

# HOW TO CALCULATE THE VALUE-ADDED OF A COLLEGE

1

## STUDENT CHARACTERISTICS

- Academic preparation
- Race and ethnicity
- Family income

2

## COLLEGE TYPE

- Location of school
- Level of degrees offered

3

## VALUE ADDED

ACTUAL SALARY

VALUE ADDED

ESTIMATED SALARY

- A college's "value-added" is the difference between the actual mid-career salary of alumni and an estimation of what a graduate from a similar school would have earned given his/her characteristics.

