

# 50-STATE COMPARISON

## COLLEGE GRADUATION RATES

The effectiveness of public universities in supporting students to earn their degrees on time has significant implications for individuals, families, and state economies. One of the key measures of institutional success is the graduation rate—how efficiently and consistently universities help students achieve their educational goals. In this report, we present a comprehensive 50-state comparison of four critical metrics: the first-year retention rate, the 4-year graduation rate, the 6-year graduation rate, and the transfer-out rate among public universities.

This analysis highlights the wide variation in student outcomes across the country, shedding light on which states are most successful in helping students complete their degrees on time. By examining these metrics, policymakers, university administrators, and the public can learn how well their state's institutions are performing and where improvements may be needed. Whether the focus is on increasing efficiency in graduation timelines or reducing the number of students who leave without a degree, this comparison aims to provide a clear picture of the state of public higher education in the United States.

### Key Takeaways:

- Wide variation in student outcomes exists between states.
- The average 4-year graduation rate at public universities is 34 percent
- The average 6-year graduation rate at public universities is 50 percent
- The average retention rate at public universities is 72 percent
- The average transfer-out rate at public universities is 22 percent.
- There are numerous state and university-level policy reforms that can boost graduation and retention rates without adding costs for students or institutions.

### Highest 4-Year Graduation Rates

1. Delaware 53%
2. Virginia 52%
3. Iowa 50%
4. Connecticut & Florida (tied at 49%)
6. Massachusetts & Vermont (tied at 48%)
8. New Jersey & Texas (tied at 47%)
10. New Hampshire (46%)

### Lowest 4-Year Graduation Rates

42. Montana (26%)
43. Louisiana & Montana (tied at 25%)
44. 45. Oklahoma & Utah (tied at 24%)
47. Georgia (23%)
48. Nevada (21%)
49. New Mexico & Ohio (tied at 20%)
51. Alaska (18%)

## GRADUATION RATES

	1 Year Retention Rate	Transfer-out Rate	4 Year Graduation Rate	6 Year Graduation Rate
<b>Alabama</b>	74%	26%	32%	51%
<b>Alaska</b>	67%	21%	18%	33%
<b>Arizona</b>	73%	19%	45%	62%
<b>Arkansas</b>	67%	23%	30%	41%
<b>California</b>	82%	7%	40%	64%
<b>Colorado</b>	64%	21%	31%	46%
<b>Connecticut</b>	81%	21%	49%	65%
<b>Washington, DC</b>	54%	14%	28%	54%
<b>Delaware</b>	83%	7%	53%	64%
<b>Florida</b>	87%	13%	49%	66%
<b>Georgia</b>	66%	30%	23%	41%
<b>Hawaii</b>	72%	21%	26%	39%

	1 Year Retention Rate	Transfer-out Rate	4 Year Graduation Rate	6 Year Graduation Rate
<b>Idaho</b>	72%	20%	30%	46%
<b>Illinois</b>	70%	32%	34%	52%
<b>Indiana</b>	66%	23%	45%	32%
<b>Iowa</b>	86%	20%	50%	71%
<b>Kansas</b>	76%	26%	37%	56%
<b>Kentucky</b>	74%	27%	38%	54%
<b>Louisiana</b>	68%	29%	25%	43%
<b>Maine</b>	69%	23%	30%	41%
<b>Maryland</b>	73%	23%	34%	51%
<b>Massachusetts</b>	75%	21%	48%	62%
<b>Michigan</b>	79%	24%	39%	60%
<b>Minnesota</b>	71%	30%	40%	54%
<b>Mississippi</b>	75%	No Info	33%	47%
<b>Missouri</b>	72%	25%	33%	51%
<b>Montana</b>	71%	18%	25%	42%
<b>Nebraska</b>	72%	30%	31%	50%
<b>Nevada</b>	68%	16%	21%	37%
<b>New Jersey</b>	82%	18%	47%	67%
<b>New Mexico</b>	63%	26%	20%	33%
<b>New York</b>	74%	25%	42%	57%
<b>North Carolina</b>	79%	25%	46%	63%
<b>North Dakota</b>	68%	19%	25%	43%
<b>Ohio</b>	56%	25%	20%	29%

	1 Year Retention Rate	Transfer-out Rate	4 Year Graduation Rate	6 Year Graduation Rate
<b>Oklahoma</b>	64%	20%	24%	29%
<b>Oregon</b>	73%	21%	37%	55%
<b>Pennsylvania</b>	77%	31%	28%	38%
<b>Rhode Island</b>	78%	No Info	39%	58%
<b>South Carolina</b>	72%	28%	41%	54%
<b>South Dakota</b>	79%	18%	26%	41%
<b>Tennessee</b>	73%	22%	34%	50%
<b>Texas</b>	70%	23%	47%	29%
<b>Utah</b>	68%	26%	24%	43%
<b>Vermont</b>	78%	14%	48%	55%
<b>Virginia</b>	82%	16%	52%	67%
<b>Washington</b>	72%	16%	41%	57%
<b>West Virginia</b>	68%	20%	32%	44%
<b>Wisconsin</b>	75%	20%	36%	58%
<b>Wyoming</b>	40%	19%	39%	61%

Source: Integrated Postsecondary Education Data System

## Data Definitions

**1-Year Retention Rate:** Percent of the fall full-time cohort from the prior year minus exclusions from the fall full-time cohort that re-enrolled at the institution as either full- or part-time in the current year.

**Transfer-Out Rate:** Total number of first-time, full-time degree-seeking students who are known to have transferred out of the reporting institution within 150% of normal time to completion divided by the revised cohort minus allowable exclusions.

**4-year Graduation Rate:** Total number of full-time, first-time students degree-seeking students completing a bachelor's degree or equivalent within 4 years (100% of normal time) divided by the revised bachelor subcohort minus any allowable exclusions.

**6-year Graduation Rate:** Total number of full-time, first-time degree-seeking students completing a bachelor's degree or equivalent within 6 years (150% of normal time) divided by the revised bachelor subcohort minus any allowable exclusions.

Source: Integrated Postsecondary Education Data System

## Policy Recommendations

Improving public university graduation rates is crucial for both individual student success and broader economic health. Importantly, there are a number of policy reforms that can enhance outcomes without requiring additional taxpayer funding. Cost-effective, evidence-based recommendations include:

### Implement Structured Degree Pathways

Many students struggle to navigate the maze of course requirements needed for graduation, leading to delays. States should mandate that public universities provide clear, structured degree pathways that outline a sequence of courses for each major. This approach helps students avoid taking unnecessary courses and ensures they stay on track to graduate within four years. Structured degree maps have been shown to reduce excess credits and boost on-time graduation rates.<sup>1</sup>

### Streamline Credit Transfers

Many students, especially transfer students, lose credits when moving between institutions, which can prolong time to graduation. States can standardize course requirements and establish **statewide articulation agreements** to ensure that credits earned at one public institution are fully transferable to others within the state system(s). This reduces redundancy and helps students graduate on time.<sup>2</sup>

### Implement Performance-Based Funding

Incentivize universities to prioritize student success through **performance-based funding**. Instead of allocating state funds solely based on enrollment numbers, states can tie a portion of funding to student outcomes, such as graduation rates, credit completion, or time-to-degree. This encourages public universities to focus on effective strategies to improve graduation rates without additional costs to taxpayers. Performance funding should be carefully designed to ensure that institutions do not lower academic standards. By aligning financial incentives with student success, public universities can be encouraged to focus on outcomes that truly benefit students.

### Adopt a Year-Round Academic Calendar

One of the most efficient ways to increase graduation rates is to switch to a **year-round academic calendar**. Many public universities currently operate on a traditional two-semester system, with a lengthy summer break. By offering three full semesters each year (fall, spring, and summer), students can take advantage of the extra term to complete their degrees faster. A year-round calendar can be implemented using existing resources by optimizing course scheduling and faculty assignments, rather than requiring new facilities or additional taxpayer funding. This reform can be especially beneficial for non-traditional students, such as working adults and veterans, who may prefer more flexible scheduling options.

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1. Source: <https://www.luminafoundation.org/files/resources/4-year-myth.pdf>

2. Source: <https://repository.lib.ncsu.edu/server/api/core/bitstreams/d0dbb215-1dc0-4365-99ce-6662386916a3/content>

## Encourage Full-Time Enrollment

Part-time enrollment is a major factor in delayed graduation. Public universities can incentivize students to take a full course load by offering benefits like priority registration for those who enroll in at least 15 credits per semester. This can nudge students toward a mindset focused on graduating in four years.

## Promote Competency-Based Education and Prior Learning Assessments

Competency-based education allows students to progress through courses at their own pace by demonstrating mastery of the material, rather than being tied to a fixed semester schedule. States can encourage public universities to adopt **competency-based programs** for high-demand fields, enabling motivated students to graduate faster without compromising academic rigor.

States should also encourage public universities to expand **prior learning assessments** that award credits for demonstrated knowledge, allowing students to graduate faster. Accepting credit for Advanced Placement (AP) and College-Level Examination Program (CLEP) tests is one way to do so.

## Leverage Data Analytics to Identify At-Risk Students

Many universities have access to vast amounts of student data that can predict which students are at risk of dropping out or falling behind. States can require public universities to implement data-driven early alert systems to identify struggling students and proactively provide support such as tutoring or advising before issues escalate.

## Align Financial Aid with Academic Progress

Many students drop out because of financial difficulties, even after several years of study. States can mandate that public universities tie institutional financial aid to academic milestones, such as completing 30 credits per year. This policy encourages students to stay on track and reduces the risk of financial barriers derailing their progress.

## Prioritize Course Availability for Required Classes

Bottlenecks in required courses often delay student progress, especially in high-demand majors. States can encourage public universities to use course demand forecasting to ensure that essential classes are available each semester. Additionally, implementing flexible online or hybrid course options can help accommodate more students without the need for additional physical space or faculty.

## Accept Military Transcripts for Academic Credit

Military veterans and active-duty service members often possess valuable skills and knowledge acquired through their training and service. However, many public universities do not fully recognize these competencies, resulting in veterans taking redundant courses, which delays graduation. States can require public universities to **standardize the acceptance of military transcripts**, such as those provided through the Joint Services Transcript (JST), for academic credit.

## Introduce 3-Year Degrees in Select Disciplines

To accelerate time-to-degree and reduce the overall cost of higher education, states can encourage public universities to offer **3-year degree programs** in select disciplines (if allowed by the relevant institutional accreditor). By streamlining course requirements, students can complete their degrees in less time without sacrificing academic quality.

Implementing any one of these recommendations would be a significant stride toward shortening time to graduation. Excessive years spent in college benefit no one. They hold students back in their careers and needlessly increase students' financial burden. Extra time-to-degree also wastes taxpayer dollars. Public universities exist to educate productive and well-rounded citizens. They cannot properly fulfill that duty if students fail to complete their studies in a timely manner, if at all. Fortunately, many opportunities for reform exist.

## For More Information

Want to learn more? The Martin Center is happy to provide supplemental data, model policies, or additional research on this topic. You can reach us at 919-828-1400 or [info@jamesgmartin.center](mailto:info@jamesgmartin.center).

## About the Martin Center

The James G. Martin Center for Academic Renewal is a private nonprofit institute dedicated to higher education policy reform. Our mission is to renew and fulfill the promise of higher education in North Carolina and across the country. We advocate responsible governance, viewpoint diversity, academic quality, cost-effective education solutions, and innovative market-based reform. We do that by studying and reporting on critical issues in higher education and recommending policies that can create change—especially at the state and local level.