

The Net Benefits of Raising Bachelor's Degree Completion through the City University of New York ACE Program

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New research shows CUNY's ACE program delivers big gains for students, taxpayers, and the broader economy.

A previous randomized controlled trial (RCT) evaluated the impact of CUNY's Accelerate, Complete, and Engage (ACE) program on bachelor's degree completion and found students offered ACE were 12 percentage points more likely to earn a bachelor's degree within 5 years compared to similar students not offered the program ([Scuella and Strumbos, 2024](#)). But how do these short-term outcomes translate into longer-term benefits to taxpayers and society?

That's where benefit-cost analysis comes in. A new analysis by researchers at Columbia University and Teachers College integrates findings from the impact evaluation with broader data on how education relates to earnings, and how earnings relate to other societal benefits, including to participants' children. The authors find that each ACE participant generates about \$48,000 in net social benefits during their own lifetime, or over \$130,000 when second-generation benefits are included, making a strong case that the program pays off well beyond the classroom.

WHAT IS ACE?

The Accelerate, Complete, and Engage (ACE) program is a comprehensive support model developed by the City University of New York (CUNY) to improve bachelor's degree completion rates among low-income and underrepresented students.

ACE provides students with academic, financial, and advising supports, including:

- Dedicated academic advisors who offer proactive, individualized guidance. The same advisor is paired with a student for all four years.

- Career development and academic tutoring to help students stay on track and prepare for post-college success.
- Financial support, including tuition waivers, free MetroCards, and textbook assistance.
- A structured schedule with milestone tracking and regular advisor check-ins

Versions of the program currently operate at several CUNY and SUNY four-year colleges, and CUNY estimates that the direct costs of the program are about \$4,000 per participant per year. Since ACE participants enroll for multiple years and also accumulate more course credits than other students, the research team estimates the total cost to taxpayers per student over 5 years is approximately \$15,700.

WHAT DOES THE NEW STUDY DO?

In their new study, the researchers at Columbia and Teachers College take the results from the RCT and ask: *What are the long-term benefits of ACE for students, taxpayers, and society?* They combine the estimated degree completion impact from the RCT with national data on earnings by age, gender, and degree level, and draw upon the best causal research to project how the program's impacts translate into (1) lifetime earnings gains for participants, (2) tax revenues and other benefits to taxpayers, and (3) intergenerational benefits to society, resulting from participants' children growing up in higher-income families.

KEY FINDINGS

- 1 ACE participants are expected to earn almost \$52,000 more over their lifetimes on average than those who didn't get ACE support, due to increased and accelerated college completion. Of these additional earnings, about \$14,000 goes to taxpayers in the form of higher tax revenues.**
- 2 Taking both costs and benefits into account, for both participants and taxpayers, society nets about \$48,000 in value per ACE participant. Because the cost of the program is about \$16,000 per student, this translates to a net social benefit of \$3.06 for every \$1 taxpayers invest.**
 - The vast majority of net benefits in the current generation derive from participants' earnings; only about 12% are due to the inclusion of estimated health benefits and reductions in public transfers.
 - The program is projected to generate positive net benefits for society even if the degree completion impact fades over time (i.e., if the ACE control group eventually catches up to participants' degree completion rate).
- 3 Estimated net social benefits rise to \$130,586 per participant when second-generation benefits are included.**
 - Children of ACE participants are projected to benefit from their parents' higher income by way of increased educational attainment, better health outcomes, higher earnings, lower involvement in child protection, lower crime rates, and lower reliance on public assistance.

Many studies fail to capture the long-term benefits of investments in one generation on the outcomes of future generations.

- Second-generation benefits are larger than first-generation benefits because participants are expected to have more than one child who benefits from increased parental income.

4 From the taxpayer perspective alone, the program doesn't fully pay for itself in the current generation. When benefits to participants' children are included, taxpayers ultimately see a positive return on their investment.

- The net cost to taxpayers is about \$2,170 per participant in the current generation. However, this cost is substantially offset over time through higher tax revenues, reduced healthcare spending, and lower costs of crime, child protection, and public assistance. When second-generation benefits are factored in, taxpayers see a positive return on investment.

POLICY AND PRACTICE IMPLICATIONS

- 1 Well-designed completion programs can be cost-effective public investments, benefiting not only students but also taxpayers and society at large through increased earnings and reduced reliance on public benefits.** The ACE program is estimated to provide more than \$3 in net social benefits in the current generation for every \$1 invested.
- 2 While the majority of earnings benefits come from increased college completion, getting students to graduate faster also plays an important role.** Even if the control group eventually completes college at the same rate as ACE participants, the earnings benefits just from getting an early start in the labor market are substantial.
- 3 Benefit-cost analyses that consider only the current generation may severely underestimate benefits over the longer term.** For the ACE program, net benefit projections increase to \$8.30 per dollar invested when second-generation benefits are considered, more than double the first-generation estimate. This is because ACE participants are projected to have more than one child now growing up in families with higher parental income, and higher parental income affects children's own lifetime income, crime, and use of public benefits.

FULL WORKING PAPER

This report is based on the EdWorkingPaper “*The Net Benefits of Raising Bachelor’s Degree Completion through the City University of New York ACE Program*,” published in June 2025. The full research paper can be found here: <https://edworkingpapers.com/ai25-1232>

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