

The Colleges Where Low-Income Students Get the Highest ROI

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What do we mean by low income?

In this report, we use the term low income to refer to students whose annual family income is \$30,000 or less. We calculate returns on investment (ROI) at the institutional level for this group of students.

The College Scorecard does not provide the number of low-income students at an institution, so we use the share of students who are Pell Grant recipients as a proxy to measure the number of low-income students at an institution. These two groups of students are close but not identical because some students from families with annual incomes greater than \$30,000 are eligible for Pell Grants.

We also use the share of students who are Pell Grant recipients as a measure of low-income students' access to an institution.

Introduction

In a society increasingly characterized by deep economic inequality, education is often presented as the great equalizer. Children of disadvantaged families are told they will climb the socioeconomic ladder if they stay in school and work hard. But family circumstances are often more important than talent in sorting those who succeed from those who don't. In the end, a disadvantaged kindergartner with top-half test scores has only a 3 in 10 chance of reaching the highest quartile of socioeconomic status (SES) in this country, while low-scoring kindergartners from affluent families have a 7 in 10 chance of ending up in the highest quartile of SES.¹

Students from low-income families are far less likely than students from more affluent families even to attempt a postsecondary education. While 93 percent of ninth graders from the most advantaged families went on to attend a college or university in 2009, only 56 percent of ninth graders from the least advantaged families did.²

Low-income students make up more than one-third of college students, so the outcomes for this group have broad ramifications. About 34 percent of undergraduates received a Pell Grant for the 2018-19 academic year, and the percentage has exceeded 40 percent within the last decade.³ College completion has become the best shot at career success in this economy, and the Pell Grant has become the nation's workhorse in promoting upward economic mobility.

One measure of the economic value of college attendance and completion is the return on investment (ROI). The ROI calculation considers the earnings of a person who attended a particular college after subtracting the person's costs to attend that college. The College Scorecard⁴ reports the overall average net price paid by all students as well as the average net price⁵ paid by students in various family income categories.

¹ Carnevale et al., *Born to Win, Schooled to Lose*, 2019.

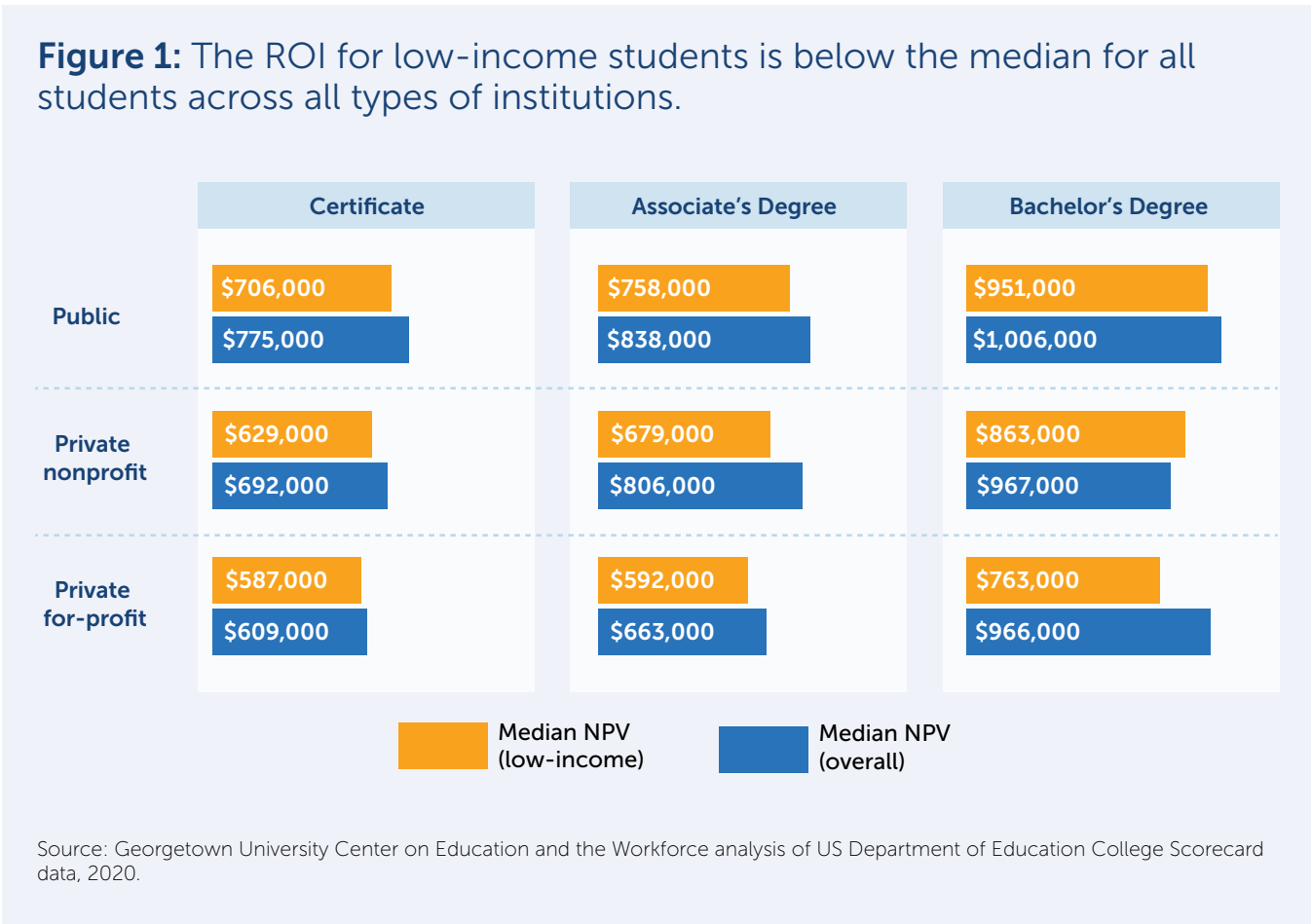
² US Department of Education, Digest of Education Statistics: 2019, Table 302.44.

³ National Center for Education Statistics, Trend Generator, <https://nces.ed.gov/ipeds/TrendGenerator/app/answer/8/35>.

⁴ The College Scorecard is an information tool published online by the US Department of Education. It provides data on institutions and fields of study within the institutions, including earnings of a specific cohort of students. The data can be found at <https://collegescorecard.ed.gov/>.

⁵ The net price is the annual full cost of attendance (including tuition and fees, books and supplies, and living expenses) minus federal, state, and institutional grant/scholarship aid, for full-time, first-time undergraduate Title IV-receiving students. In other words, the net price is the actual price the student paid rather than the sticker price. For the sake of brevity, we will sometimes refer to the average net price as the net price.

Even when low-income students go to college and earn a degree, their ROI tends to be lower than that of other students. Over 40 years, the ROI as measured by the median net present value (NPV)⁶ for low-income students is \$756,000 across all degree levels, while it is \$822,000 for all students. One reason is that low-income students graduate from college at lower rates than other students. Another is that people who come from low-income families tend to earn less as adults. Lower economic returns for low-income students occur across all types of institutions and all credential levels⁷ (Figure 1).

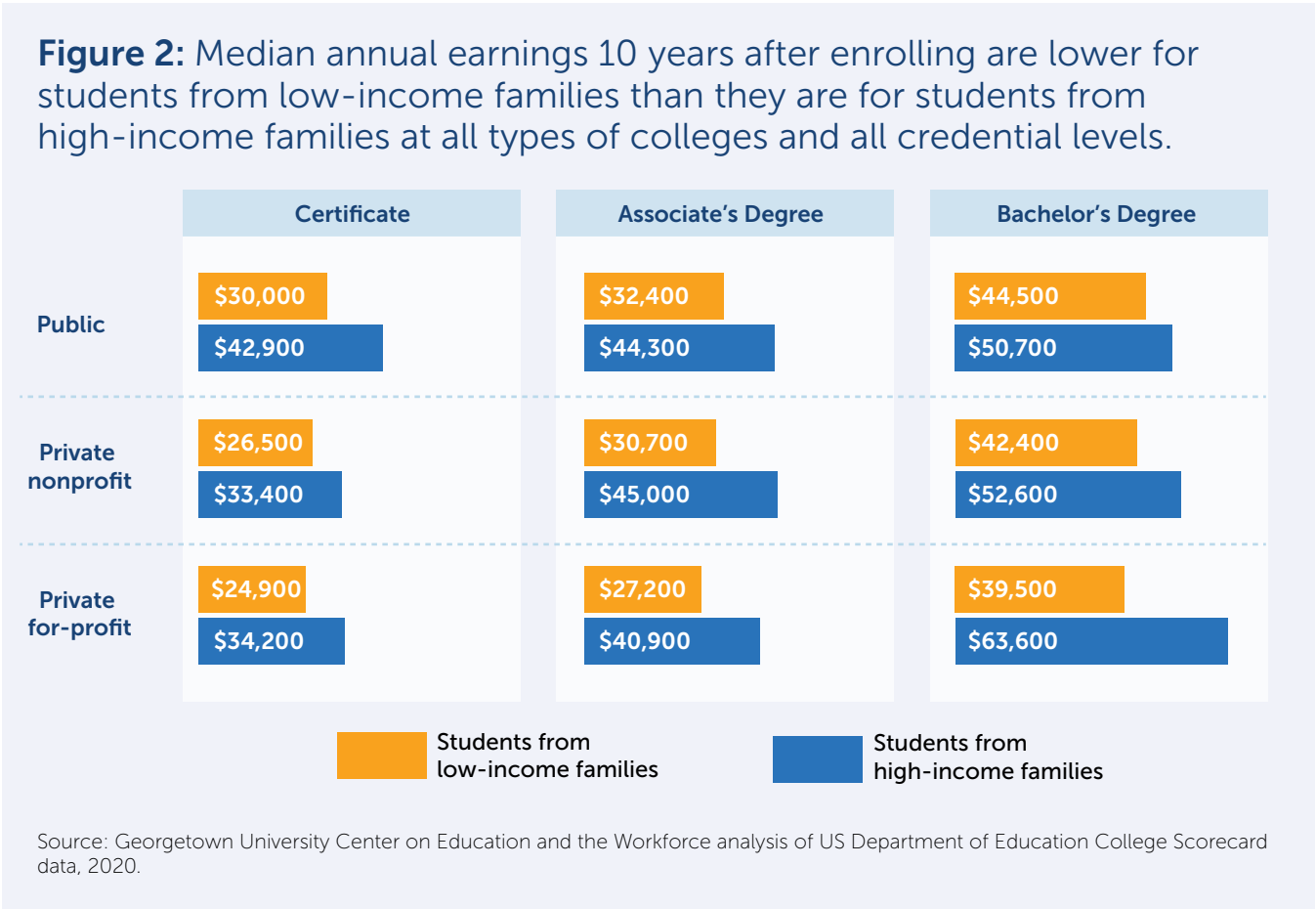


6 Net present value can best be described as expected 40-year earnings minus the student's cost of going to college. See the appendix for a more detailed explanation of the methodology.
7 There are many possible reasons for the lower returns, including lower graduation rates, greater likelihood of attending colleges that offer degrees with less value in the workplace, different choices of academic majors, lack of social networks, lower levels of college readiness, and less time devoted to study because of work and family obligations.

Moreover, students from low-income families earn less than students from high-income families⁸ 10 years after enrolling (Figure 2).

Low-income students attain the greatest long-term earnings when they attend public institutions that predominantly grant bachelor's degrees. Since the cost of going to college is one of the major factors in determining college ROI, the lower cost of public colleges has a direct bearing on their generally higher ROI for low-income students.

Not all private institutions lead to lower ROI for low-income students. In fact, the 24 institutions with the highest ROI for low-income students are all private, led by Georgetown University, Stanford University, Harvard University, Tufts University, and the Massachusetts Institute of Technology (MIT). These selective institutions could have a much larger financial impact on low-income students if they admitted more low-income students. At almost all of these institutions, however, less than 20 percent of students get Pell Grants.⁹



8 High-income families are defined as those with incomes higher than \$75,000 per year.
9 Carnevale and Van Der Werf, *The 20% Solution*, 2017.

Our previous research demonstrates that there are many qualified low-income students whom these institutions could enroll without affecting overall graduation rates.¹⁰ If low-income students could attend those selective colleges and universities, they would benefit from the selective colleges' high ROI and likely would have a more secure economic future. However, most low-income students do not enroll in bachelor's degree programs or in the most selective institutions. Instead, they are much more likely to enroll in programs that have lower average long-term returns, such as certificates or associate's degree programs¹¹ or programs at for-profit institutions, for which average long-term returns are also lower.¹²

When considering various types of colleges and credentials, it is important to know where students can earn the best returns. The results are sometimes surprising. For example, for-profit colleges have frequently been criticized for preying on the most vulnerable students,¹³ but not all for-profit colleges are bad for low-income students. Two for-profit colleges—Neumont College of Computer Science in Utah and SAE Expression College in California—are at the top of our weighted list of bachelor's-degree-granting institutions that give the highest ROI to low-income students. These two colleges have a very small impact, however, because together they enroll only about 800 students. Those for-profit colleges are followed in the rankings by large public universities: seven campuses of the University of California and four campuses of California State University, which collectively enroll more than 260,000 students.

Other for-profit colleges dot the top of our weighted lists of top ROI for low-income students at postsecondary institutions that predominantly grant associate's degrees and certificates. But these institutions are very small and generally specialize in highly technical skills, such as commercial diving, aircraft maintenance, and graphic design. These for-profit colleges are good investments for low-income students who are interested in the institutions'

10 Carnevale and Van Der Werf, *The 20% Solution*, 2017.

11 Among ninth graders whose families were below the poverty threshold in 2012 and who were enrolled in a postsecondary institution as of 2016, 15 percent were in a certificate program, 40 percent were in an associate's degree program, and 35 percent were in a bachelor's degree program. The remaining 10 percent were attending classes but were not enrolled in a credential-granting program. In contrast, among children from families above the poverty line, 6 percent were enrolled in a certificate program, 26 percent were in an associate's degree program, and 60 percent were enrolled in a bachelor's degree program. The remaining 8 percent were attending classes but were not enrolled in a credential-granting program. US Department of Education, *Digest of Education Statistics: 2018*, Table 302.45.

12 This is also the finding by Itzkowitz, *Providing Low-Income Students the Best Bang for Their Educational Buck*, 2021.

13 For an in-depth examination of for-profit colleges targeting low-income students, see McMillan Cottom, *Lower Ed*, 2017. The Federal Trade Commission in 2021 put about 70 for-profit colleges on notice for potential offenses related to making false promises about their graduates' outcomes, including job and earnings prospects. Gravelly, "FTC Puts 70 For-Profit Institutions on Notice," 2021.

specialized offerings. But they are an exception to the overall trend for all for-profit colleges, which as a group give the lowest ROI to low-income students. In a sign of the sector's volatility, one of the for-profit colleges with the highest ROI for low-income students, Minneapolis Business College, went out of business in 2019.¹⁴

The wide variation in ROI at different types of colleges argues for an enhanced system of counseling and advising in this country. Potential students can't know which college and major have the best value without studying the data and understanding potential financial outcomes.

IN PART 1 of this report, we examine why ROI is lower for low-income students. These students as a group pay less than average in tuition, but they also earn less as adults. Students from low-income families are less likely to attend college, and when they do attend, low-income students graduate from college at lower rates than other students. These factors result in lower earnings as adults. Low-income students reap the greatest ROI from public institutions that predominantly offer bachelor's degrees and the lowest ROI from for-profit colleges.

IN PART 2, we rank the ROI for low-income college students by type of institution and the predominant credential that the colleges offer.

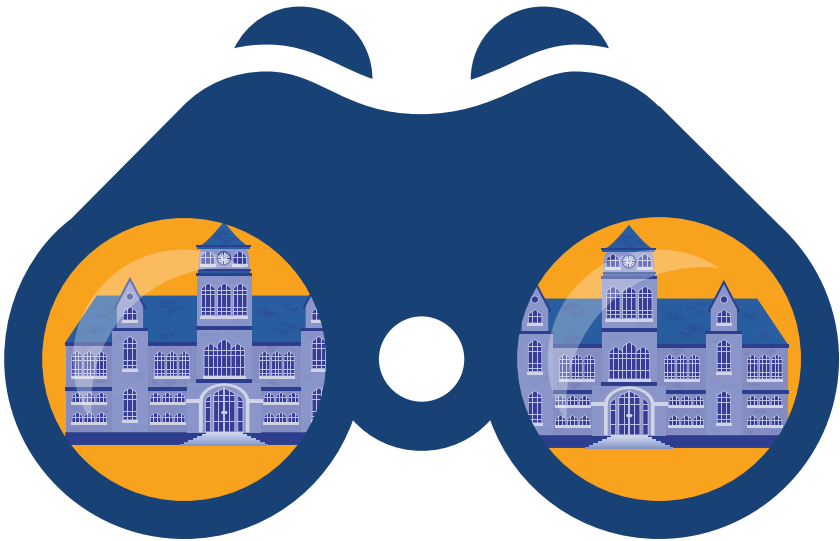
IN PART 3, we rank colleges by ROI again but give extra weight to colleges that are doing an especially good job of serving low-income students. Colleges that enroll large numbers of low-income students and have high graduation rates for those students typically offer a high ROI to low-income students. With this in mind, we created an experimental weighting system to give credit to colleges that do well in these metrics.

When we created these more complex indices of ROI for low-income students—which give additional weight to such factors as the percentage of Pell Grant recipients who are enrolled relative to their graduation rates—we

14 Galioto, "After 145 years, Minneapolis Business College to close in December," 2019.

see some significant changes in the overall rankings. Selective colleges don't do particularly well in these weighted rankings. They have good returns for low-income students, but their impact is muted because few low-income students attend those institutions.

The wide variation in ROI at different types of colleges argues for an enhanced system of counseling and advising in this country. Potential students can't know which college and major have the best value without studying the data and understanding potential financial outcomes. Attending public colleges that predominantly grant bachelor's degrees results overall in the best outcomes for low-income students, but that does not mean that any given public four-year college is the best choice for a low-income student. Likewise, while attending most for-profit colleges results in low ROI for low-income students, some for-profit colleges offer a high ROI. Greater availability of data is a useful tool for illuminating some good choices, but students still need counseling and advising to make sense of the information. Sadly, counseling about college choices is still woefully inadequate in this country.



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PART 1: Factors working against higher ROI for low-income students.

Low-income students are more likely to attend colleges and enroll in programs that do not produce the highest ROI. For example, students at for-profit institutions are far more likely to receive Pell Grants than students at any other type of postsecondary institution. In the 2015-16 academic year, 64 percent of students attending a private for-profit college received a Pell Grant (Table 1). By contrast, between 34 percent and 38 percent of students at public four-year and two-year colleges and private four-year colleges received a Pell Grant.¹⁵

Students receiving Pell Grants are slightly more likely to be seeking a certificate than any other postsecondary credential. This again reflects the type of colleges Pell Grant recipients attend—for-profit colleges are more likely than other institutions to predominantly offer certificates. About 44 percent of students enrolled in certificate-granting programs in 2015-16 received a Pell Grant. About 40 percent of students who were seeking either a bachelor's or associate's degree that year received a Pell Grant.¹⁶

Table 1. Who receives a Pell Grant?

Type and level of institution	Percent of students with Pell Grant
Public 4-year	38
Private nonprofit 4-year	36
Public 2-year	34
Private for-profit	64
Undergraduate credential program	
No certificate or degree	9
Certificate	44
Associate's degree	40
Bachelor's degree	40
Sex	
Male	34
Female	43
Race/ethnicity	
White	32
Black/African American	58
Hispanic/Latino	47
Asian	31
Native American	51
Pacific Islander	36
Other or two or more races	42

Source: US Department of Education, National Center for Education Statistics, "Trends in Pell Grant Receipt and the Characteristics of Pell Grant Recipients: Selected Years, 2003-04 to 2015-16," September 2019.
Note: We rounded figures from the original report.

15 US Department of Education, "Trends in Pell Grant Receipt and the Characteristics of Pell Grant Recipients," 2019, Table 1.1.
16 US Department of Education, "Trends in Pell Grant Receipt and the Characteristics of Pell Grant Recipients," 2019, Table 1.1.

Table 2. Colleges that predominantly grant bachelor’s degrees give the largest discounts to low-income students.

Predominant credential	Median net price for all students	Median net price for low-income students	Discount for low-income students
Certificate	\$16,000	\$15,000	3%
Associate’s degree	\$8,000	\$7,000	12%
Bachelor’s degree	\$19,000	\$15,000	18%

Source: Georgetown University Center on Education and the Workforce analysis of US Department of Education College Scorecard data, 2020.
Note: Net prices have been rounded to the nearest \$1,000. Percentages are calculated based on actual net price and do not correspond to rounded figures.

Female students and members of marginalized racial and ethnic groups are more likely to receive Pell Grants. While 34 percent of male students received a Pell Grant, 43 percent of women received one. Fifty-eight percent of Black students received a Pell Grant, nearly twice the percentage of White and Asian students who got a grant. About 47 percent of Latino students received a Pell Grant. Not surprisingly, students from the lowest income distribution levels were most likely to get a Pell Grant. Among dependent students, 79 percent of students from the lowest quartile of the income distribution received a Pell Grant, and 60 percent of students in the next highest quartile of income got a Pell Grant.¹⁷

Low-income students would seem to have a cost advantage in college. On average, they pay less to go to college because they get more financial aid, including a Pell Grant. The largest tuition discounts, which lower the overall net price paid by low-income students, occur at institutions that predominantly grant bachelor’s degrees. At these four-year institutions, the median net price for low-income students is \$15,000 per year, while the median net price for all students is \$19,000.¹⁸ However, these institutions also have the highest average net price (Table 2). So, if the price tag is higher to begin with, the size of the discount may not matter. Many low-income students still can’t afford the cost.

17 US Department of Education, “Trends in Pell Grant Receipt and the Characteristics of Pell Grant Recipients,” 2019, Table 1.1.
18 These figures are the median of the average net price. The College Scorecard derives the average net price from the full cost of attendance (which includes tuition and fees, books and supplies, and living expenses) minus federal, state, and institutional grants and other financial aid.

Table 3. Low-income students pay less than the average net price at a majority of institutions.

Fraction of overall average net price paid by low-income students	Number of institutions	Share of institutions
Less than 50%	114	3%
50%-75%	524	15%
75%-90%	1,232	36%
90%-110%	1,530	45%
More than 110%	10	<1%

Source: Georgetown University Center on Education and the Workforce analysis of US Department of Education College Scorecard data, 2020.
Note: Values do not sum to 100 percent due to rounding.

The net price varies widely by institution.¹⁹ Overall, however, the tuition discounts that low-income students receive are not particularly large. At 1,530 institutions—nearly half of the institutions studied in this report—low-income students get almost no discount. They pay within 10 percent of the average net price (Table 3). Another 1,756 institutions charge low-income students between 50 percent and 90 percent of the overall net price. Only 114 institutions, or 3 percent of all colleges and universities, give low-income students a large break on price, charging them less than half of the overall net price. Seven institutions, including Duke University, cover all costs for low-income students and give them additional money, resulting in a negative average net price for low-income students.²⁰

19 The net price also varies by the type of credential that the student is pursuing. When comparing costs, students should consider their out-of-pocket costs, not just the size of a discount they would receive. For instance, going to a two-year community college might cost \$5,000 per year, but a student with a 10 percent discount would pay \$4,500. If that student enrolled at a public four-year college that costs \$10,000 but got a 20 percent discount, the out-of-pocket cost would be \$8,000, which is a higher cost than that at the community college despite the greater percentage of the discount offered by the four-year college.
20 The institutions with a negative net price for low-income students are Duke University in North Carolina, Frontier Community College in Illinois, Instituto Tecnológico de Puerto Rico-Recinto de Ponce, Oconee Fall Line Technical College in Georgia, Oglala Lakota College in South Dakota, Skyline College in California, and Wiregrass Georgia Technical College. Duke is the only four-year institution in this group. The average net price varies on an annual basis.

Family circumstances and lesser chances of graduating reduce ROI for low-income students.

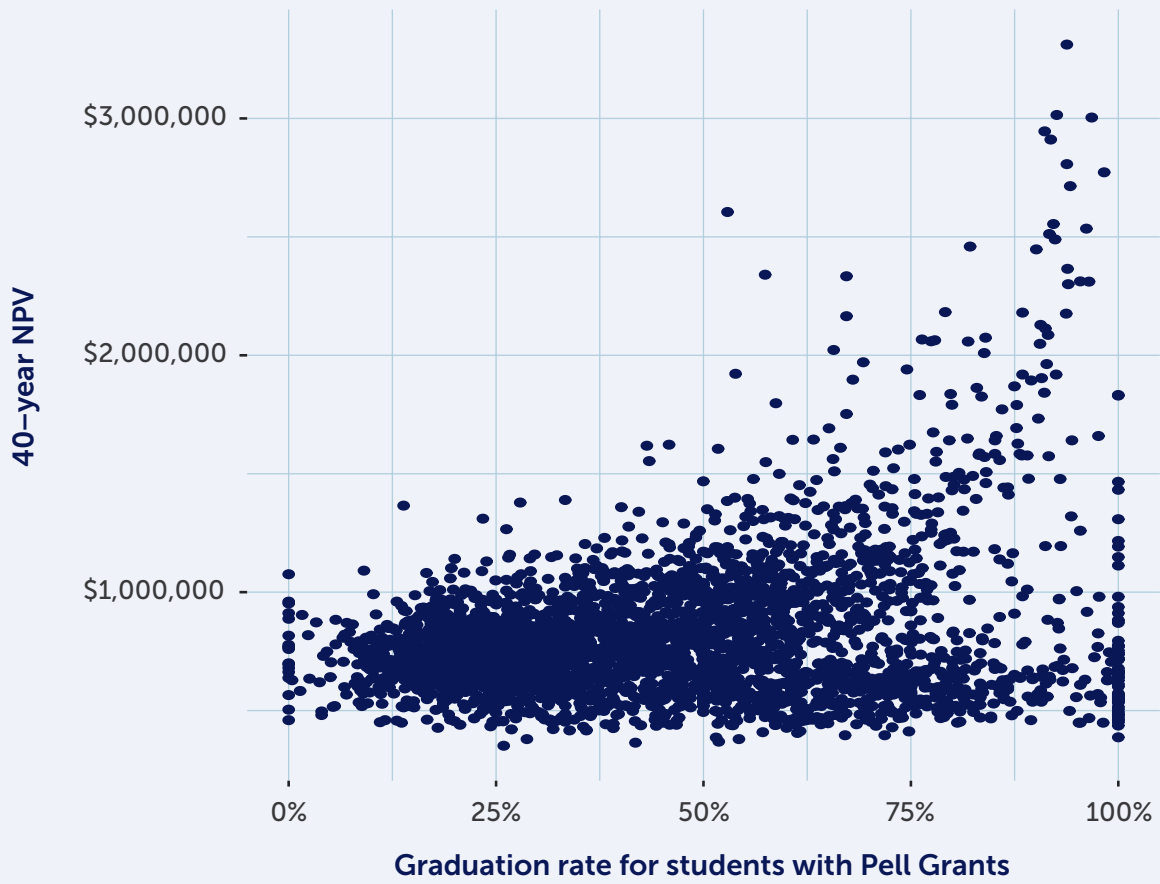
Children born into less affluent families are likely to have lower earnings during adulthood than children from affluent families.²¹ These lower parental earnings suggest that factors associated with intergenerational reproduction of race, class, and gender differences are part of the reason for lower ROI for students from low-income families, even among those with similar educational preparation and access.²²

Additionally, the long-term ROI is correlated with graduation rates—in general, the lower an institution’s graduation rate is, the lower the institution’s overall earnings levels are. Students who receive Pell Grants have lower graduation rates, on average, than other students. The median six-year graduation rate for Pell Grant recipients across all institutions is 43.7 percent, which is 3.8 percentage points lower than the overall graduation rate of 47.5 percent.²³ So the highest ROI for low-income students often occurs at the institutions that have the highest graduation rates for Pell Grant recipients (Figure 3).

There are many reasons that overall graduation rates are lower for low-income students. First, low-income students are generally less prepared for college.²⁴ Many low-income students attending community colleges are forced to take remedial classes.²⁵ These remedial classes increase the financial burden of students and can delay graduation or cause students to drop out before obtaining a credential. In addition, low-income students typically have far more financial concerns while attending college—they are more likely than other students to work full-time while enrolled, attend part-time, be financially independent of their parents, have dependent children, or be a single parent.²⁶ All of these financial stresses can cause low-income students to leave college before graduating or to take far longer to achieve a credential.

21 Corak, *Income Inequality, Equality of Opportunity, and Intergenerational Mobility*, 2013.
22 While these underlying forces are beyond the scope of this report, their importance is clear. Advantage and disadvantage are the product of interlocking societal mechanisms that work in tandem to sustain intergenerational outcomes by race, class, and gender. For a general review of these mechanisms, see Carnevale et al., *The Merit Myth*, 2020.
23 Georgetown University Center on Education and the Workforce analysis of US Department of Education College Scorecard data, 2020. Among other factors that can influence ROI are per capita income in the state where the college is located because many people work near the college they attended. See Carnevale et al., *ROI of Liberal Arts Colleges*, 2020.
24 ACT, *The Condition of College and Career Readiness 2015*, 2015.
25 Hanford, “Stuck at Square One,” 2016. Other studies have found that as many as a third of students who took remedial classes could have gone straight to college courses and earned a grade of B or better.
26 Engle and Tito, *Moving Beyond Access*, 2008.

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).

Another factor is that low-income students are more likely to attend a college that is less selective than they could have attended. This undermatching can influence their likelihood of graduating because less selective colleges have lower graduation rates than selective colleges.²⁷ Some low-income students do not have adequate support services. As a result, their grades fall, which can cause them to lose motivation or academic credits and eventually drop out.²⁸

27 Smith et al., “The Full Extent of Academic Undermatch,” 2013, finds that 41 percent of students undermatch in their postsecondary choice. Academic undermatch affects students with a range of academic credentials but is more common among students from families with low socioeconomic status, those who live in rural areas, and those whose parents have no college degree.
28 Armstrong and Hamilton, *Paying for the Party*, 2015.

Even when low-income students attend a more selective college, they frequently lack the social capital of their classmates, who often can tap into groups of influential friends and contacts to help them get jobs and advance in their careers after college.²⁹

Finally, there is some evidence that low-income students are more likely than higher-income students to choose academic majors that lead to lower-paying careers. However, these findings depend on several factors, including race and the amount of debt assumed to pay for college.³⁰

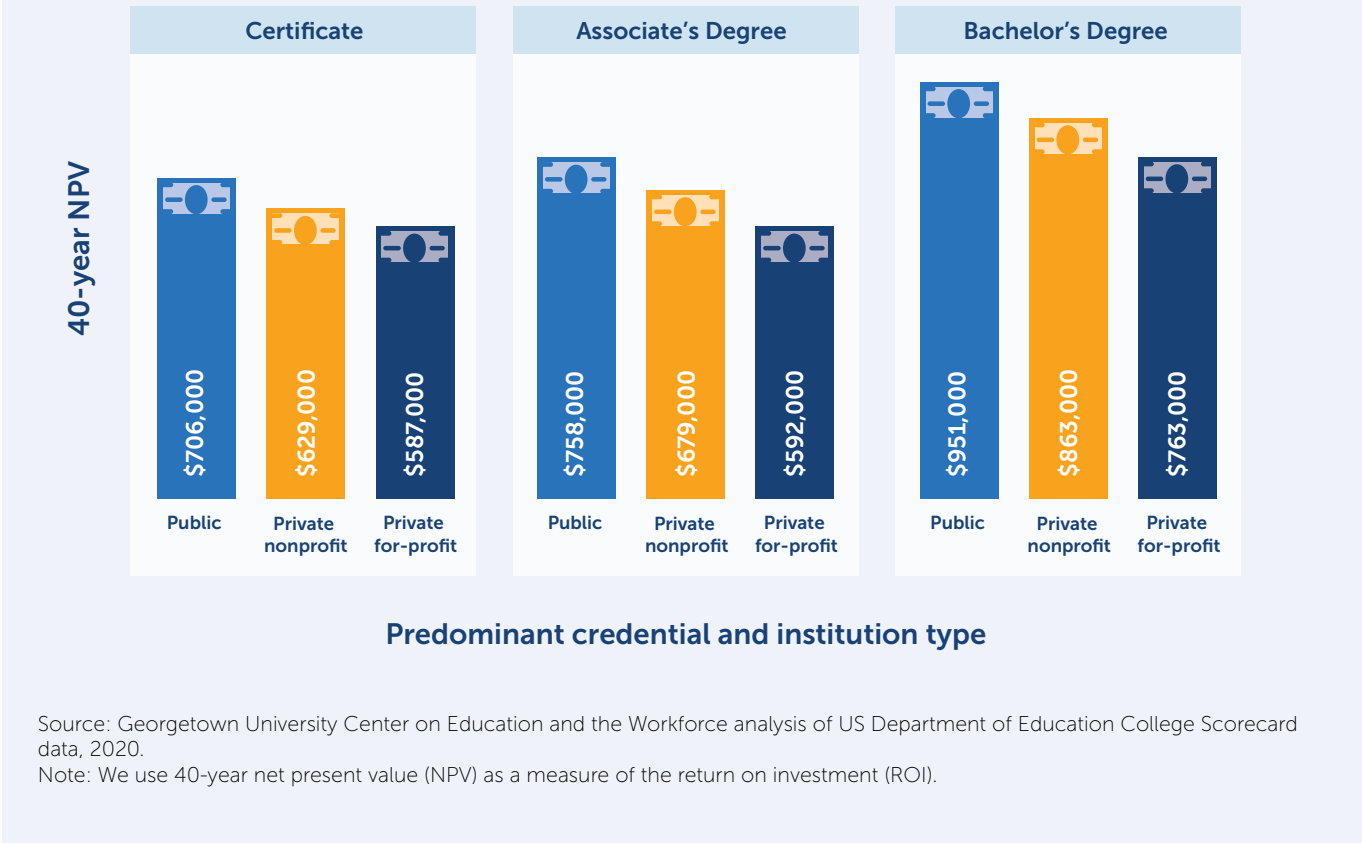
One solution to increase ROI for low-income students would be to reduce the price they pay for college. The difference in the median 40-year NPV between a typical student and a low-income student is \$66,000. In the case of four-year institutions, the median annual net price for low-income students would have to be approximately \$4,000 (\$11,000 lower than the current net price) to equalize the 40-year NPV between low-income students and other students.

The long-term ROI for low-income students is highest at public institutions that predominantly grant bachelor’s degrees.

Overall, public institutions that predominantly grant bachelor’s degrees give low-income students the greatest long-term returns (Figure 4). Their ROI is \$951,000 over a 40-year timeframe if they attended a public institution, about \$88,000 more than if they attended a private nonprofit institution.

Some selective nonprofit private colleges and universities individually have high returns for low-income students. The most selective private universities generally have the highest ROI for low-income students, but they enroll a disproportionately low percentage of Pell Grant recipients. Most selective private nonprofit colleges have student bodies in which fewer than 20 percent

Figure 4: The ROI for low-income students is highest at public institutions and colleges that primarily award bachelor’s degrees.



of students receive a Pell Grant.³¹ So, while there is great potential ROI for low-income students at top private universities, for the most part, these colleges do not admit low-income students. Public colleges and universities give the greatest return to low-income students, on average, across the board—whether at institutions that primarily grant certificates, associate’s degrees, or bachelor’s degrees.

Private for-profit institutions, as a group, have the lowest ROI for low-income students regardless of the predominant credential they offer. For example, private for-profit colleges that primarily award certificates have a median 40-year ROI of \$587,000 for low-income students. This is very low—any college with an ROI below \$756,000 is in the bottom half of all colleges in terms of ROI for low-income students. This is worrisome because for-profit colleges enroll a higher percentage of students from low-income families than any other type of college.³²

²⁹ For example, see Michelman et al., *Old Boys’ Clubs and Upward Mobility Among the Educational Elite*, 2020. This study of Harvard University students in the 1920s and 1930s found that high-status students from prestigious private high schools performed worse academically than other students but were much more likely to join exclusive campus clubs. The club membership premium was large: club members earned 32 percent more in their lifetimes than other students and were more likely to work in finance and join country clubs, both characteristic of the era’s elite.

³⁰ Studies provide mixed evidence on whether students from low-income families choose majors differently than other students do. Niu, “Family Socioeconomic Status and Choice of STEM Major in College” (2017), finds that students from low-income families are less likely to major in STEM (science, technology, engineering, and mathematics) disciplines. In *Determinants of Grades, Persistence and Major Choice for Low-Income and Minority Students* (2008), Griffith finds that low-income students are more likely to major in STEM, although the size of the effect depends on race and peer groups. In *Moving Beyond Access* (2008), Engle and Tito find that during the last enrollment year, low-income, first-generation students were less likely to major in humanities. In “Rich Kids Study English” (2015), Pinsker reports that students from wealthier families are more likely to major in the humanities.

³¹ See Carnevale and Van Der Werf, *The 20% Solution*, 2017.

³² Fry and Cilluffo, *A Rising Share of Undergraduates Are from Poor Families*, 2019.

Colleges with a high percentage of low-income students generally have lower ROIs for students. Since students from low-income families are more likely to have lower earnings, an institution that provides high access for these students would be likely to have a relatively low ROI.³³ While it is generally true that colleges with a high number of low-income students have a lower ROI, the relationship between ROI and the share of students who are Pell Grant recipients is highly variable (Figure 5).

Colleges that enroll similar shares of students who receive Pell Grants do not necessarily deliver similar ROIs. Consider, for example, two public universities that primarily grant bachelor’s degrees. At the University of Texas–El Paso, where 59 percent of students receive Pell Grants, the long-term ROI for low-income students is \$910,000. At Bluefield State College in West Virginia, where 57 percent of students receive a Pell Grant, the long-term ROI is \$618,000.

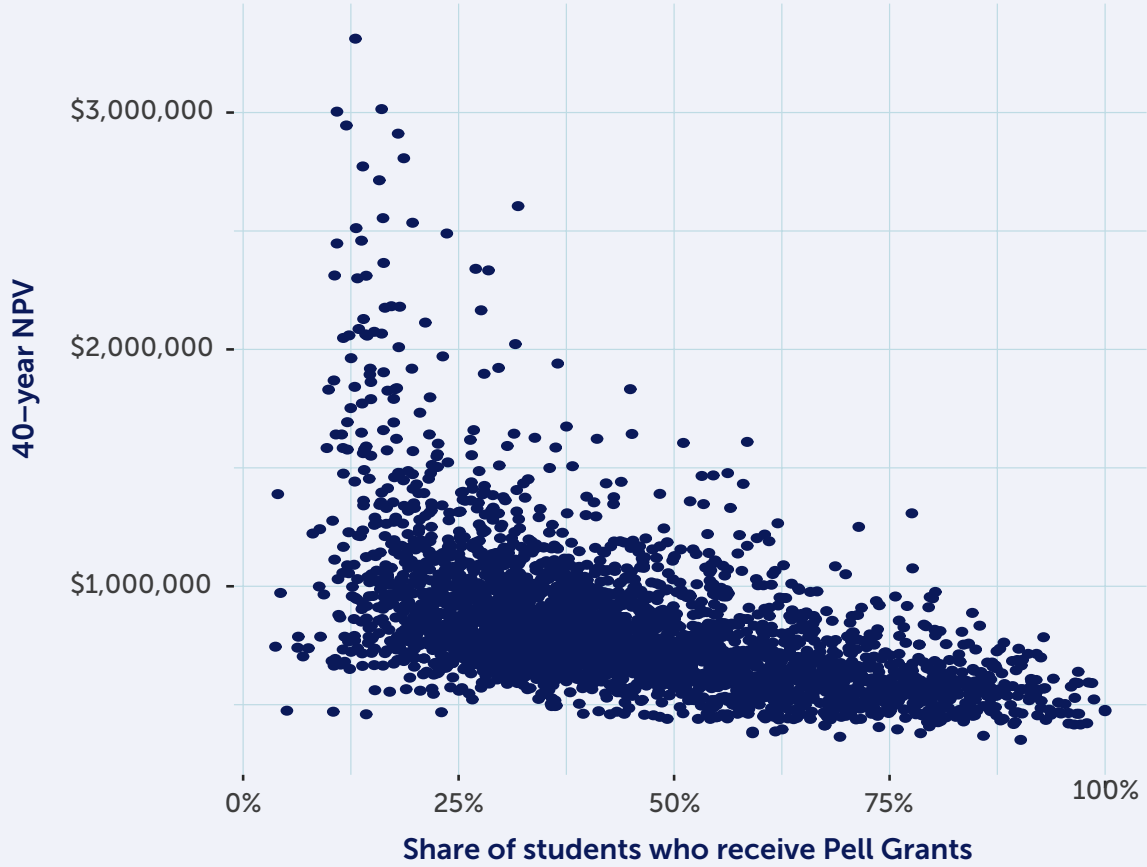
Graduation rates generally affect ROI significantly. Students who attend college but do not graduate tend to have lower earnings later in life than students who earn a credential. However, the ROI doesn’t always follow the graduation rate closely. At institutions where the graduation rate of Pell Grant recipients is zero, the 40-year ROI for low-income students can vary by more than \$600,000. For example, the ROI for low-income students at Baptist Health College in Arkansas is almost \$1.1 million, while the ROI for low-income students at Davis College in Ohio is \$460,000, even though the graduation rate for Pell Grant recipients at both institutions is zero. Likewise, the long-term ROI for low-income students can vary by almost \$1.5 million at institutions with 100 percent graduation rates for Pell Grant recipients. For example, the ROI for low-income students at PJ’s College of Cosmetology in Kentucky is \$387,000, while the ROI for low-income students at the Creative Circus in Georgia, a college that offers credentials in areas such as art direction and graphic design, is \$1.8 million.

When comparing institutions, it is important to take into account the majors that they offer. In many cases, institutions with similar student bodies have vastly different earnings outcomes because the labor market rewards their graduates differently based on the subjects they study.

In all cases, though, when comparing ROI, the rule is: buyer beware.

³³ Consider a hypothetical case in which earnings are predetermined by family income and institutions have no effect on their students’ earnings. In that scenario, an institution that does not admit any low-income students would have a higher ROI than an institution that admitted only low-income students. There would be a perfect correlation between an institution’s share of low-income students and its ROI.

Figure 5: The ROI varies among institutions with similar shares of students who receive Pell Grants, but overall, the ROI for low-income students declines in correlation with increasing shares of low-income students.



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).

PART 2:
The highest ROI for low-income students by institution type and primary credential offered

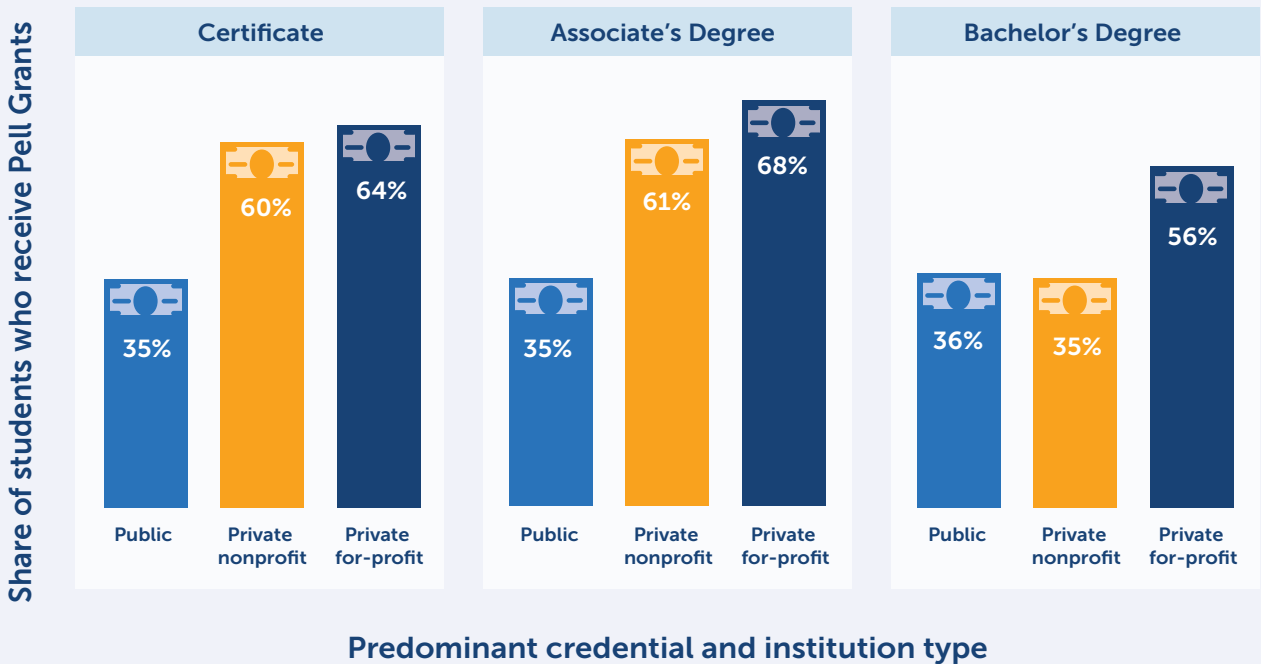
Low-income students fan out across the higher education spectrum, seeking different credentials at different types of institutions. The ROI that low-income students recoup varies considerably but is tied mostly to the price they pay and their income as adults, as explained in Part 1. In this section, we list the colleges with the highest ROI by institution type (public, private nonprofit, or for-profit college) and by the predominant credential that they offer. We also rank institutions by their ROI for low-income students in two ways:

- among all institutions regardless of their share of students who receive Pell Grants, and
- among institutions that have at least the median share of students who receive Pell Grants for that type of institution.



We use this measure because low-income students enroll at different rates at different types of institutions and degree levels. At public institutions, the median share of students who receive Pell Grants is about 35 percent, whether the college primarily offers certificates, associate’s degrees, or bachelor’s degrees. At for-profit colleges, the median share of students who are Pell Grant recipients is as high as 68 percent. At private nonprofit colleges, the median share of students with Pell Grants is 35 percent at institutions that primarily award bachelor’s degrees but 61 percent at institutions that primarily award associate’s degrees (Figure 6).

Figure 6: The median share of students with Pell Grants is highest at for-profit colleges and generally lowest at public colleges.



Source: Georgetown University Center on Education and the Workforce analysis of US Department of Education College Scorecard data, 2020.

Table 4. The top ROIs for low-income students at public bachelor’s degree institutions range from \$1.6 million to nearly \$2.2 million.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Maine Maritime Academy	ME	25	\$2,165,000	\$17,909	28%
2	Colorado School of Mines	CO	30	\$2,067,000	\$17,386	16%
3	California State University Maritime Academy	CA	40	\$1,922,000	\$14,182	30%
4	Georgia Institute of Technology-Main Campus	GA	47	\$1,862,000	\$9,115	15%
5	University of Virginia-Main Campus	VA	48	\$1,842,000	\$8,022	13%
6	SUNY Maritime College	NY	54	\$1,798,000	\$10,567	22%
7	College of William & Mary	VA	60	\$1,693,000	\$997	12%
8	University of California-Berkeley	CA	63	\$1,660,000	\$8,043	27%
9	University of Michigan-Ann Arbor	MI	64	\$1,659,000	\$3,962	16%
10	University of California-Los Angeles	CA	71	\$1,627,000	\$8,636	34%

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

Table 5. Many public institutions in California that predominantly award bachelor’s degrees deliver a high ROI for low-income students while enrolling above-average shares of students with Pell Grants.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	University of California-San Diego	CA	80	\$1,586,000	\$8,452	36%
2	University of California-Davis	CA	96	\$1,507,000	\$9,629	38%
3	University of California-Irvine	CA	118	\$1,435,000	\$9,178	42%
4	CUNY Bernard M. Baruch College	NY	133	\$1,390,000	\$1,230	48%
5	Augusta University	GA	137	\$1,378,000	\$10,875	40%
6	San Jose State University	CA	153	\$1,347,000	\$11,033	43%
6	University of Illinois at Chicago	IL	153	\$1,347,000	\$10,632	53%
8	University of Houston	TX	179	\$1,300,000	\$12,955	40%
9	California State Polytechnic University-Pomona	CA	202	\$1,245,000	\$9,510	49%
10	University of California-Santa Barbara	CA	215	\$1,226,000	\$10,733	37%

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). This table excludes institutions that report as a group.

Institutions that primarily grant bachelor’s degrees offer the highest ROI to low-income students.

Public colleges and universities that primarily grant bachelor’s degrees

The ROI for low-income students exceeds \$1.6 million at the public bachelor’s degree institutions with the best returns on investment for low-income students (Table 4). However, the share of students with Pell Grants at each of these institutions is below the 36 percent median for public bachelor’s degree institutions. It ranges from 12 percent at the College of William & Mary to 34 percent at the University of California-Los Angeles. The average net price paid by low-income students at these institutions ranges from \$18,000 at the Maine Maritime Academy to less than \$1,000 at the College of William & Mary.³⁴

³⁴ The average net price can vary from year to year. Data from the National Center for Education Statistics College Navigator listed an average net price of \$5,542 for low-income students at William & Mary in 2016-17. <https://nces.ed.gov/collegenavigator/?q=william+%26+mary&s=all&id=231624#netprc>.

Public institutions that enroll at least the median share (36 percent) of students with Pell Grants can also provide high returns for low-income students (Table 5). California is home to six of the 10 public institutions that yield the highest ROI for low-income students. Average net price ranges from \$1,200 at City University of New York-Bernard M. Baruch College to almost \$13,000 at the University of Houston.



Table 6. The ROI for low-income students tops \$2.5 million at the top private nonprofit institutions, but these colleges enroll small shares of students who are Pell Grant recipients.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Georgetown University	DC	1	\$3,312,000	\$6,024	13%
2	Stanford University	CA	2	\$3,014,000	\$1,226	16%
3	Harvard University	MA	3	\$3,004,000	\$2,382	11%
4	Tufts University	MA	4	\$2,946,000	\$4,679	12%
5	Massachusetts Institute of Technology	MA	5	\$2,911,000	\$7,581	18%
6	Princeton University	NJ	6	\$2,807,000	\$2,586	19%
7	Duke University	NC	7	\$2,773,000	-\$3,260	14%
8	Yale University	CT	8	\$2,715,000	\$2,315	16%
9	Thomas Jefferson University	PA	9	\$2,605,000	\$19,729	32%
10	Cornell University	NY	10	\$2,555,000	\$6,048	16%

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

Table 7. Returns top \$1.1 million at the private nonprofit institutions that have the highest ROI for low-income students and enroll more than the median share of students with Pell Grants.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	University of the Pacific	CA	39	\$1,941,000	\$19,790	36%
2	Brigham Young University-Provo	UT	62	\$1,674,000	\$8,694	37%
3	New York Institute of Technology	NY	72	\$1,623,000	\$17,601	41%
4	Xavier University of Louisiana	LA	146	\$1,359,000	\$17,314	52%
5	Hamline University	MN	174	\$1,308,000	\$17,790	38%
6	Wingate University	NC	181	\$1,295,000	\$16,724	41%
7	Campbell University	NC	213	\$1,227,000	\$18,112	36%
8	Pacific Union College	CA	242	\$1,189,000	\$17,428	43%
9	College of Mount Saint Vincent	NY	244	\$1,186,000	\$14,610	49%
10	Logan University	MO	247	\$1,184,000	\$12,325	38%

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).

Private nonprofit colleges and universities that primarily grant bachelor’s degrees

The highest 40-year ROI for low-income students at private nonprofit institutions exceeds \$3 million, but all the institutions in the top 10 of this category enroll less than the median share of students who are Pell Grant recipients (35 percent). The share of students who receive Pell Grants ranges from 11 percent at Harvard University to 32 percent at Thomas Jefferson University. The average net price paid by low-income students ranges from a high of almost \$20,000 at Thomas Jefferson University to a subsidy of more than \$3,000 at Duke University³⁵ (Table 6).

The median share of students with Pell Grants at private nonprofit institutions that primarily grant bachelor’s degrees is 35 percent. Institutions that enroll at least the median share of students with Pell Grants can also provide high returns for low-income students, although not in the same range as the nonprofit institutions with the highest returns. The highest ROI for low-income students at colleges that enroll more than the median share of students with Pell Grants is \$1.9 million at the University of the Pacific. At the 10 colleges with the highest ROIs for low-income students and at least the median share of students who are Pell Grant recipients, the average net price for low-income students ranges from \$8,700 at Brigham Young University to more than \$19,000 at the University of the Pacific (Table 7).

35 Data from the Integrated Postsecondary Education Data System (IPEDS) indicates that Duke University reported a negative average net price for low-income students for three consecutive academic years: 2016-17, 2017-18, and 2018-19. <https://nces.ed.gov/ipeds/datacenter/institutionprofile.aspx?unitid=198419>.

Table 8. Private for-profit bachelor’s degree institutions have ROIs as high as \$1.6 million for low-income students.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	DigiPen Institute of Technology	WA	74	\$1,619,000	\$36,214	26%
2	Neumont College of Computer Science	UT	104	\$1,477,000	\$23,055	56%
3	SAE Expression College	CA	308	\$1,138,000	\$27,023	57%
4	University of Advancing Technology	AZ	352	\$1,102,000	\$20,370	46%
5	LIM College	NY	653	\$975,000	\$32,481	34%
6	Capella University	MN	681	\$966,000	\$7,290	43%
7	Grand Canyon University	AZ	958	\$885,000	\$18,438	46%
8	Full Sail University	FL	984	\$879,000	\$25,797	52%
9	School of Visual Arts	NY	998	\$876,000	\$40,131	21%
10	Academy of Art University	CA	1087	\$855,000	\$29,839	36%

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).

Table 9. Two private for-profit institutions that predominantly award bachelor’s degrees and are highly accessible to low-income students have a 40-year ROI of more than \$1 million.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Neumont College of Computer Science	UT	104	\$1,477,000	\$23,055	56%
2	SAE Expression College	CA	308	\$1,138,000	\$27,023	57%
3	Post University	CT	1230	\$830,000	\$8,039	61%
4	Mt Sierra College*	CA	1294	\$819,000	\$19,036	65%
5	Berkeley College-Woodland Park	NJ	1435	\$796,000	\$15,230	73%
6	Colorado Technical University-Colorado Springs	CO	1951	\$723,000	\$15,412	60%
7	Monroe College	NY	2462	\$654,000	\$10,013	72%
8	Ashford University**	CA	2690	\$615,000	\$18,761	56%
9	The Art Institute of Las Vegas*	NV	2922	\$574,000	\$19,442	62%
10	Nossi College of Art	TN	3107	\$533,000	\$21,450	68%

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). This table excludes institutions that report as a group.
*Mt Sierra College and the Art Institute of Las Vegas have closed.
**Ashford University was acquired by the University of Arizona in 2020. It is now known as the University of Arizona Global Campus.

Private for-profit colleges and universities that primarily grant bachelor’s degrees

At private for-profit bachelor’s degree-granting institutions, the ROI for low-income students is as high as \$1.6 million (Table 8). Among the colleges with the top 10 ROIs for low-income students, the share of students who are Pell Grant recipients ranges from a low of 21 percent to a high of 57 percent, and the average net price ranges from \$7,000 to more than \$40,000. The institution with the highest return—DigiPen Institute of Technology—has one of the highest price tags for low-income students (\$36,000 per year) and enrolls a low share of students who have Pell Grants (26 percent).

The median share of students with Pell Grants at private for-profit institutions that primarily grant bachelor’s degrees is 56 percent. When we consider only private for-profit institutions that enroll at least the median share of students with Pell Grants, the top returns to low-income students are almost \$1.5 million (Table 9). However, beyond the top five institutions in this category, the 40-year return is less than \$756,000. While these colleges rate highly among for-profit colleges that serve at least the median share of students with Pell Grants, they rank in the bottom half of all colleges in the country in terms of ROI for low-income students.

Table 10. The public institutions that predominantly award associate’s degrees with the highest ROIs for low-income students all have 40-year earnings that exceed \$1 million.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	University of South Carolina-Lancaster#	SC	172	\$1,310,000	\$5,894	22%
2	De Anza College	CA	290	\$1,148,000	\$3,184	18%
3	Fashion Institute of Technology	NY	311	\$1,136,000	\$7,293	29%
4	Weber State University	UT	320	\$1,130,000	\$9,992	24%
5	College of San Mateo	CA	335	\$1,112,000	\$246	11%
6	Diablo Valley College	CA	421	\$1,068,000	\$3,750	17%
7	Ohlone College	CA	427	\$1,066,000	\$8,386	15%
8	Bismarck State College	ND	434	\$1,063,000	\$6,763	16%
9	Montgomery College	MD	443	\$1,058,000	\$7,453	32%
10	Cascadia College	WA	446	\$1,056,000	\$7,938	12%

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). This table excludes institutions that report as a group.
There is some reason to be cautious about the ROI for the University of South Carolina-Lancaster. The earnings data used to compute its ROI are identical to those for the University of South Carolina-Columbia, which is a predominantly bachelor’s degree-granting institution. Moreover, both these institutions have the same data for debt levels.

The ROI for low-income students exceeds \$1 million at the associate’s degree institutions with the highest returns for low-income students.

Public colleges and universities that primarily grant associate’s degrees

Four of the 10 public colleges that primarily grant associate’s degrees with the highest returns to low-income students are in California, but the others are spread across the country (Table 10). Of the top 10 colleges in this category, Montgomery College in Maryland has the highest share of students who are Pell Grant recipients (32 percent), while the College of San Mateo in California has the lowest (11 percent). The average net price ranges from about \$250 to almost \$10,000.

Table 11. The ROI for low-income students exceeds \$900,000 at the top public colleges that predominantly award associate’s degrees and enroll more than the median share of students with Pell Grants.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	CUNY New York City College of Technology	NY	553	\$1,009,000	\$3,615	55%
2	Prince George’s Community College	MD	602	\$992,000	\$8,104	37%
3	Nassau Community College	NY	653	\$975,000	\$2,091	42%
4	Dixie State University	UT	684	\$965,000	\$11,669	37%
5	State Technical College of Missouri	MO	694	\$964,000	\$7,427	38%
6	SUNY College of Technology at Alfred	NY	718	\$958,000	\$12,470	52%
7	CUNY Queensborough Community College	NY	757	\$948,000	\$4,781	47%
8	Enterprise State Community College	AL	772	\$941,000	\$2,732	42%
9	SUNY Westchester Community College	NY	777	\$940,000	\$6,311	38%
10	CUNY Kingsborough Community College	NY	806	\$928,000	\$5,541	46%

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). This table excludes institutions that report as a group.

New York is home to six of the 10 public institutions that predominantly award associate’s degrees, enroll at least the median share of students with Pell Grants (35 percent), and provide high ROIs for low-income students (Table 11). The ROI ranges narrowly between \$900,000 and just over \$1 million, while the average net price ranges from about \$2,000 to more than \$12,000.



Table 12. The ROI for low-income students exceeds \$1 million at all but one of these private nonprofit institutions that primarily grant associate’s degrees.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Charles R Drew University of Medicine and Science	CA	50	\$1,832,000	\$21,636	45%
2	Parker University	TX	116	\$1,441,000	\$27,374	44%
3	Pomeroy College of Nursing at Crouse Hospital	NY	196	\$1,260,000	\$14,759	36%
4	Vaughn College of Aeronautics and Technology	NY	219	\$1,219,000	\$38,525	60%
5	Northwestern Health Sciences University	MN	290	\$1,148,000	\$23,102	27%
6	Baptist Health College Little Rock	AR	408	\$1,076,000	\$22,848	78%
6	Mercy College of Ohio	OH	408	\$1,076,000	\$19,705	41%
8	Hesston College	KS	560	\$1,007,000	\$16,448	34%
9	Benjamin Franklin Institute of Technology	MA	569	\$1,004,000	\$12,825	60%
10	LDS Business College	UT	614	\$987,000	\$6,438	29%

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).

Table 13. Only one private nonprofit associate’s degree institution that enrolls more than the median share of students with Pell Grants has an ROI for low-income students that exceeds \$1 million.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Baptist Health College Little Rock	AR	408	\$1,076,000	\$22,848	78%
2	Manor College	PA	960	\$884,000	\$16,285	65%
3	California College San Diego	CA	1000	\$875,000	\$25,598	71%
4	Rosedale Technical College	PA	1554	\$775,000	\$13,794	64%
5	Pittsburgh Technical College	PA	2025	\$713,000	\$22,739	62%
6	Dallas Nursing Institute	TX	2278	\$679,000	\$20,267	62%
7	Saint Augustine College	IL	2404	\$661,000	\$8,480	71%
8	Los Angeles ORT College-Los Angeles Campus	CA	2693	\$614,000	\$22,815	65%
9	Donnelly College	KS	2726	\$610,000	\$9,744	64%
10	Gupton Jones College of Funeral Service	GA	2771	\$602,000	\$17,744	67%
10	Salish Kootenai College	MT	2771	\$602,000	\$7,194	66%

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). This table excludes institutions that report as a group.

Private nonprofit colleges and universities that primarily grant associate’s degrees

The private nonprofit institutions that predominantly award associate’s degrees with the highest ROI for low-income students offer returns of as much as \$1.8 million. However, the average net price can be quite steep, ranging from about \$6,000 to more than \$38,000 (Table 12). The share of students who are Pell Grant recipients ranges from 27 percent to 78 percent, but most of the institutions with the top returns enroll less than the median percentage of students who receive Pell Grants (61 percent).

The results become more disheartening if we look only at institutions that admit the median share, or higher, of students with Pell Grants. At these institutions, the ROI for low-income students ranges from about \$600,000 to slightly over \$1 million. It is important to note that institutions with ROIs below \$756,000 rank in the bottom half of all colleges in terms of ROI for low-income students (Table 13).



Table 14. For-profit associate’s degree institutions with the highest ROI for low-income students tend to focus on a specialized field.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	ITI Technical College	LA	240	\$1,190,000	\$17,977	61%
2	West Coast Ultrasound Institute	CA	384	\$1,085,000	\$27,042	34%
3	Spartan College of Aeronautics and Technology	CO	425	\$1,067,000	\$23,582	54%
4	Eastwick College-Ramsey	NJ	957	\$886,000	\$17,634	49%
5	Platt College-San Diego	CA	966	\$882,000	\$26,224	53%
6	Colorado School of Trades	CO	1023	\$870,000	\$16,909	39%
7	The College of Westchester	NY	1187	\$838,000	\$15,663	79%
8	Triangle Tech Inc-Pittsburgh	PA	1303	\$818,000	\$18,792	74%
9	Minneapolis Business College*	MN	1374	\$805,000	\$12,524	71%
10	The Restaurant School at Walnut Hill College	PA	1447	\$794,000	\$29,660	37%

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). This table excludes institutions that report as a group.
*Minneapolis Business College has closed.

Table 15. Private for-profit institutions that predominantly award associate’s degrees and enroll more than the median share of students with Pell Grants often have low returns on investment.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	The College of Westchester	NY	1187	\$838,000	\$15,663	79%
2	Triangle Tech Inc-Pittsburgh	PA	1303	\$818,000	\$18,792	74%
3	Minneapolis Business College*	MN	1374	\$805,000	\$12,524	71%
4	New Castle School of Trades	PA	1480	\$789,000	\$7,696	70%
5	Mandl School-The College of Allied Health	NY	2202	\$689,000	\$15,895	90%
6	Swedish Institute College of Health Sciences	NY	2225	\$686,000	\$21,780	68%
7	Bryan University	AZ	2478	\$651,000	\$18,687	70%
8	Northwestern College	IL	2635	\$626,000	\$22,785	82%
9	California Aeronautical University	CA	2699	\$613,000	\$49,989	80%
10	Santa Barbara Business College-Bakersfield	CA	2746	\$607,000	\$15,234	87%
10	Santa Barbara Business College-Santa Maria	CA	2746	\$607,000	\$15,794	83%

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). This table excludes institutions that report as a group.
*Minneapolis Business College has closed.

Private for-profit colleges and universities that primarily grant associate’s degrees

The ROI from private for-profit institutions that primarily award associate’s degrees can be as high as \$1.2 million for low-income students. Among the colleges with the top 10 ROIs for low-income students, the average net price ranges from about \$12,500 to almost \$30,000 (Table 14).

The median share of students with Pell Grants at private for-profit institutions that primarily grant associate’s degrees is 68 percent. Among the private for-profit associate’s degree institutions that enroll at least the median share of students with Pell Grants, the ROI for low-income students among the top 10 colleges ranges from slightly over \$600,000 to more than \$800,000 (Table 15). However, institutions with an ROI of less than \$756,000 rank in the bottom half of all colleges for low-income students.



Table 16. The ROI for low-income students exceeds \$1 million at most of these public institutions that primarily grant certificates.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Veeb Nassau County School of Practical Nursing	NY	161	\$1,331,000	\$29,071	57%
2	Foothill College	CA	216	\$1,223,000	\$3,528	8%
3	Eastern Suffolk BOCES	NY	328	\$1,120,000	\$13,866	48%
4	Delaware County Technical School-Practical Nursing Program	PA	349	\$1,105,000	\$16,225	55%
5	Saddleback College	CA	447	\$1,055,000	\$4,840	12%
6	Greater Johnstown Career and Technology Center	PA	466	\$1,045,000	\$11,423	56%
7	Western Suffolk BOCES	NY	525	\$1,019,000	\$15,949	38%
8	Chandler-Gilbert Community College	AZ	562	\$1,006,000	\$6,437	16%
9	Orange Coast College	CA	582	\$1,001,000	\$3,574	23%
10	SOWELA Technical Community College	LA	630	\$983,000	\$7,582	36%
10	Great Oaks Career Campuses	OH	630	\$983,000	\$15,660	31%

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).

Institutions that primarily grant certificates can be just as lucrative for low-income students as institutions that primarily grant associate’s degrees.

Public colleges and universities that primarily grant certificates

At public institutions that predominantly award certificates, the top 10 ROIs for low-income students range from just under \$1 million to \$1.3 million at Veeb Nassau County School of Practical Nursing in New York. The average net price for low-income students among the institutions in this group ranges from \$3,500 to \$29,000, while the share of students with Pell Grants ranges from 8 percent to 57 percent (Table 16). Most of the public certificate-

Table 17. Colleges with a specialized or technical focus give the highest ROI among public colleges that predominantly grant certificates and admit at least the median share of students with Pell Grants.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Veeb Nassau County School of Practical Nursing	NY	161	\$1,331,000	\$29,071	57%
2	Eastern Suffolk BOCES	NY	328	\$1,120,000	\$13,866	48%
3	Delaware County Technical School-Practical Nursing Program	PA	349	\$1,105,000	\$16,225	55%
4	Greater Johnstown Career and Technology Center	PA	466	\$1,045,000	\$11,423	56%
5	Western Suffolk BOCES	NY	525	\$1,019,000	\$15,949	38%
6	SOWELA Technical Community College	LA	630	\$983,000	\$7,582	36%
7	Bellingham Technical College	WA	653	\$975,000	\$2,964	44%
8	Adult and Community Education-Hudson	OH	832	\$920,000	\$11,257	74%
9	Albany BOCES-Adult Practical Nursing Program	NY	868	\$911,000	\$22,878	80%
10	Ulster BOCES-School of Practical Nursing	NY	929	\$895,000	\$20,792	68%

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).

granting institutions with the highest ROI for low-income students specialize in nursing, technical, or vocational programs.³⁶

The median share of students who receive Pell Grants at public institutions that primarily grant certificates is 35 percent. When only institutions that admit at least this share of students with Pell Grants are considered, institutions that specialize in nursing and technical fields rank at the top for ROI. Among the 10 colleges with the highest ROIs, the ROI for low-income students ranges from \$895,000 at Ulster BOCES-School of Practical Nursing in New York to \$1.3 million at Veeb Nassau County School of Practical Nursing, also in New York. The average net price for low-income students ranges from about \$3,000 to \$29,000 (Table 17).

³⁶ At Eastern Suffolk BOCES and Adult and Community Education-Hudson, the largest programs are in nursing. <http://collegescorecard.ed.gov>.



Private nonprofit colleges and universities that primarily grant certificates

The highest returns for low-income students at private nonprofit institutions that primarily award certificates is \$1.2 million at Hobart Institute of Welding Technology in Ohio. The average net price for low-income students among the top 10 colleges in this category ranges from \$6,000 at Valley Grande Institute for Academic Studies in Texas to almost \$28,000 at Pittsburgh Institute of Aeronautics in Pennsylvania. The share of students with Pell Grants ranges from 31 percent to 77 percent (Table 18).

Table 18. Private nonprofit institutions that predominantly grant certificates have ROIs as high as \$1.2 million for low-income students.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Hobart Institute of Welding Technology	OH	249	\$1,182,000	\$26,333	31%
2	Perry Technical Institute	WA	257	\$1,170,000	\$15,400	58%
3	Pittsburgh Institute of Aeronautics	PA	285	\$1,156,000	\$27,847	52%
4	UPMC Shadyside School of Nursing	PA	335	\$1,112,000	\$20,852	32%
5	NTMA Training Centers of Southern California	CA	844	\$917,000	\$19,040	77%
6	Valley Grande Institute for Academic Studies	TX	1244	\$827,000	\$6,067	77%
7	Academy for Nursing and Health Occupations	FL	1528	\$780,000	\$21,403	53%
8	Word of Life Bible Institute	NY	2118	\$700,000	\$9,807	48%
9	Altierus Career College-Bissonnet	TX	2616	\$629,000	\$17,148	72%
10	Orleans Technical College	PA	2707	\$612,000	\$19,733	56%

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).

At private nonprofit institutions that primarily grant certificates, the median share of students with Pell Grants is 60 percent. Of those colleges that serve at least that median share of students with Pell Grants, only two institutions have ROIs in the top half of our sample—NTMA Training Centers of Southern California and Valley Grande Institute for Academic Studies in Texas. The other institutions have an ROI below \$756,000 and are ranked in the bottom half of our sample.³⁷

³⁷ There were only seven institutions in this category, so we omitted a complete listing.

Table 19. Among for-profit institutions that primarily grant certificates, the ROI for low-income students is highest at institutions that focus on a specialized field.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	The Creative Circus	GA	52	\$1,830,000	\$32,931	10%
2	Ocean Corporation	TX	120	\$1,432,000	\$24,706	58%
3	Teterboro School of Aeronautics	NJ	174	\$1,308,000	\$11,257	78%
4	National Aviation Academy of New England	MA	199	\$1,251,000	\$19,199	71%
5	Divers Academy International	NJ	220	\$1,216,000	\$38,084	58%
6	Divers Institute of Technology	WA	235	\$1,193,000	\$37,761	45%
7	Spartan College of Aeronautics & Technology	CA	454	\$1,051,000	\$23,564	70%
8	Conservatory of Recording Arts and Sciences	AZ	562	\$1,006,000	\$16,599	38%
9	Berk Trade and Business School	NY	569	\$1,004,000	\$15,831	60%
10	Modern Welding School	NY	640	\$980,000	\$19,418	46%

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).

Private for-profit colleges and universities that primarily grant certificates

Among institutions that primarily award certificates, the two colleges with the highest ROI for low-income students are for-profit institutions (The Creative Circus in Georgia and Ocean Corporation in Texas).³⁸ The top 10 ROIs for low-income students at private for-profit institutions range from slightly less than \$1 million at Modern Welding School in New York to \$1.8 million at the Creative Circus (Table 19). The average net price for low-income students at these private for-profit institutions ranges from \$11,000 at Teterboro School of Aeronautics in New Jersey to \$38,000 at Divers Academy International, also in New Jersey. The share of students with Pell Grants ranges from 10 percent to 78 percent.

³⁸ This is true even though, as a group, for-profit colleges have the lowest overall returns for colleges that primarily award certificates.

Table 20. Among private for-profit institutions that predominantly grant certificates, those that enroll at least the median share of students receiving Pell Grants and have the highest returns for low-income students focus on specialized or technical fields.

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Teterboro School of Aeronautics	NJ	174	\$1,308,000	\$11,257	78%
2	National Aviation Academy of New England	MA	199	\$1,251,000	\$19,199	71%
3	Spartan College of Aeronautics & Technology	CA	454	\$1,051,000	\$23,564	70%
4	MIAT College of Technology	MI	643	\$979,000	\$16,933	67%
5	National Aviation Academy of Tampa Bay	FL	752	\$949,000	\$20,478	80%
6	ETI School of Skilled Trades	IL	782	\$938,000	\$28,372	73%
7	MDT College of Health Sciences	OH	953	\$887,000	\$37,540	85%
8	Lincoln College of Technology-Columbia	MD	1252	\$826,000	\$21,654	65%
9	Coyne College	IL	1340	\$811,000	\$18,228	81%
10	North American Trade Schools	MD	1509	\$785,000	\$15,987	93%

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).

The median share of students with Pell Grants at private for-profit institutions that primarily grant certificates is 64 percent. When we exclude institutions that have a lower share of students with Pell Grants than the median, the top 10 ROIs for low-income students range from \$785,000 at North American Trade Schools in Maryland to \$1.3 million at Teterboro School of Aeronautics in New Jersey. The average net price in this group of institutions for low-income students ranges from \$11,000 to \$38,000 (Table 20).

PART 3:

Value Added: The colleges that do the best job of serving low-income students

Many colleges have good returns for low-income students, but their impact is muted if few low-income students attend those institutions. For this reason, in this section, we have created indices that give additional weight to such factors as the percentage of low-income students who are enrolled and their graduation rates. In effect, this weighting adjusts the college’s ROI to reflect these important factors.

We used three factors in the weighting to compute a score:

- Percentage of students who have Pell Grants,
- Graduation rates of Pell Grant students, and
- Percentile rank of 40-year earnings of Pell Grant students.³⁹

For colleges that primarily award bachelor’s degrees, we gave more credit to colleges whose enrollments include higher percentages of Pell Grant recipients. For that reason, in our index, we gave 40 percent weight to the enrollment rate of low-income students and equal weight (30 percent each) to graduation rates and earnings by low-income students.

The resulting list is somewhat surprising. The top two colleges are both private for-profit institutions—Neumont College of Computer Science in Utah and SAE Expression College in California (Table 21). The rest of the top 20 is dominated by campuses of the University of California (seven) and California State University (four), many of which have high graduation rates even though their enrollments include a large percentage of Pell Grant recipients. At the University of California–Riverside, for example, 54 percent of students receive a Pell Grant, and 75 percent of low-income students graduate within six years, far above the median 43.7 percent graduation rate for all Pell Grant recipients.

The highest-rated private nonprofit college is Alice Lloyd College in Kentucky, a work college where students work on campus in lieu of paying tuition. About 56 percent of Alice Lloyd’s students receive Pell Grants, and about 77 percent of the Pell recipients

³⁹ Using the percentile rank puts the net present value on the same scale as graduation rates and share of students receiving Pell Grants. It also has the effect of emphasizing relative returns instead of absolute returns and puts ROI on an ordinal scale.

Table 21. When accounting for graduation rates and earnings of Pell Grant students, the bachelor’s-level colleges with the best ROI for low-income students are two for-profit colleges, but most are campuses of the University of California and California State University.

Rank	Weighted score	Institution	State	Type	ROI	Percent Pell	Pell graduation rate
1	0.793	Neumont College of Computer Science	UT	Private for-profit	\$1,477,000	56%	93%
2	0.756	SAE Expression College	CA	Private for-profit	\$1,138,000	57%	86%
3	0.719	University of California-Riverside	CA	Public	\$1,220,000	54%	75%
4	0.700	University of California-Irvine	CA	Public	\$1,435,000	42%	81%
5	0.695	University of California-Davis	CA	Public	\$1,507,000	38%	84%
6	0.693	University of California-Berkeley	CA	Public	\$1,660,000	27%	98%
7	0.692	Alice Lloyd College	KY	Private nonprofit	\$984,000	56%	77%
8	0.691	University of California-Los Angeles	CA	Public	\$1,627,000	34%	88%
9	0.686	University of California-San Diego	CA	Public	\$1,586,000	36%	83%
10	0.684	CUNY Bernard M. Baruch College	NY	Public	\$1,390,000	48%	68%
11	0.684	California State University-Stanislaus	CA	Public	\$1,064,000	62%	60%
12	0.683	California State Polytechnic University-Pomona	CA	Public	\$1,245,000	49%	69%
13	0.678	California State University-Los Angeles	CA	Public	\$1,085,000	69%	48%
14	0.677	California State University-Long Beach	CA	Public	\$1,137,000	53%	66%
15	0.676	Brigham Young University-Provo	UT	Private nonprofit	\$1,674,000	37%	78%
16	0.671	Mills College	CA	Private nonprofit	\$965,000	52%	78%
17	0.670	Columbia University in the City of New York	NY	Private nonprofit	\$2,489,000	24%	92%
18	0.669	University of Illinois at Chicago	IL	Public	\$1,347,000	53%	57%
19	0.668	California State University-San Bernardino	CA	Public	\$1,011,000	64%	56%
20	0.667	University of California-Santa Barbara	CA	Public	\$1,226,000	37%	80%

Source: Georgetown University Center on Education and the Workforce analysis of US Department of Education College Scorecard data, 2020. Note: To arrive at the rankings for this table, we accorded 40 percent of the weight to the percentage of students who receive Pell Grants and 30 percent each to the ROI and Pell graduation rates.

graduate within six years. The only private highly selective college in the top 20 in this index is Columbia University, which ranks 17th. About 23 percent of Columbia’s students receive Pell Grants, which is quite high for a selective college, and 92 percent of low-income students graduate. Low-income students who attend Columbia can look forward to 40-year earnings of almost \$2.5 million, one of the highest ROIs of any college or university.

For institutions that predominantly offer associate’s degrees and certificates, we changed the weighting. These institutions already enroll a large percentage of low-income students (about 55 percent of all low-income students in postsecondary programs are seeking either an associate’s degree or a certificate⁴⁰), so we gave more weight to graduation rates of low-income students and their expected 40-year earnings (40 percent each) and less weight (20 percent) to the percentage of students who are low-income.

In this weighted approach, the institutions with the highest ROI for low-income students specialize in specific career-related fields. Among institutions that primarily award associate’s degrees, the top-ranked college is Charles R. Drew University of Medicine and Science in Los Angeles, a private nonprofit institution that offers medical degrees as well as undergraduate certificates and an associate’s degree in radiologic technology (Table 22). Parker University, a nonprofit private university in Dallas, the second-ranked institution, also specializes in programs in medical fields. Eleven of the top 20 colleges in this index are for-profit colleges, most of them specializing in specific areas such as medical fields, business, and graphic design. The top-ranked public institution is Fashion Institute of Technology in New York, which also offers only degrees in specialized fields, primarily related to the housewares, textile, and clothing industries.

For institutions that primarily award certificates, our weighting resulted in for-profit colleges taking the top five spots, and 10 of the top 20 (Table 23). Many of these for-profit colleges are particularly specialized. For example, three of the top four institutions (Ocean Corporation, Divers Academy International, and Divers Institute of Technology) train students to be commercial divers. The top-ranked Teterboro School of Aeronautics (now known as Aviation Institute of Maintenance-Teterboro) trains students to work on aircraft components, including engines. All of these colleges enroll a large percentage of low-income students and have a 100 percent graduation rate. Many other colleges that rank near the top in this index are public and private nonprofit colleges that specialize in nursing education.

40 US Department of Education, Digest of Education Statistics: 2018, Table 302.45.

At Alice Lloyd College in Kentucky, about 56 percent of students receive Pell Grants and 77 percent of Pell recipients graduate within six years.

Table 22. When the ratings are weighted to reflect graduation rates and long-term earnings, the top associate’s-level colleges for low-income students are mostly institutions that offer degrees in a narrow range of specialties.

Rank	Weighted score	Institution	State	Type	ROI	Percent Pell	Pell graduation rate
1	0.882	Charles R Drew University of Medicine and Science	CA	Private nonprofit	\$1,832,000	45%	100%
2	0.817	Parker University	TX	Private nonprofit	\$1,441,000	44%	86%
3	0.816	Northwestern Health Sciences University	MN	Private nonprofit	\$1,148,000	27%	100%
4	0.775	Platt College-San Diego	CA	Private for-profit	\$882,000	53%	100%
5	0.711	Fashion Institute of Technology	NY	Public	\$1,136,000	29%	74%
6	0.710	Colorado School of Trades	CO	Private for-profit	\$870,000	39%	93%
7	0.695	ITI Technical College	LA	Private for-profit	\$1,190,000	61%	51%
8	0.691	Minneapolis Business College*	MN	Private for-profit	\$805,000	71%	84%
9	0.680	The Restaurant School at Walnut Hill College	PA	Private for-profit	\$794,000	37%	100%
10	0.680	Spartan College of Aeronautics and Technology	CO	Private for-profit	\$1,067,000	54%	57%
11	0.676	State Technical College of Missouri	MO	Public	\$964,000	38%	73%
12	0.664	Intellitec College-Colorado Springs	CO	Private for-profit	\$746,000	54%	99%
13	0.652	Vaughn College of Aeronautics and Technology	NY	Private nonprofit	\$1,219,000	60%	40%
14	0.651	De Anza College	CA	Public	\$1,148,000	18%	64%
15	0.645	Eastwick College-Ramsey	NJ	Private for-profit	\$886,000	49%	69%
16	0.642	New Castle School of Trades	PA	Private for-profit	\$789,000	70%	75%
17	0.636	Thaddeus Stevens College of Technology	PA	Public	\$925,000	55%	59%
18	0.635	Northern New Mexico College	NM	Public	\$669,000	75%	100%
19	0.629	Benjamin Franklin Institute of Technology	MA	Private nonprofit	\$1,004,000	60%	46%
20	0.614	SUNY College of Technology at Alfred	NY	Public	\$958,000	52%	52%

Source: Georgetown University Center on Education and the Workforce analysis of US Department of Education College Scorecard data, 2020. Note: To arrive at the rankings for this table, we accorded 20 percent of the weight to the percentage of students who receive Pell Grants and 40 percent each to the ROI and Pell graduation rates. *Minneapolis Business College has closed.

Table 23. When the ratings are weighted to favor colleges with high graduation rates and high long-term earnings, the top certificate-level institutions for low-income students offer credentials in highly specialized fields such as commercial diving, aeronautics, welding, and nursing.

Rank	Weighted score	Institution	State	Type	ROI	Percent Pell	Pell graduation rate
1	0.931	Teterboro School of Aeronautics	NJ	Private for-profit	\$1,308,000	78%	100%
2	0.899	Ocean Corporation	TX	Private for-profit	\$1,432,000	58%	100%
3	0.885	Divers Academy International	NJ	Private for-profit	\$1,216,000	58%	100%
4	0.858	Divers Institute of Technology	WA	Private for-profit	\$1,193,000	45%	100%
5	0.843	ETI School of Skilled Trades	IL	Private for-profit	\$938,000	73%	100%
6	0.842	Albany BOCES-Adult Practical Nursing Program	NY	Public	\$911,000	80%	100%
7	0.825	NTMA Training Centers of Southern California	CA	Private nonprofit	\$917,000	77%	96%
8	0.825	National Aviation Academy of New England	MA	Private for-profit	\$1,251,000	71%	77%
9	0.824	Berk Trade and Business School	NY	Private for-profit	\$1,004,000	60%	95%
10	0.818	UPMC Shadyside School of Nursing	PA	Private nonprofit	\$1,112,000	32%	100%
11	0.812	The Creative Circus	GA	Private for-profit	\$1,830,000	10%	100%
12	0.810	Wilkes-Barre Area Career and Technical Center Practical Nursing	PA	Public	\$879,000	71%	100%
13	0.800	Greater Johnstown Career and Technology Center	PA	Public	\$1,045,000	56%	87%
14	0.799	Eastern Suffolk BOCES	NY	Public	\$1,120,000	48%	87%
15	0.799	Veeb Nassau County School of Practical Nursing	NY	Public	\$1,331,000	57%	77%
16	0.798	Modern Welding School	NY	Private for-profit	\$980,000	46%	98%
17	0.774	WyoTech	WY	Private for-profit	\$970,000	46%	93%
18	0.769	Hobart Institute of Welding Technology	OH	Private nonprofit	\$1,182,000	31%	85%
19	0.767	Ocean County Vocational-Technical School	NJ	Public	\$981,000	26%	100%
20	0.762	Perry Technical Institute	WA	Private nonprofit	\$1,170,000	58%	70%

Source: Georgetown University Center on Education and the Workforce analysis of US Department of Education College Scorecard data, 2020.
Note: To arrive at the rankings for this table, we accorded 20 percent of the weight to the percentage of students who receive Pell Grants and 40 percent each to the ROI and Pell graduation rates.

Conclusion

Monetary returns are not the only measure of an education’s value, but they are an important consideration. Many students, particularly those from low-income families, face numerous obstacles in attaining a college degree and often struggle to pay for college. Therefore, the return on investment may be a critical factor when they decide whether to go to college, which one to attend, and which credential to pursue.

The returns for any given student depend on a host of variables, but our calculations revealed some patterns. Overall, the return on investment for low-income students (\$756,000) is lower than the average ROI for all students (\$822,000). This result occurs even though low-income students at four-year colleges pay, on average, a median net price (\$15,000) that is lower than the median for all students (\$19,000). The lower ROI for low-income students is largely attributable to the fact that low-income students earn less, on average, than the overall student population.

Not surprisingly, low-income students get the highest ROI at the colleges where they pay the least. Public institutions, which usually have lower prices than private nonprofit or for-profit institutions, have a high ROI for low-income students at all degree levels. For the most part, low-income students have the best ROI at public institutions that predominantly award bachelor’s degrees. In general, low-income students enjoy higher ROIs at institutions that have lower shares of students with Pell Grants. Of course, not many low-income students benefit from the high ROIs at these institutions because not many are admitted.

Overall, attending a for-profit institution usually results in lower ROI for low-income students. But those outcomes are not uniform across all institutions. The ROI for low-income students at some for-profit institutions that predominantly grant certificates, for instance, is higher than at some public and private nonprofit institutions, especially at for-profit institutions that have a specialized or technical focus. However, the higher net prices that low-income students tend to pay at for-profit institutions reduces their ROI from those colleges.

The lower ROI for low-income students is largely attributable to the fact that low-income students earn less, on average, than the overall student population.

When comparing so many colleges, it is difficult to see which colleges stand out. In an attempt to show which colleges serve low-income students the best, we gave additional weight to colleges that enroll large percentages of students who are Pell Grant recipients and see most of them through to graduation. Many campuses of the University of California and California State University System do an admirable job of serving a large number of low-income students and propelling them to higher-than-expected earnings as adults.

But there are also surprising values among private colleges, particularly colleges that specialize in lucrative and high-demand fields, such as nursing and technology. These colleges, both for-profit and nonprofit, may cost more to attend, but they result in positive financial outcomes for the low-income students who go there.

Overall, we need a system that leads to more equitable outcomes for students and gives them better information about college majors and career choices. Low-income students already have the deck stacked against them—they go to college in lower shares than other students, their graduation rates are lower than those of other students, and they have lower earnings as adults than other workers. To help correct these deficits, this country needs to move toward an all-one-system approach that blurs the lines between school, training, and the workforce. We need to begin planting the seeds for labor-market success at birth, and we need more culturally sensitive training for educators that addresses the particular needs of students from marginalized racial and ethnic backgrounds. We need greater coordination and transparency in creating and evaluating postsecondary education and workforce training programs. Free college is also important because it would enable more low-income students to access the postsecondary education they need to qualify for jobs that will provide a sustainable income.⁴¹

Perhaps most importantly, we need a comprehensive independent career counseling system that advises students on career choices and the requirements for entering those careers. It is important for students considering colleges and majors to do as much research as possible before making a selection. The College Scorecard conveys important information about earnings, prices paid, and potential debt—all major factors in determining whether a college program is worth the investment. When choosing a college, it is important for students to know before they go.

⁴¹ Carnevale et al., *If Not Now, When?*, 2021.

When choosing a college, it is important for students to know before they go.

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Appendix: Data and methodology

The data in this report are from the College Scorecard released by the US Department of Education in December 2020.¹ The scorecard includes data at both the program and institutional levels. The program-level data do not have a sufficiently long earnings history to compute ROI, so we used the institutional-level data. We included only institutions that reported the net price of college costs and the average (mean) earnings of students from low-income families at six and 10 years after attendance. Importantly, the institutional-level data include data for all students who attended, those who graduated as well as those who did not. College graduates in most cases earn more than non-graduates, so colleges with low graduation rates often have lower ROIs for students. We defined low-income students as students from families with annual incomes of \$30,000 or less.

We calculated net present value (NPV) using the following equation:

$$NPV = - \sum_{t=0}^{T_{PL}+1} \frac{Cost}{(1+r)^t} + \sum_{t=T_{PL}+1}^{T_H} \frac{Earnings}{(1+r)^t}$$

in which $T_{PL}+1$ is the program length plus one, T_H is the time horizon, and r is the interest rate used for discounting (2%).²

Assumptions

In analyzing the College Scorecard data, we made the following assumptions:

- **Cost** is based on each institution’s reported net price for students with a family income of \$30,000 or less.
- **Program length** is based on whether the institution predominantly grants certificates, associate’s degrees, or bachelor’s degrees. To account for delayed program completion, we assumed that the typical student was enrolled for one year longer than the standard program length.
 - Institutions predominantly awarding bachelor’s degrees are assigned a program length of four years.

¹ Available at <https://collegescorecard.ed.gov/data/>. Since the December 2020 release, some data might have been updated, and some colleges might have changed their name, merged, or closed.
² Other studies use discount rates of 3 percent to 5 percent or higher. A fuller discussion of net present value and the methodology appears in Carnevale et al., *A First Try at ROI*, 2019.

- Institutions predominantly awarding associate’s degrees are assigned a program length of two years.
- Among institutions predominantly awarding certificates, those that are less-than-two-year institutions are assigned a program length of less than one year, rounded to one year; those that are two-year institutions are assigned a program length of two years; and those that are four-year institutions are assigned a program length of four years.
- **Earnings** are based on reported mean earnings of students who came from families with an income of \$30,000 or less. The data are collected six and 10 years after the students entered an institution. We used these reported averages to estimate earnings for years two, three, four, five, seven, eight, and nine. We assumed no growth in mean earnings after 10 years.

We used the College Scorecard data released in December 2020 and restricted our analysis as follows:

- To institutions that reported average net price for low-income students (those from families with incomes of \$30,000 or less) as well as average (mean) earnings for low-income students six and 10 years after they enrolled.
- To institutions that had reportable program-level earnings. We did this to present data consistent with the College Scorecard website, which reports earnings at the program level. It is possible for an institution to have data on overall earnings but insufficient data at the program level to have any reportable information on the Department of Education website.

This methodology yielded results from 3,410 institutions for our analysis.

Institutions with branch campuses reporting as a group

Under some circumstances, the College Scorecard permits an institution with branch campuses to report the earnings of all of its students as a group instead of reporting the earnings of students at each individual campus. We identified that institutions were reporting as a group if they had identical six-digit Office of Postsecondary Education Identification (OPEID) numbers, had more than one branch campus, and had identical median earnings 10 years after enrollment. About 25 percent (858 institutions) of our sample met these criteria.

For institutions reporting as a group, reported earnings are not tied to a particular institution, so the computed ROI reflects the returns for those who enrolled at all institutions in the group. The ROI differs among institutions within the group only to the extent that the average net price differs among individual institutions.

Examples of institutions reporting as a group at the national level include Herzing University, a private nonprofit institution based in Wisconsin; and for-profit institutions like Bryant and Stratton College and Strayer University.

Examples of institutions reporting as a group at the state level include Ohio State University and Pennsylvania State University.

Examples of institutions reporting as a group at the metropolitan level include the University of Washington, which has three campuses in the Seattle area (Seattle, Bothell, and Tacoma); and Mount Saint Mary’s University in California, which has two campuses in Los Angeles.

Still other institutions have a hybrid model for reporting as a group. These include Arizona State University, which has branch campuses across the Phoenix metropolitan area as well as a branch campus in Lake Havasu City; and the New England Tractor Trailer Training School, whose campuses in Somers, Conn., and Bridgeport, Conn., report as one group, while the Rhode Island and Massachusetts campuses report as a separate group.

Group reporting also can result from the merger of two institutions. St. Andrews University in North Carolina is a branch of Webber International University in Florida, so they report as a group.

Institutions that offer degrees at multiple levels and belong to a group present a different challenge. For example, a degree from a campus that predominantly grants associate’s degrees could show a higher ROI if it belongs to a system of institutions that also includes bachelor’s degree institutions. On the other hand, including satellite campuses that predominantly grant associate’s degrees could lower the ROI of a bachelor’s degree from the system’s main branch. Examples include Herzing University, the University of Pittsburgh, Ohio State University, Pennsylvania State University, and Mount Saint Mary’s University in Los Angeles (where the downtown campus is home to graduate degree, associate’s degree, certificate, and baccalaureate programs for adults).

The move toward program-level reporting ameliorates some of these concerns. A program at the associate’s degree level would have different earnings from the same program at the bachelor’s degree level. However, because these institutions continue to report as groups, there could still be a distortion because the same program at the same degree level at different institutions would still report the same earnings.

Prospective students contemplating enrolling at institutions at which earnings are reported as a group should consider whether a degree from a branch campus will lead to earnings as high as those from a degree earned at the main campus. Pertinent factors include:

- Whether the branch campus has the same name recognition and quality of instruction as the main campus,
- Whether the branch campus has the same earnings opportunities and job placement rates as the main campus, and
- Whether costs differ significantly at different campuses.

Institutions with the highest ROI for low-income students, including institutions with branch campuses

(Plus signs (+) denote institutions that are part of a group with multiple campuses.)

Institutions that predominantly grant bachelor’s degrees

Table A1. Highest ROIs for low-income students at public bachelor’s degree institutions

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Maine Maritime Academy	ME	25	\$2,165,000	\$17,909	28%
2	Colorado School of Mines	CO	30	\$2,067,000	\$17,386	16%
3	California State University Maritime Academy	CA	40	\$1,922,000	\$14,182	30%
4	Georgia Institute of Technology- Main Campus	GA	47	\$1,862,000	\$9,115	15%
5	University of Virginia-Main Campus	VA	48	\$1,842,000	\$8,022	13%
6	SUNY Maritime College	NY	54	\$1,798,000	\$10,567	22%
7	College of William & Mary	VA	60	\$1,693,000	\$997	12%
8	University of California-Berkeley	CA	63	\$1,660,000	\$8,043	27%
9	University of Michigan-Ann Arbor	MI	64	\$1,659,000	\$3,962	16%
10	University of Washington-Bothell Campus+	WA	66	\$1,644,000	\$6,321	31%

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).

Table A2. Highest ROIs for low-income students at public bachelor’s degree institutions with at least the median share of students receiving Pell Grants

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	University of Washington-Tacoma Campus+	WA	67	\$1,643,000	\$6,582	45%
2	Rutgers University-Newark+	NJ	75	\$1,609,000	\$8,829	58%
3	Rutgers University-Camden+	NJ	76	\$1,605,000	\$9,477	51%
4	University of California-San Diego	CA	80	\$1,586,000	\$8,452	36%
5	University of California-Davis	CA	96	\$1,507,000	\$9,629	38%
6	University of California-Irvine	CA	118	\$1,435,000	\$9,178	42%
7	CUNY Bernard M. Baruch College	NY	133	\$1,390,000	\$1,230	48%
8	Augusta University	GA	137	\$1,378,000	\$10,875	40%
9	University of Connecticut-Waterbury Campus+	CT	138	\$1,376,000	\$3,770	43%
10	University of Connecticut-Stamford+	CT	147	\$1,355,000	\$8,040	41%

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).

Table A3. Highest ROIs for low-income students at private nonprofit bachelor’s degree institutions with at least the median share of Pell Grant recipients

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	University of the Pacific	CA	39	\$1,941,000	\$19,790	36%
2	Brigham Young University-Provo	UT	62	\$1,674,000	\$8,694	37%
3	New York Institute of Technology	NY	72	\$1,623,000	\$17,601	41%
4	Xavier University of Louisiana	LA	146	\$1,359,000	\$17,314	52%
5	Hamline University	MN	174	\$1,308,000	\$17,790	38%
6	Wingate University	NC	181	\$1,295,000	\$16,724	41%
7	Campbell University	NC	213	\$1,227,000	\$18,112	36%
8	Mount Saint Mary's University+	CA	227	\$1,204,000	\$26,468	60%
9	Pacific Union College	CA	242	\$1,189,000	\$17,428	43%
10	College of Mount Saint Vincent	NY	244	\$1,186,000	\$14,610	49%

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

Table A4. Highest ROIs for low-income students at private for-profit bachelor’s degree institutions

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	DigiPen Institute of Technology	WA	74	\$1,619,000	\$36,214	26%
2	Neumont College of Computer Science	UT	104	\$1,477,000	\$23,055	56%
3	SAE Expression College	CA	308	\$1,138,000	\$27,023	57%
4	University of Advancing Technology	AZ	352	\$1,102,000	\$20,370	46%
5	Chamberlain University-Illinois+	IL	577	\$1,002,000	\$17,554	28%
6	LIM College	NY	653	\$975,000	\$32,481	34%
7	Chamberlain University-Florida+	FL	668	\$970,000	\$24,359	56%
8	Capella University+	MN	681	\$966,000	\$7,290	43%
9	Chamberlain University-Ohio+	OH	709	\$960,000	\$26,343	47%
10	Chamberlain University-Arizona+	AZ	782	\$938,000	\$30,867	46%

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).

Table A5. Highest ROIs for low-income students at private for-profit bachelor’s degree institutions with at least the median share of students who are Pell Grant recipients

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Neumont College of Computer Science	UT	104	\$1,477,000	\$23,055	56%
2	SAE Expression College	CA	308	\$1,138,000	\$27,023	57%
3	Chamberlain University-Florida+	FL	668	\$970,000	\$24,359	56%
4	Post University	CT	1230	\$830,000	\$8,039	61%
5	Mt Sierra College*	CA	1294	\$819,000	\$19,036	65%
6	Berkeley College-New York	NY	1333	\$813,000	\$19,314	66%
7	DeVry College of New York+	NY	1357	\$808,000	\$26,738	56%
7	DeVry University-Georgia+	GA	1357	\$808,000	\$26,701	58%
9	DeVry University-Illinois+	IL	1374	\$805,000	\$27,320	60%
10	Berkeley College-Woodland Park	NJ	1435	\$796,000	\$15,230	73%

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

Institutions that predominantly grant associate’s degrees

Table A6. Highest ROIs for low-income students at public associate’s degree institutions

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	University of South Carolina-Lancaster#	SC	172	\$1,310,000	\$5,894	22%
2	University of Pittsburgh-Titusville+	PA	192	\$1,266,000	\$13,427	62%
3	Ohio State University-Marion Campus+	OH	282	\$1,159,000	\$8,590	37%
4	Pennsylvania State University-Penn State DuBois+	PA	287	\$1,155,000	\$15,288	33%
5	De Anza College	CA	290	\$1,148,000	\$3,184	18%
5	Ohio State University-Newark Campus+	OH	290	\$1,148,000	\$12,340	39%
7	Ohio State University-Mansfield Campus+	OH	295	\$1,146,000	\$13,079	42%
8	Ohio State University Agricultural Technical Institute+	OH	297	\$1,143,000	\$14,126	28%
9	Nebraska College of Technical Agriculture	NE	305	\$1,140,000	\$11,027	30%
10	Fashion Institute of Technology	NY	311	\$1,136,000	\$7,293	29%

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).
There is some reason to be cautious about the ROI for the University of South Carolina-Lancaster. The earnings data used to compute its ROI are identical to those for the University of South Carolina-Columbia, which is a predominantly bachelor’s degree-granting institution. Moreover, both these institutions have the same data for debt levels.

Table A7. Highest ROIs for low-income students at public associate’s degree institutions with at least the median share of students with Pell Grants

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	University of Pittsburgh-Titusville+	PA	192	\$1,266,000	\$13,427	62%
2	Ohio State University-Marion Campus+	OH	282	\$1,159,000	\$8,590	37%
3	Ohio State University-Newark Campus+	OH	290	\$1,148,000	\$12,340	39%
4	Ohio State University-Mansfield Campus+	OH	295	\$1,146,000	\$13,079	42%
5	University of Cincinnati-Blue Ash College+	OH	392	\$1,082,000	\$10,822	37%
6	Potomac State College of West Virginia University+	WV	395	\$1,081,000	\$7,397	48%
7	CUNY New York City College of Technology	NY	553	\$1,009,000	\$3,615	55%
8	Prince George's Community College	MD	602	\$992,000	\$8,104	37%
9	Nassau Community College	NY	653	\$975,000	\$2,091	42%
10	University of New Mexico-Gallup Campus+	NM	684	\$965,000	\$6,472	55%
10	Dixie State University	UT	684	\$965,000	\$11,669	37%

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).

Table A8. Highest ROIs for low-income students at private nonprofit associate’s degree institutions

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Charles R Drew University of Medicine and Science	CA	50	\$1,832,000	\$21,636	45%
2	Parker University	TX	116	\$1,441,000	\$27,374	44%
3	Pomeroy College of Nursing at Crouse Hospital	NY	196	\$1,260,000	\$14,759	36%
4	Vaughn College of Aeronautics and Technology	NY	219	\$1,219,000	\$38,525	60%
5	Northwestern Health Sciences University	MN	290	\$1,148,000	\$23,102	27%
6	Baptist Health College Little Rock	AR	408	\$1,076,000	\$22,848	78%
6	Mercy College of Ohio	OH	408	\$1,076,000	\$19,705	41%
8	Culinary Institute of America+	NY	539	\$1,015,000	\$26,826	27%
9	Hesston College	KS	560	\$1,007,000	\$16,448	34%
10	Benjamin Franklin Institute of Technology	MA	569	\$1,004,000	\$12,825	60%

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).

Table A9. Highest ROIs for low-income students at private nonprofit associate’s degree institutions with at least the median share of students who are Pell Grant recipients

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Baptist Health College Little Rock	AR	408	\$1,076,000	\$22,848	78%
2	Manor College	PA	960	\$884,000	\$16,285	65%
3	California College San Diego	CA	1000	\$875,000	\$25,598	71%
4	Rosedale Technical College	PA	1554	\$775,000	\$13,794	64%
5	Herzing University-Winter Park+	FL	1648	\$762,000	\$20,710	61%
5	Herzing University-Toledo+*	OH	1648	\$762,000	\$20,779	88%
7	Herzing University-Kenner+	LA	1683	\$758,000	\$22,295	84%
8	Herzing University-Akron+	OH	1699	\$756,000	\$22,831	82%
9	Herzing University-Madison+	WI	1719	\$753,000	\$23,876	73%
10	Pittsburgh Technical College	PA	2025	\$713,000	\$22,739	62%

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).
*Herzing University-Toledo has closed.

Table A10. Highest ROIs for low-income students at private for-profit associate’s degree institutions

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	ITI Technical College	LA	240	\$1,190,000	\$17,977	61%
2	West Coast Ultrasound Institute	CA	384	\$1,085,000	\$27,042	34%
3	Spartan College of Aeronautics and Technology	CO	425	\$1,067,000	\$23,582	54%
4	Universal Technical Institute of Arizona Inc+	AZ	582	\$1,001,000	\$18,251	54%
5	Triangle Tech Inc-Greensburg+	PA	676	\$967,000	\$13,283	55%
6	Galen College of Nursing-Tampa Bay+	FL	725	\$956,000	\$23,968	56%
7	Galen College of Nursing-Louisville+	KY	734	\$955,000	\$24,208	51%
8	Galen College of Nursing-Cincinnati+	OH	741	\$953,000	\$25,018	62%
9	Triangle Tech Inc-Bethlehem+	PA	750	\$950,000	\$18,967	63%
10	FIDM-Fashion Institute of Design & Merchandising-Orange County+	CA	936	\$892,000	\$32,692	38%

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).

Table A11. Highest ROIs for low-income students at private for-profit associate’s degree institutions with at least the median share of students who are Pell Grant recipients

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	The College of Westchester	NY	1187	\$838,000	\$15,663	79%
2	Triangle Tech Inc-Pittsburgh	PA	1303	\$818,000	\$18,792	74%
3	Minneapolis Business College*	MN	1374	\$805,000	\$12,524	71%
4	New Castle School of Trades	PA	1480	\$789,000	\$7,696	70%
5	Platt College-Ontario+	CA	1656	\$761,000	\$21,247	77%
6	Platt College-Riverside+	CA	1719	\$753,000	\$23,890	84%
7	Fortis College-Centerville+	OH	2025	\$713,000	\$21,641	83%
8	Eastern International College-Jersey City+	NJ	2195	\$690,000	\$19,264	90%
9	Mandl School-The College of Allied Health	NY	2202	\$689,000	\$15,895	90%
10	Eastern International College-Belleville+	NJ	2211	\$688,000	\$19,655	82%

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).
*Minneapolis Business College has closed.

Institutions that predominantly grant certificates

Table A12. Highest ROIs for low-income students at public institutions that predominantly grant certificates

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Veeb Nassau County School of Practical Nursing	NY	161	\$1,331,000	\$29,071	57%
2	Foothill College	CA	216	\$1,223,000	\$3,528	8%
3	Eastern Suffolk BOCES	NY	328	\$1,120,000	\$13,866	48%
4	Delaware County Technical School-Practical Nursing Program	PA	349	\$1,105,000	\$16,225	55%
5	Highlands College of Montana Tech+	MT	436	\$1,062,000	\$7,738	27%
6	Saddleback College	CA	447	\$1,055,000	\$4,840	12%
7	Greater Johnstown Career and Technology Center	PA	466	\$1,045,000	\$11,423	56%
8	Western Suffolk BOCES	NY	525	\$1,019,000	\$15,949	38%
9	Chandler-Gilbert Community College	AZ	562	\$1,006,000	\$6,437	16%
10	Orange Coast College	CA	582	\$1,001,000	\$3,574	23%

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).

Table A13. Highest ROIs for low-income students at private nonprofit institutions that predominantly grant certificates

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Hobart Institute of Welding Technology	OH	249	\$1,182,000	\$26,333	31%
2	Perry Technical Institute	WA	257	\$1,170,000	\$15,400	58%
3	Pittsburgh Institute of Aeronautics	PA	285	\$1,156,000	\$27,847	52%
4	UPMC Shadyside School of Nursing	PA	335	\$1,112,000	\$20,852	32%
5	NTMA Training Centers of Southern California	CA	844	\$917,000	\$19,040	77%
6	Valley Grande Institute for Academic Studies	TX	1244	\$827,000	\$6,067	77%
7	Academy for Nursing and Health Occupations	FL	1528	\$780,000	\$21,403	53%
8	Word of Life Bible Institute	NY	2118	\$700,000	\$9,807	48%
9	Herzing University-Birmingham+	AL	2126	\$699,000	\$17,958	64%
10	Remington College-Columbia Campus+*	SC	2417	\$660,000	\$16,320	47%

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).
*Remington College-Columbia Campus has closed.

Table A14. Highest ROIs for low-income students at private for-profit certificate-granting institutions

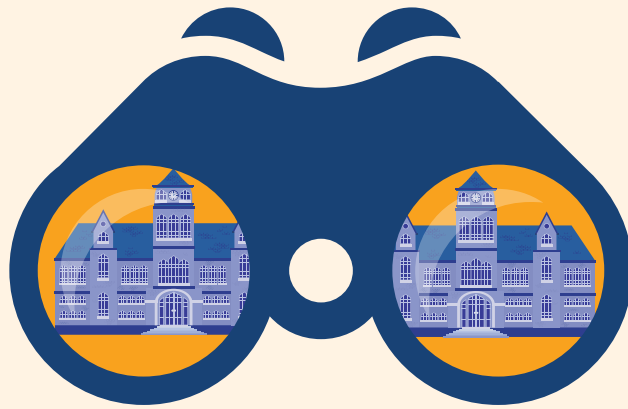
	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	The Creative Circus	GA	52	\$1,830,000	\$32,931	10%
2	Marian Health Careers Center-Los Angeles Campus+	CA	108	\$1,468,000	\$18,977	55%
3	Marian Health Careers Center-Van Nuys Campus+	CA	109	\$1,466,000	\$21,435	53%
4	Ocean Corporation	TX	120	\$1,432,000	\$24,706	58%
5	Alliant International University-San Diego+	CA	134	\$1,389,000	\$24,972	4%
6	Teterboro School of Aeronautics	NJ	174	\$1,308,000	\$11,257	78%
7	National Aviation Academy of New England	MA	199	\$1,251,000	\$19,199	71%
8	Divers Academy International	NJ	220	\$1,216,000	\$38,084	58%
9	Divers Institute of Technology	WA	235	\$1,193,000	\$37,761	45%
10	Universal Technical Institute of Texas Inc.	TX	382	\$1,086,000	\$15,500	56%

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).

Table A15. Highest ROIs for low-income students at private for-profit certificate-granting institutions with at least the median share of students who receive Pell Grants

	Institution	State	Overall 40-year NPV rank for low-income students	40-year NPV for low-income students	Average net price for low-income students	Share of students receiving Pell Grants
1	Teterboro School of Aeronautics	NJ	174	\$1,308,000	\$11,257	78%
2	National Aviation Academy of New England	MA	199	\$1,251,000	\$19,199	71%
3	Spartan College of Aeronautics & Technology	CA	454	\$1,051,000	\$23,564	70%
4	MIAT College of Technology	MI	643	\$979,000	\$16,933	67%
5	New England Tractor Trailer Training School of Connecticut+	CT	651	\$976,000	\$14,860	66%
5	New England Tractor Trailer Training School of CT-Bridgeport+	CT	651	\$976,000	\$15,158	80%
7	New England Tractor Trailer Training School of Rhode Island+	RI	725	\$956,000	\$12,240	76%
8	New England Tractor Trailer Training School of Massachusetts+	MA	738	\$954,000	\$13,941	80%
9	National Aviation Academy of Tampa Bay	FL	752	\$949,000	\$20,478	80%
10	ETI School of Skilled Trades	IL	782	\$938,000	\$28,372	73%

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).



The Colleges Where Low-Income Students Get the Highest ROI
can be accessed online at cew.georgetown.edu/lowincome.



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