

# The Colleges Where Low-Income Students Get the Highest ROI

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PREPARED FOR THE STRATEGIC PLANNING COMMITTEE

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# Overview

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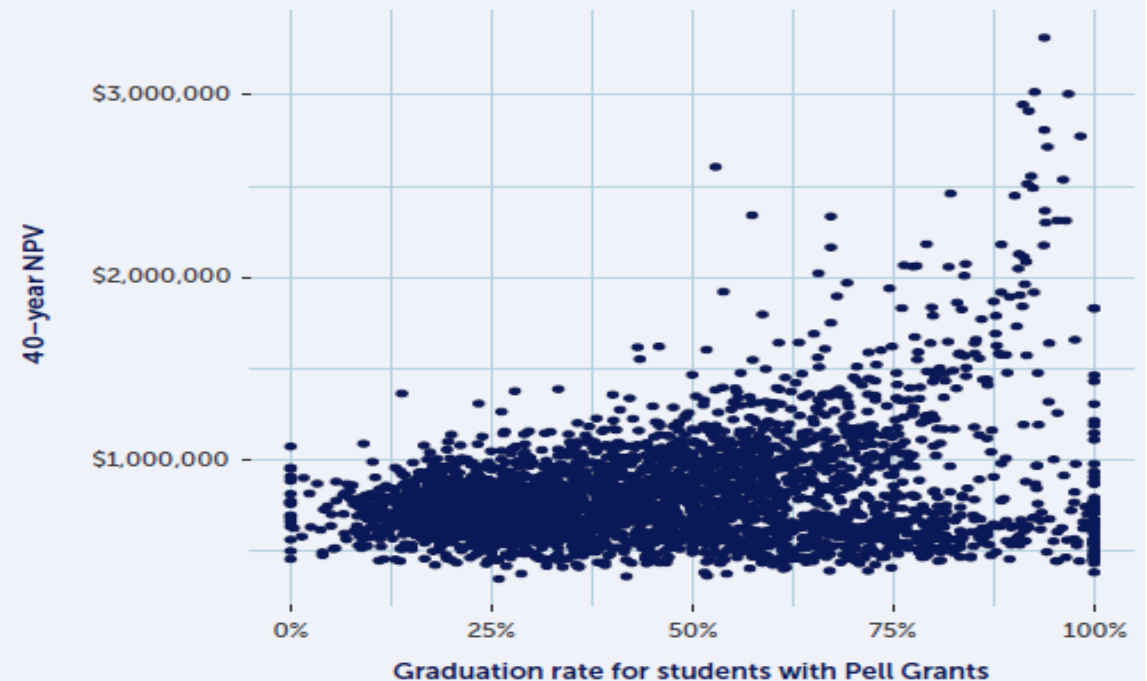


1. Factors working against higher ROI for low-income students
  2. The highest ROI for low-income students by institution type and primary credential offered
  3. Value Added: The colleges that do the best job of serving low-income students
- ❖ Where does Yavapai College rank?

# Factors Working Against Higher ROI

- ❖ Low-income students more likely to attend colleges and enroll in programs that do not produce the highest ROI
- ❖ Family circumstances.
- ❖ Graduation rates generally affect ROI significantly.

**Figure 3:** The ROI for low-income students is generally higher at institutions with high graduation rates.



Source: Georgetown University Center on Education and the Workforce analysis of US Department of Education College Scorecard data, 2020.  
Note: We use 40-year net present value (NPV) as a measure of the return on investment (ROI).

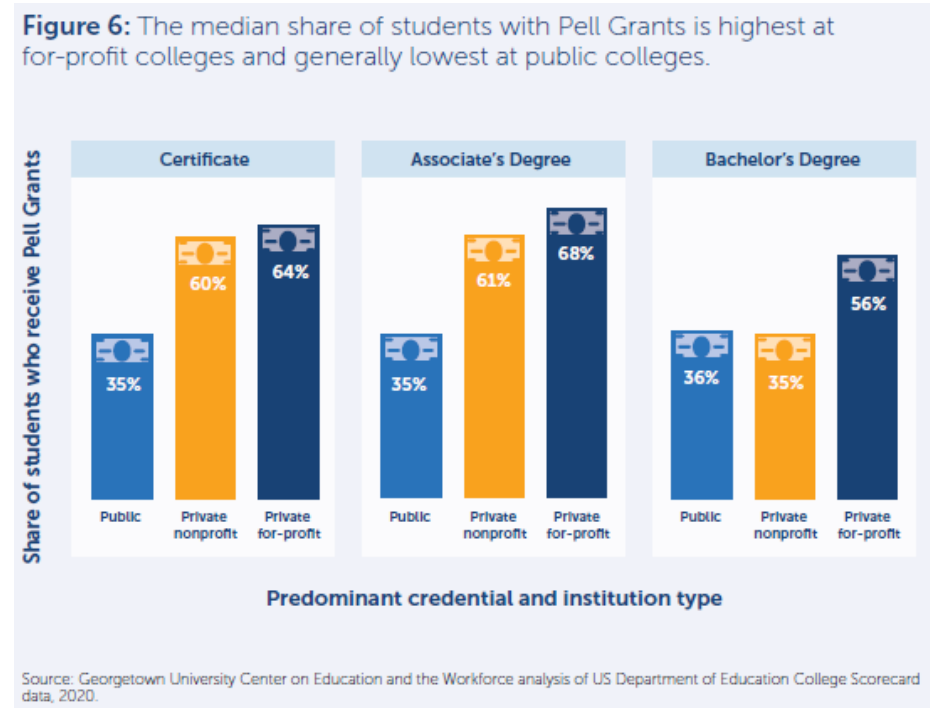
# Highest ROI by Institution Type

INSTITUTIONS RANKED BY:

❖ All institutions regardless of their share of Pell students.

❖ Institutions that have at least the median share of Pell Students.

MEDIAN SHARE OF PELL STUDENTS



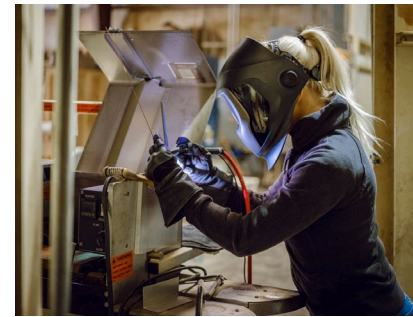
# Colleges that do the best job serving low- come students

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## WEIGHTING CRITERIA

- ❖ Percentage of students who have Pell grants.
- ❖ Graduation rates of Pell Grant students.
- ❖ Percentile rank of 40-year earnings of Pell Grant students.

## HIGHLY SPECIALIZED FIELDS



# Conclusions

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- ❖ Overall, low-income students get the highest ROI at the colleges where they pay the least. But those outcomes are not uniform across all institutions.
- ❖ We need a system that gives students and their families better information about colleges, majors and career choices.
- ❖ We need a comprehensive independent career counseling system that advises students on career choices and the requirements for entering those careers.

# Where is Yavapai College?

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<https://cew.georgetown.edu/cew-reports/lowincome/>