

The table below is from Engle et al., *Measuring Postsecondary Value*, 2026, which is available at cew.georgetown.edu/postsecondary-value-series.

TABLE 3. Comparing Return on Investment Metrics

Entity	US Department of Education (former GE/FVT) ^a	US Department of Education (Workforce Pell Grant)	Postsecondary Value Commission	Third Way	State Opportunity Index	Georgetown University Center on Education and the Workforce	Foundation for Research on Equal Opportunity	Postsecondary Commission
Metric name	Debt-to-earnings ratio ^b	Value-added earnings ^c	Minimum economic return (Threshold 0) ^d	Price-to-earnings premium ^e	Return on investment ^f	Return on investment ^g	Return on investment ^h	Minimum value-added earnings ⁱ
Metric type	Earnings above debt and basic living costs	Earnings above cost and basic living costs	Earnings above cost and comparison earnings	Earnings above cost and comparison earnings	Earnings above cost and comparison earnings	Earnings above cost and comparison earnings	Earnings above cost and comparison earnings	Earnings above cost and comparison earnings
Question	Are graduates earning enough to repay their debt within a reasonable timeframe after accounting for basic living costs?	Are graduates earning more than their tuition and fees after accounting for basic living and regional costs?	Are former students earning more than high school graduates in their state and enough to recoup their costs within 10 years?	How many years does it take for former students to earn more than a high school graduate in their state and enough to recoup their costs?	Are credential holders earning more than high school graduates in their state and enough to recoup their costs within 10 years?	Are former students earning more than workers with lower attainment levels in their state and enough to recoup their costs within 10 years after exit or 15 years after enrollment?	Are former students earning more than workers with lower attainment levels and enough to recoup their costs over their lifetime?	Are former students earning more than high school graduates in their state and enough to recoup their costs in a reasonable timeframe?
Metric definition	Annual loan payment on cumulative median debt plus interest for graduates divided by annual median earnings OR annual median discretionary earnings (annual median earnings minus 150 percent of the federal poverty level for an individual) ^j	Annual median earnings for graduates adjusted for region minus 150 percent of the federal poverty level minus total tuition and fees ^k	Annual median earnings for former students minus annual median high school earnings in state minus (cumulative average net total costs divided by 10 years)	Cumulative average net total costs divided by (annual median earnings for former students minus annual median high school earnings in state)	The percentage of 25-to-34-year-olds with associate's and bachelor's degrees in a state with (cumulative individual earnings minus cumulative median high school earnings in state over 10 years) greater than cumulative average net total costs	Cumulative median earnings for former students minus cumulative median earnings for workers at lower attainment levels in state minus cumulative average net direct and opportunity costs within 10 years after exit or 15 years after enrollment	Cumulative median lifetime earnings for former students minus cumulative median lifetime earnings for workers at lower attainment levels minus cumulative average net direct costs Former student and comparison earnings are statistically adjusted for student, program, institutional, geographical, and labor-market characteristics	Cumulative earnings for former students minus cumulative earnings for high school graduates in state minus cumulative net direct costs over evaluation period Comparison earnings are statistically adjusted for student, institution, and geographic characteristics to match former students' profiles and include opportunity costs because they start measurement at entry

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Entity	US Department of Education (former GE/FVT) ^a	US Department of Education (Workforce Pell Grant)	Postsecondary Value Commission	Third Way	State Opportunity Index	Georgetown University Center on Education and the Workforce	Foundation for Research on Equal Opportunity	Postsecondary Commission
Investment definition	Cumulative median federal and private debt upon completion divided by 10, 15, or 20 years based on level of program to amortize into an annual payment Also adds average interest rate based on the length of the program to calculate the annual payment	Total published tuition and fees for the programs, which are short term in nature (8–14 weeks)	Cumulative average total net cost: (Annual average direct and living costs minus annual average grant aid) multiplied by estimated or actual time to credential, which is divided by 10 years to amortize into an annual repayment or recoup amount Adds estimated interest to the cumulative average net total cost assuming all students borrow to cover costs	Cumulative average net total cost: (Annual average direct and living costs minus annual average grant aid) multiplied by expected time to credential for on-time completion for the credential length	Cumulative average net total cost: (Annual average direct and living costs minus annual average grant aid) multiplied by expected time to credential for on-time completion for the credential length Adds estimated interest to the cumulative average net total cost assuming all students borrow to cover costs	Cumulative average net direct and opportunity costs: (Annual average direct costs for full-time students plus annual average opportunity costs for full-time students while enrolled) multiplied by percent FTE enrollment and multiplied by the median time of enrollment plus cumulative interest on student loan debt adjusted for inflation and the percentage of students receiving loans	Cumulative net direct cost: (Annual average tuition, fees, books, and supplies minus annual average grant aid) multiplied by estimated time to credential or exit	Cumulative net direct cost: (Annual tuition, fees, books, and supplies minus annual grant aid) multiplied by enrolled time to credential or exit
Completion status	Calculated for completers but can be calculated for non-completers or total depending on data source and use	Calculated for completers receiving Pell Grants but can be calculated for noncompleters or total depending on data source and use	Calculated for all entrants but can also be calculated for completers or noncompleters depending on data source and use	Calculated for all entrants but can also be calculated for completers or noncompleters depending on data source and use	Calculated for 25-to-34-year-olds with associate's and bachelor's degrees in a state	Recommends calculating for former students including completers and noncompleters	Calculated for completers and noncompleters, with total ROI weighted based on time to completion or exit	Calculated for all entrants to incentivize increased completion rates
Earnings definition	Annual median earnings after 3 years for graduates who are not enrolled in another program	Annual median earnings for graduates who received a Pell Grant and are working	Annual median earnings 10 years after entry for former students who are nonenrolled workers with positive earnings	Annual median earnings 10 years after entry for former students who are nonenrolled workers with positive earnings	Cumulative individual earnings over 10 years for 25-to-34-year-olds with associate's and bachelor's degrees working full-time, full-year in a state using synthetic cohorts	Cumulative median earnings for former students who are in the workforce and are not enrolled	Cumulative lifetime median earnings for former students who are non-enrolled US citizen workers with earnings above \$12,000 per year	Cumulative earnings for former students through the evaluation period

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Comparison earnings definition	Subtracts 150 percent of the federal poverty level from median earnings for graduates to account for basic living costs	Subtracts 150 percent of the federal poverty level from median earnings for graduates to account for basic living costs Also adjusts median earnings for graduates based on regional costs	Median earnings for high school graduates who are nonenrolled workers with positive earnings ages 22–40 in the same state as the institution	Median earnings for high school graduates who are nonenrolled workers with positive earnings ages 25–34 in the same state as the institution	Cumulative median earnings over 10 years for 25-to-34-year-old high school graduates working full-time, full-year in a state Individual comparisons are matched by age within the 25–34 age range	Undergraduate: Cumulative median earnings for high school graduates who are in the workforce and are not enrolled in the state or local region matching the ages of former students or 25–34 years old if not available Graduate: Cumulative median earnings for people with bachelor's degrees in the same broad field of study who are in the workforce, not enrolled, and in the state or local region	Undergraduate: Cumulative lifetime median earnings for people with a high school diploma or less than 1 year of college who are nonenrolled US citizen workers with earnings above \$12,000 Graduate: Cumulative lifetime median earnings for people with bachelor's degrees who are nonenrolled US citizen workers with earnings above \$12,000	Cumulative median earnings for matched comparison group of high school graduates in state
Metric level	Calculated at the program level but can be calculated at the institutional level depending on data source and use	Calculated at the program level but can be calculated at the institutional level depending on data source and use	Calculated at the institutional level but can be calculated at the program level depending on data source and use	Calculated at the institutional level but can be calculated at the program level depending on data source and use	Calculated at the population level for states	Recommends calculating at the program and institutional levels, but notes that program level can likely only be calculated from exit not entry due to data limitations	Calculated at the program level but can be calculated at the institutional level depending on data source and use	Calculated at the institutional and program levels
Metric threshold	Debt-to-earnings ratio cannot be greater than 20 percent of annual median discretionary income and 8 percent of annual median income	Remaining earnings must be greater than \$0 for the program to be eligible for the Workforce Pell Grant program	Remaining earnings should be equal to or greater than \$0 to recoup costs within 10 years	Result should be equal to or greater than 0 years to recoup costs	The percentage of credential holders with a positive ROI should be greater than 0	Remaining earnings should be equal to or greater than \$0 to recoup costs within 10–15 years	Remaining earnings should be equal to or greater than \$0 to recoup costs over the lifetime	Remaining earnings must be greater than \$0 over the evaluation period

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Metric timeframe	Measured at 3 years post-completion for most programs but can be measured any year	Earnings are measured at 1 year post-completion for the cohort that completed 3 years prior; tuition and fees are measured for the current year ⁱ	Calculated at 10 years after enrollment but can be measured any year post-enrollment or completion depending on data source and use case	Calculated at 10 years after enrollment but can be measured any year post-enrollment or completion depending on data source and use case	Calculated for 25-to-34-year-olds with associate's and bachelor's degrees to align with the expected 10-year time period after which many—but not all—students earn their credentials	Recommends calculating 10 years after exit or 15 years after enrollment, but notes that calculating after enrollment may not be possible at the program level due to data limitations	Measured over a lifetime of working years	Measured at 5 years after entry for programs less than 18 months, 10 years for programs 18–36 months, and 15 years for programs 36 months or longer
Metric output	Ratio that measures the percentage of annual median earnings needed for graduates to repay loans in a reasonable timeframe to compare against the threshold	Dollar amount by which graduates do or do not meet the threshold, including negative dollars	Dollar amount by which former students do or do not meet the threshold, including negative dollars Can also measure whether (yes/no) or how many students (number/percent) meet the threshold with individual-level data	Ratio measuring the number of years for former students to meet the threshold with institutions not meeting the threshold labeled “no ROI” since the denominator cannot be 0 or negative	The percentage of 25-to-34-year-olds with associate's and bachelor's degrees in a state that exceed the threshold	Dollar amount by which former students do or do not meet the threshold, including negative dollars	Dollar amount by which former students do or do not meet the threshold, including negative dollars	Dollar amount by which former students do or do not meet the threshold, including negative dollars
Data sources	Planned as part of the former GE/FVT regulations, but the debt-to-earnings ratio has been removed under new ED regulations ^m	Plan to use federal earnings data and tuition and fee data from institutions	Estimated using IPEDS, Scorecard, and ACS data but can also be calculated with student-level data by institutions and states	Estimated using IPEDS, Scorecard, and ACS data but can also be calculated with student-level data by institutions and states	Estimated using aggregate IPEDS data for costs and individual-level ACS data for earnings	Suggests SLDS to calculate with individual-level data if available Otherwise suggests IPEDS for costs, College Scorecard for former student earnings, and ACS for comparison earnings	Estimated using IPEDS, Scorecard, ACS, and other survey data but can also be calculated with student-level data by institutions and states	The Commission will use individual-level data submitted by participating institutions (or their states) and state UI wage data

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Metric uses	This metric was intended to be used for accountability and transparency under the former GE/FVT regulation and is recommended in the third report in this series	This metric is one of the measures for program eligibility for the Workforce Pell Grant program	IHEP publishes a web tool with this metric for most colleges and universities by predominant credential level using public data This tool also includes more detailed data by program and completion status for the University of Texas system using individual-level data ⁿ	Third Way publishes a web tool with this metric for most four-year institutions using public data ^o	Strada Education Foundation publishes this metric in its annual State Opportunity Index ^p	Suggested for use by state policy-makers in the third report in this series by Gulish et al.	FREOPP publishes a web tool with this metric for most undergraduate certificate and degree programs using public data ^q	The Postsecondary Commission seeks to become a federally recognized accreditor that focuses on institutions that produce strong economic results for their students

Table 3 Notes:

- a In this table, “former GE/FVT” refers to the US Department of Education’s former Gainful Employment (GE) and Financial Value Transparency (FVT) regulations, which were superseded by regulations in the One Big Beautiful Bill Act (OBBBA).
- b US Department of Education, Federal Student Aid, “Regulatory Requirements for Financial Value Transparency and Gainful Employment (Updated Sept. 16, 2024),” 2024.
- c US Department of Education, *Accountability in Higher Education and Access Through Demand-Driven Workforce Pell: Pell Grant Exclusion Relating to Other Grant Aid; and Workforce Pell Grants*, 2026.
- d Postsecondary Value Commission, *Equitable Value*, 2021.
- e Rounds, *2023 Price-to-Earnings Premium for Four-Year Colleges*, 2023; and Itzkowitz, *Price-to-Earnings Premium*, 2020.
- f Strada Education Foundation, “State Opportunity Index Appendix,” October 2025.
- g Gulish et al., *A Framework for Assessing the Value of Postsecondary Education and Training*, 2026.
- h Cooper, *Higher Education’s Return on Investment*, n.d.
- i Postsecondary Commission, *Standards Compliance Guidance*, 2025; and Postsecondary Commission and Mathematica, *Texas Statewide Study of Postsecondary Value-Added Earnings*, 2026.
- j Annual loan payments are calculated using the average interest rate and cumulative debt, amortized over 10 years for certificates and associate’s degrees, over 15 years for bachelor’s degrees and master’s degrees, and over 20 years for doctoral and first professional degrees.
- k Median annual earnings are adjusted using the US Bureau of Economic Analysis’s Regional Price Parities (RPP) unless more than 50 percent of the students in the program are from out-of-state, in which case calculations would use national median annual earnings instead.
- l Whistle, “Workforce Pell Negotiated Rulemaking Recap,” 2025.
- m US Department of Education, “Accountability in Higher Education and Access Through Demand-Driven Workforce Pell: Student Tuition and Transparency System (STATS) and Earnings Accountability,” 2026.
- n Postsecondary Value Commission, “Exploring Equitable Postsecondary Value,” n.d.
- o Third Way, “Higher Ed Value Metrics,” n.d.
- p Strada Education Foundation, *State Opportunity Index*, 2025.
- q Foundation for Research on Equal Opportunity, “Is College Worth It?,” n.d.; Foundation for Research on Equal Opportunity, “Is Grad School Worth It?,” n.d.