

## The Initial Earnings of Graduates from Colorado's Colleges and Universities Working in Colorado

In partnership with College Measures ([collegemeasures.org/esm/colorado](http://collegemeasures.org/esm/colorado)), Colorado's Department of Higher Education has produced a tool that provides comparisons between the first-year earnings of recent graduates from two-year and four-year colleges and universities. The primary purpose of both the report and website are to provide prospective students and their families with important information when selecting an institution of higher education, major/field of study and level of degree.

### Key Messages:

1. **Higher Education Pays** -The data show that students who earn a college degree - either a bachelor's or an associate's degree - earn more than students who enter the labor market with a high school diploma. A college degree is an investment that pays off.
2. **The Type of Degree Matters** -The data show some graduates with some two-year degrees earned more in the first year of work than some graduates with four-year degrees. However, research shows graduates with four-year degrees typically earn more over a longer period of time.
3. **The Major/Field of Study Matters** - Based on labor markets, some majors are in higher demand than others. As with the type of degree, there are many different career paths and options for strong earnings potential.
4. **Financial Planning** - Students can use the tool to weigh first-year earnings of degrees and majors in balance with college costs and potential debt. While there is no guarantee of specific earnings upon graduation, the ranges of first-year earnings listed in the tool can serve as a guide for solid financial planning.

### Alternative Sources:

The Economic Success Metrics (ESM) website is one source of salary information specific to Colorado but other sources can provide helpful information. Some alternative sources include:

- <http://cew.georgetown.edu/collegepayoff/> - progression of earnings over time
- <https://www.census.gov/hhes/socdemo/education/data/acs/index.html> - U.S. Census Bureau
- [https://www.naceweb.org/uploadedFiles/NACEWeb/Research/Salary\\_Survey/Reports/SS\\_Jan2013\\_ExecSummary.pdf](https://www.naceweb.org/uploadedFiles/NACEWeb/Research/Salary_Survey/Reports/SS_Jan2013_ExecSummary.pdf) - Association of Colleges and Employers
- [http://www.bls.gov/emp/ep\\_chart\\_001.htm](http://www.bls.gov/emp/ep_chart_001.htm) - Bureau of Labor Statistics
- Individual Colorado colleges websites regarding post-graduation activities of alumni

### Next Steps:

These data provide one measure of the benefits of a college degree. This collaborative effort is the first phase of using the newly linked higher education and employment data systems. Future reporting will incorporate more specific data about the occupations and industries of employment, federal employees working in Colorado, graduate earnings over several years, and the further education of graduates.

## About the Data

The Colorado Department of Higher Education and College Measures are pleased to make publicly available data that provides Colorado students, parents, residents and policymakers a look at the first-year earnings of college graduates who are working in Colorado and in a wide array of majors from institutions across the state.

The department consulted with participating colleges and universities about who to include in the dataset. Specifically:

### These data DO capture:

- All college graduates from Colorado public colleges and universities and from three private institutions with records in the state's unemployment insurance wage dataset.
- To be included in the state wage data, graduates must be employed in Colorado and earning at or above the Colorado minimum wage.
- This equates to approximately 26% of all college graduates from 2006 to 2010, or more than 61,800 graduates.

### These data DO NOT capture:

- Graduates who continued their education after earning a credential, including those enrolling in graduate school or transferring to another college in Colorado and who are full-time students. About 18% of graduates were found pursuing further education in a participating Colorado institution.
- Graduates who left the state after completing a credential or who went to work for the federal government in Colorado or who were self-employed. These employees are not included in the state's unemployment insurance data.
- Graduates who were employed and earning less than the Colorado minimum wage. These figures could unfairly lower the reporting of first-year salaries.

### Other factors to consider:

- Regional differences in the job market may influence first-year earnings. First-year salaries in the metro Denver area may be higher than those in rural areas.
- Background differences among students may influence their potential earnings post-graduation. This includes differences in age at the time a credential was completed. For example, older students completing a credential may already be employed.
- Graduates may not be employed in the same field as their major.
- These data represent a snapshot in time - one year after graduation - and do not reflect earnings over a lifetime. Median lifetime earnings by degree attainment show a positive correlation between level of degree attainment and higher earnings.