1450	2433	46%	\$12,500	6	7	2	8	32%
McNeese State University	LA	Bachelor's	Public	1531	2358	42%	\$10,990	7	6	5	5	34%
Northern Kentucky University	KY	Bachelor's	Public	1576	2172	39%	\$14,500	8	5	7	14	35%
Boise State University	ID	Bachelor's	Public	1817	2985	42%	\$14,635	9	12	5	15	40%
Troy University	AL	Bachelor's	Public	1830	2985	38%	\$14,250	10	12	8	12	40%
Purdue University Fort Wayne	IN	Bachelor's	Public	1859	2800	26%	\$12,500	11	10	16	8	41%
Youngstown State University	OH	Bachelor's	Public	1941	2800	32%	\$17,250	12	10	12	17	43%
Northwestern State University of Louisiana	LA	Bachelor's	Public	2153	2690	37%	\$12,500	13	9	9	8	48%
Idaho State University	ID	Bachelor's	Public	2162	3492	29%	\$12,750	14	17	15	11	48%
University of Arkansas at Little Rock	AR	Bachelor's	Public	2167	3104	31%	\$12,375	15	16	13	7	48%
Western Kentucky University	KY	Bachelor's	Public	2174	3015	44%	\$14,250	16	14	3	12	48%
Arkansas Tech University	AR	Bachelor's	Public	2287	3015	37%	\$10,941	17	14	9	4	50%
UAA Competitor Institutions**												
Washington State University	WA	Bachelor's	Public	369	1800	64%	\$14,772	1	1	1	6	8%
Central Washington University	WA	Bachelor's	Public	617	2094	52%	\$14,669	2	2	4	5	14%
University of Alaska Anchorage	AK	Bachelor's	Public	696	2094	24%	\$9,597	3	2	6	1	15%
Montana State University	MT	Bachelor's	Public	1045	3015	54%	\$13,000	4	5	3	3	23%
Northern Arizona University	AZ	Bachelor's	Public	1353	2690	54%	\$12,500	5	3	2	2	30%
Boise State University	ID	Bachelor's	Public	1817	2985	42%	\$14,635	6	4	5	4	40%

NOTES:

* The graduation rate reflects the rates for 2017. UAA's most current rate is 32%.

** Competitor institutions were identified in Student Affairs' 2018 Funnel Report. These are the institutions where students who applied to UAA ultimately enrolled.

Median debt rank: Top ranking goes to institutions with lowest median debt.

Data extracted from Georgetown University's **A First Try at ROI: Ranking 4,500 Colleges**, <https://cew.georgetown.edu/cew-reports/collegeroi/>