

Speaker: Veronica Minaya

Topic: Returns to Degree Completion

Minaya: My name is Veronica Minaya and I'm a researcher at CCRC. I'm here to tell you about some new findings from a study of the earnings of community college graduates in the City University of New York system.

Though there have been a lot of questions in recent years about whether college is worth it and about the value of degrees, our study makes it clear that an associate degree boost the salaries of graduates substantially and a bachelor's degree leads to even higher earnings.

In our study, we look at community college students who enter associate degree programs between fall 2005 and spring 2013 and follow them for 10 years. Students who completed an associate degree earned nearly \$10,000 more a year than those who started college but didn't finish. We accounted for a wide range of factors in our analysis to try to isolate the effect of the degree.

While about 16% of the students in our sample earned an associate degree, another 15% completed a BA in the 10 years of our study. Though they earn less than associate graduates in the early years, BA graduates earn about \$16,000 more than noncompleters by year 10.

Another finding is that earnings for associate and bachelor's graduates are higher for all subgroups we looked at. Still, there's a lot of variation in these returns. Earning gains are higher for health majors, older entrants, and men. They are lower but still positive for business majors, younger entrants, and women.

Our findings are consistent with other studies of the returns to community college degrees, but our study is the first to look at the data on CUNY community colleges in New York City.

So why are these findings important? They reinforce what we know about the value of associate degrees and bachelor's degrees. Despite the skepticism about college in recent years, policymakers and families should understand that earning a degree is likely to pay off in the long run.

The value of an associate degree lies not only in helping students complete a credential, but also in helping many students transition successfully into bachelor's programs, where returns are even larger. Policies that support both completion and

transfer are therefore likely to improve a student's long-term economic outcomes.

You can find the report with all our findings on the CCRC website.