

# 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**<sup>1</sup> 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).<sup>2</sup> 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.

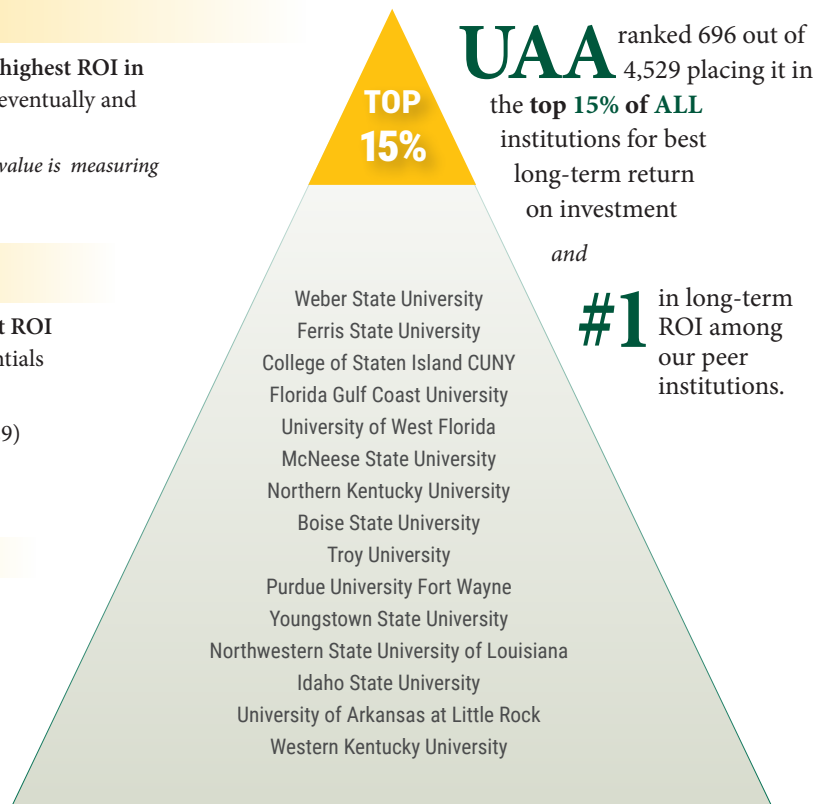
## CALCULATING FUTURE EARNINGS:

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.

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

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

<sup>2</sup> 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	
												40-YR	10-YR
<b>Alaska Institutions</b>													
<b>University of Alaska Anchorage</b>	AK	Bachelor's	Public	696	2094	24%	\$9,597	<b>1</b>	<b>3</b>	<b>5</b>	<b>5</b>	15%	46%
AVTEC-Alaska's Institute of Technology	AK	Certificate	Public	781	41	92%	\$5,257	2	1	1	1	17%	1%
University of Alaska Fairbanks	AK	Bachelor's	Public	1466	2389	28%	\$9,500	4	4	4	4	32%	53%
Alaska Pacific University	AK	Bachelor's	Private nonprofit	1466	3210	50%	\$12,900	3	6	3	6	32%	71%
University of Alaska Southeast	AK	Bachelor's	Public	1910	2728	21%	\$9,152	5	5	6	3	42%	60%
Alaska Career College	AK	Certificate	Private for-profit	2412	1888	70%	\$7,199	6	2	2	2	53%	42%
<b>UAA Peer Institutions</b>													
<b>University of Alaska Anchorage</b>	AK	Bachelor's	Public	696	2094	24%	\$9,597	<b>1</b>	<b>4</b>	<b>17</b>	<b>3</b>	15%	46%
Weber State University	UT	Bachelor's	Public	747	1888	33%	\$8,250	2	2	11	2	16%	42%
Ferris State University	MI	Bachelor's	Public	765	1985	44%	\$16,913	3	3	3	16	17%	44%
College of Staten Island CUNY	NY	Bachelor's	Public	968	1547	30%	\$7,557	4	1	14	1	21%	34%
Florida Gulf Coast University	FL	Bachelor's	Public	1074	2491	47%	\$12,000	5	8	1	6	24%	55%
University of West Florida	FL	Bachelor's	Public	1450	2433	46%	\$12,500	6	7	2	8	32%	54%
McNeese State University	LA	Bachelor's	Public	1531	2358	42%	\$10,990	7	6	5	5	34%	52%
Northern Kentucky University	KY	Bachelor's	Public	1576	2172	39%	\$14,500	8	5	7	14	35%	48%
Boise State University	ID	Bachelor's	Public	1817	2985	42%	\$14,635	9	12	5	15	40%	66%
Troy University	AL	Bachelor's	Public	1830	2985	38%	\$14,250	10	12	8	12	40%	66%
Purdue University Fort Wayne	IN	Bachelor's	Public	1859	2800	26%	\$12,500	11	10	16	8	41%	62%
Youngstown State University	OH	Bachelor's	Public	1941	2800	32%	\$17,250	12	10	12	17	43%	62%
Northwestern State University of Louisiana	LA	Bachelor's	Public	2153	2690	37%	\$12,500	13	9	9	8	48%	59%
Idaho State University	ID	Bachelor's	Public	2162	3492	29%	\$12,750	14	17	15	11	48%	77%
University of Arkansas at Little Rock	AR	Bachelor's	Public	2167	3104	31%	\$12,375	15	16	13	7	48%	69%
Western Kentucky University	KY	Bachelor's	Public	2174	3015	44%	\$14,250	16	14	3	12	48%	67%
Arkansas Tech University	AR	Bachelor's	Public	2287	3015	37%	\$10,941	17	14	9	4	50%	67%
<b>UAA Competitor Institutions**</b>													
Washington State University	WA	Bachelor's	Public	369	1800	64%	\$14,772	1	1	1	6	8%	40%
Central Washington University	WA	Bachelor's	Public	617	2094	52%	\$14,669	2	2	4	5	14%	46%
<b>University of Alaska Anchorage</b>	AK	Bachelor's	Public	696	2094	24%	\$9,597	<b>3</b>	<b>2</b>	<b>6</b>	<b>1</b>	15%	46%
Montana State University	MT	Bachelor's	Public	1045	3015	54%	\$13,000	4	5	3	3	23%	67%
Northern Arizona University	AZ	Bachelor's	Public	1353	2690	54%	\$12,500	5	3	2	2	30%	59%
Boise State University	ID	Bachelor's	Public	1817	2985	42%	\$14,635	6	4	5	4	40%	66%

**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/>