



Postsecondary Value Commission (PVC) Framework and Tool

David Troutman, Ph.D.
University of Texas System
Chief Data Officer and Associate Vice Chancellor

GOAL AND MEMBERSHIP

The Postsecondary Value Commission brought together higher education experts and national leaders to examine, explore, and define the value of postsecondary education in the U.S.

Co-Chairs

Sue Desmond-Hellmann, Bill & Melinda Gates Foundation

Mildred García, American Association of State Colleges and Universities

Managing Partner

Mamie Voight, Institute for Higher Education Policy

Commission Members

Research Members

Change in the perception on the return of investment of a degree after high school as “excellent” or “good”— pre- and post-pandemic

	Pre-Pandemic	Post-Pandemic	Change
All Likely Voters	76%	67%	- 9 pp
Black Likely Voters	79%	69%	-10 pp
Hispanic Likely Voters	77%	72%	- 5 pp
Institutional Leaders	87%	86%	-1 pp

Source: Third Way/Global Strategy Group national survey of 1,000 likely voters, with oversamples of 215 Hispanic voters, 185 African American voters, and 193 higher education institutional leaders, conducted Nov. 17- Dec. 1, 2020.

POSTSECONDARY VALUE COMMISSION OVERVIEW

Objectives for the commission

DEFINE

A shared definition of college value that can inform both programmatic and policy efforts in the field.

1

MEASURE

A measurement framework for how individual colleges and universities create equitable value for students.

2

ACT

A policy, advocacy, and communications action agenda to encourage widespread application of the value definition and measurement framework.

3

A FRAMEWORK FOR CONCEPTUALIZING POSTSECONDARY VALUE

Institutional leaders, federal and state policymakers, and other stakeholders deliver:

Value for Students

By equitably promoting their economic mobility, ensuring opportunity to build wealth, and improving individuals' wellbeing and academic, civic, and social engagement.

Value for Society

By equitably increasing attainment to expand the nation's public economic resources, improve public health and security, and promote civic engagement and empowerment.



MEASURING ECONOMIC RETURNS VIA THRESHOLDS

Key Points

- The economic value thresholds measure economic returns for all students, with a focus on how students of color, low-income students, and women compare to their peers.
- The thresholds offers insight into both short- and longer-term outcomes, with measurement at 1, 3, 5, 10, and 15 years after completion or departure from the institution.
- Threshold 0 is named such because earning only enough to “break even” by achieving minimal return on investment is an unacceptable outcome.
- The ultimate goal of higher education institutions should be for all students to reach economic security and be on a path toward wealth parity with sufficient earnings and wealth to withstand life’s economic shocks.
- Race, income, or gender should not predict students’ ability to accumulate earnings or wealth. Advancing individual economic justice contributes to broader societal justice.

Thresholds

- | | |
|---|--|
| 0 | Minimum Economic Return: A student meets this threshold if they earn at least as much as a high school graduate plus enough to recoup their total net price within ten years.
<i>(Total student investment / 10 [years]) + median earnings of high school graduates in state = Threshold 0</i> |
| 1 | Earnings Premium: A student meets this threshold if they reach at least the median earnings in their field of study, which accounts for expected variations in pay across fields. |
| 2 | Earnings Parity: Informed by the University of Texas System’s research on in-field pay inequities, this threshold measures whether students of color, low-income students, and women meet the median earnings of their more advantaged peers (White students, high-income students, or men). |
| 3 | Economic Mobility: Informed by Opportunity Insights’ measurement of economic mobility across institutions, this threshold measures whether students earn enough to enter the fourth (upper middle) income quintile regardless of field of study. |
| 4 | Economic Security*: While sufficient earnings can create a stable life, wealth is key to building the type of security needed to withstand life’s financial shocks, so this threshold measures whether students reach median levels of wealth. |
| 5 | Wealth Parity*: Mirroring the earnings parity threshold, this threshold measures whether students of color, low-income students, and women reach the level of wealth attained by their more privileged White, high-income, or male peers. |

*Note: Thresholds 0-3 can be estimated at the national level using College Scorecard data with some caveats. Institutions and systems with advanced data collections can measure these thresholds with greater specificity. Due to a lack of quality data to measure wealth, even with institutional data, thresholds 4 and 5 are currently understood as conceptual goals rather than operable analyses.

Defining and Measuring Student Investment: Minimum Economic Returns (Threshold 0)

At a minimum, students should expect to recoup their investment in postsecondary education. Threshold 0 represents the minimum amount a student would need to earn to begin recouping their investment using the definition of student investment.

Threshold 0 is calculated by taking **total student investment = (cost of attendance minus grants and scholarships) x number of years to complete credential and distributing those costs over 10 years** (a standard repayment for student loans and a benchmark from other research) and adding that amount to the median earnings of high school graduates.

A student would need to earn this minimum amount for ten years in order to fully recoup what they invested in their postsecondary education.

$$\left(\frac{\text{Total Student Investment}}{10 \text{ Years}} \right) + \text{Median Earnings of High School Graduates} = \text{Threshold 0}$$

A group of diverse people, including men and women of various ethnicities, are gathered around a table in a modern office or meeting room. They are looking down at a large set of architectural plans or maps spread out on the table. Some individuals are pointing at specific areas on the plans, while others are looking on attentively. The scene conveys a sense of teamwork and collaborative problem-solving. The image has a purple tint overlay.

PVC PUBLIC NATIONAL TOOL

Equitable Value Explorer



Use filters below to customize the chart

TARGET POPULATION (VERTICAL AXIS)

White

ECONOMIC THRESHOLD (HORIZONTAL AXIS)

T1 Earnings Premium

SIZING BY COMPLETION RATE



OFF

Lower ● ● ● Higher

Use filters below to create a group of institutions

STATE

Filter States

LEVEL

Predominantly Bachelors

SECTOR



Public



Private



Proprietary

RESET

Exploring Equitable Postsecondary Value

This chart shows the relationship between access, completion, and post-college earnings.



Click on an institution to highlight other schools serving similar student populations.

Click on an institution's profile to see their performance relative to disaggregated thresholds.

