College Scorecard Code

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1. Import Libraries

The database is given in both a SQLite file and CSVs for each year per file. I will mostly be working with the SQLite because all the data is in one place.

I installed SQLiteStudio to look at the variables. The entire table crashes SQLiteStudio on my computer due to file size. But queries can still be performed to check the output. Most of the data is worked on for 2011 because that is the last dataset that has md earn wne p10, the main salary component I looked at.

Please note, for every section the APPROCH was done once, to save computation time when Knitting the PDF.

First import the libraries that would be needed.

```
library(RSQLite) # Library to work with SQLite
```

- ## Warning: package 'RSQLite' was built under R version 3.3.2
- ## Warning: package 'DBI' was built under R version 3.3.2

```
library(dplyr) # Library for data manipulation

## Warning: package 'dplyr' was built under R version 3.3.2

library(ggplot2) # Library for plotting

## Warning: package 'ggplot2' was built under R version 3.3.1
```

2. Connect to database and import

You can also embed plots, for example:

```
db <- dbConnect(dbDriver("SQLite"), "C:/Users/Adam/Desktop/CAPSTONE/output/database.sqlite")
dbGetQuery(db, "PRAGMA temp_store=2;") #Do not load everything into RAM</pre>
```

The database one have 1 table called Scorecard. What is in scorecard?

Here the head and number of columns of the table is shown. A detailed description of the column can be found within FULLDataDOCUMENTATION.PDF file.

```
scorecard_columns = dbGetQuery(db, "PRAGMA table_info('Scorecard')")
head(scorecard_columns)
```

```
##
                   type notnull dflt_value pk
     cid
           name
## 1
                              0
             Id INTEGER
                                      <NA> 1
       1 UNITID INTEGER
                              0
                                      <NA> 0
## 2
       2 OPEID INTEGER
                                      <NA> 0
## 3
                              0
       3 opeid6 INTEGER
                              0
                                      <NA> 0
## 5
       4 INSTNM
                   TEXT
                              0
                                      <NA> 0
           CITY
                                      <NA> 0
## 6
                   TEXT
                              0
```

```
nrow(scorecard_columns) # This is the number of columns within the table.
```

```
## [1] 1731
```

The number of rows in the database:

```
dbGetQuery(db, "SELECT count(*) FROM Scorecard")
## count(*)
## 1 124699
```

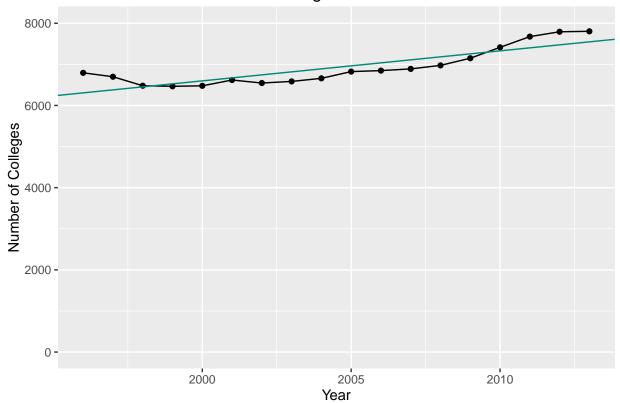
So we see this is a very big data base with 1731 Columns and 124699 Rows. The dataset is separated by different years which is given in CSV format as well.

3. Number of Colleges though Time

How many college in US from 1996 to 2013?

```
numberOfSchools = dbGetQuery(db, "SELECT Year, COUNT(Id) NumSchools
                             FROM Scorecard GROUP by Year")
head(numberOfSchools)
     Year NumSchools
## 1 1996
                6794
## 2 1997
                6699
## 3 1998
                6480
## 4 1999
                6466
## 5 2000
                6478
## 6 2001
                6619
Let's plot this using ggplot2
best_fit <- lm(numberOfSchools$NumSchools~numberOfSchools$Year)</pre>
best_fit
##
## Call:
## lm(formula = numberOfSchools$NumSchools ~ numberOfSchools$Year)
##
## Coefficients:
            (Intercept) numberOfSchools$Year
##
             -139421.46
                                        73.01
summary(best_fit)
##
## Call:
## lm(formula = numberOfSchools$NumSchools ~ numberOfSchools$Year)
## Residuals:
                10 Median
                                3Q
## -233.21 -196.71 -83.72 212.95 486.87
##
## Coefficients:
                          Estimate Std. Error t value Pr(>|t|)
                                     21775.36 -6.403 8.75e-06 ***
## (Intercept)
                        -139421.46
                             73.01
## numberOfSchools$Year
                                        10.86
                                               6.721 4.91e-06 ***
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 239.1 on 16 degrees of freedom
## Multiple R-squared: 0.7384, Adjusted R-squared: 0.7221
## F-statistic: 45.17 on 1 and 16 DF, p-value: 4.913e-06
```

Number of Colleges from 1996 to 2013



From this we can predict the number of colleges in the future. There is a clear indication that the number of colleges is increasing. However, given only a few years of data points, the prediction woudn't be accuract.

4. SAT Scores

Distribution of SAT scores

First import database with unneeded attributes elimated, then the data was cleaned such that if any SAT score is NULL it is left out. Take a look at the head of this dataset:

```
AND SATMTMID IS NOT NULL
AND SATWRMID IS NOT NULL
AND SATWRMID IS NOT NULL")

# INSTNM is College Name, SATMTMID is SAT Math Score medium,
# SATVRMID is SAT Verbal Score medium, SATWRMID is SAT Writing Score medium.

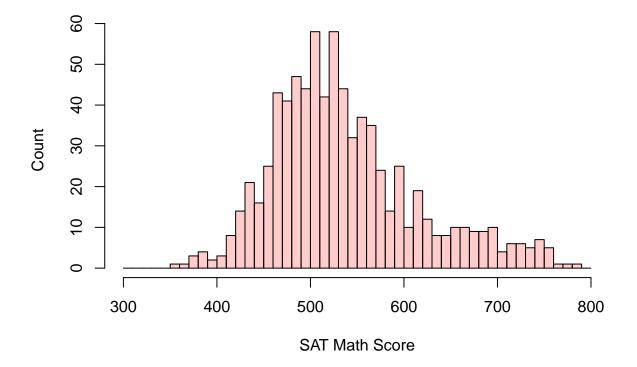
head(sat)
```

##		INSTNM	SATMTMID	SATVRMID	SATWRMID
##	1	The University of Alabama	570	555	540
##	2	Auburn University	595	570	565
##	3	Judson College	550	595	570
##	4	University of Montevallo	508	554	510
##	5	Samford University	560	565	555
##	6	University of South Alabama	500	495	470

Here is the distribution of Math, Verbal and Written SAT Scores averages for the Colleges

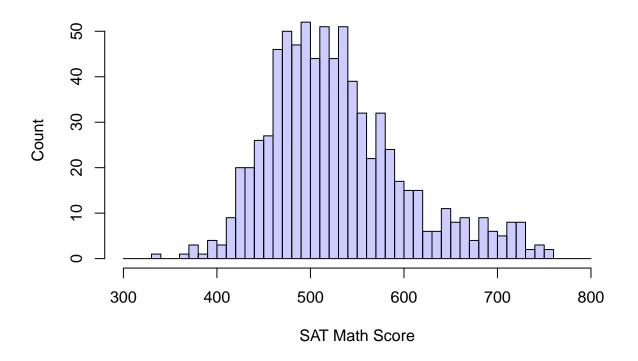
```
hist(sat$SATMTMID, main="Distribution of Math SAT Scores", xlab="SAT Math Score", ylab="Count", col=rgb(1,0,0,0.2), breaks = seq(300,800,by=10))
```

Distribution of Math SAT Scores



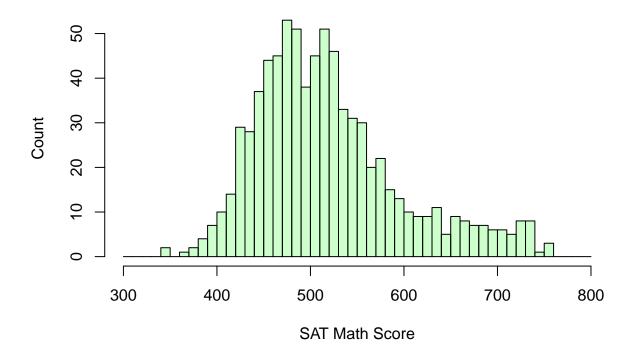
hist(sat\$SATVRMID, main="Distribution of Verbal SAT Scores", xlab="SAT Math Score", ylab="Count", col=rgb(0,0,1,0.2), breaks = seq(300,800,by=10), add = F)

Distribution of Verbal SAT Scores



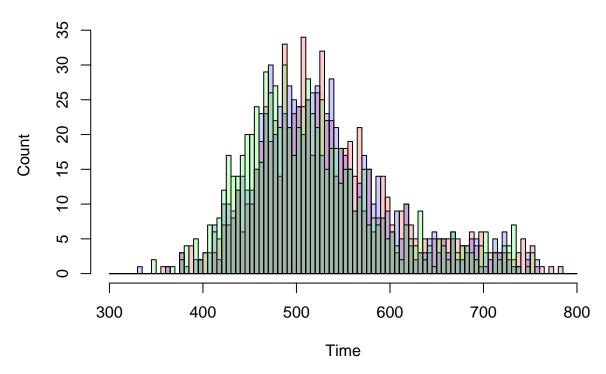
hist(sat\$SATWRMID, main="Distribution of Writing SAT Scores", xlab="SAT Math Score", ylab="Count", col=rgb(0,1,0,0.2), breaks = seq(300,800,by=10), add = F)

Distribution of Writing SAT Scores



Here is the distribution of Math SAT Scores averages for the Colleges





All the distribution of SAT scores are bell curve like and has a mid point at around 500.

T-tests for SAT

We can do a t-test for SAT Math, SAT Written, SAT Verbal to see if they are similar enough to be the same data-set.

paired = F, var.equal = T, conf.level = 0.95)

```
##
##
   Two Sample t-test
##
## data: sat$SATMTMID and sat$SATVRMID
## t = 2.1898, df = 1564, p-value = 0.02869
\#\# alternative hypothesis: true difference in means is not equal to 0
## 95 percent confidence interval:
     0.8750941 15.9116237
## sample estimates:
## mean of x mean of y
  539.1916 530.7982
t.test(sat$SATVRMID, sat$SATWRMID, alternative = c("two.sided"),
       paired = F, var.equal = T, conf.level = 0.95)
##
##
   Two Sample t-test
##
## data: sat$SATVRMID and sat$SATWRMID
## t = 2.5209, df = 1564, p-value = 0.0118
## alternative hypothesis: true difference in means is not equal to 0
## 95 percent confidence interval:
     2.142851 17.170048
## sample estimates:
## mean of x mean of y
## 530.7982 521.1418
```

Since the P value is all smaller than 0.05 here we reject the Null Hypothesis that theses are from the same data-set. This questions if adding SAT scores of different subjects to get total SAT score is a good idea, it might be a good excerise in the future to do the SAT analysis by subject rather than add together.

5. Income of students after 10 Years and Best ROI

Salary by school

Let's first import the all the colleges and see which has the highest median earnings after 10 years.

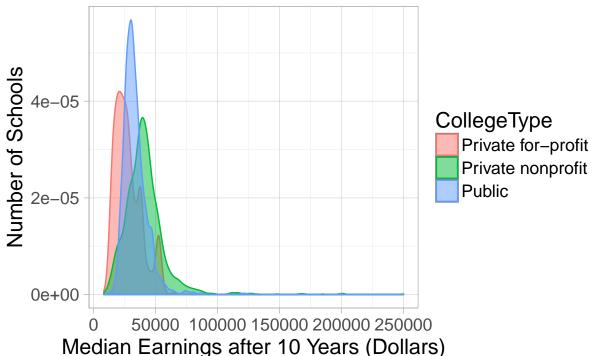
```
head(salary)
```

College CollegeType

```
## 1
                             Medical College of Wisconsin Private nonprofit
## 2
                                    Albany Medical College Private nonprofit
## 3
                  A T Still University of Health Sciences Private nonprofit
## 4
             West Virginia School of Osteopathic Medicine
                                                                       Public
## 5 University of Massachusetts Medical School Worcester
                                                                       Public
                                  New York Medical College Private nonprofit
## 6
##
     md_earn_wne_p10
              250000
## 1
## 2
              201200
## 3
              199600
              198300
              184900
## 5
## 6
              169600
```

Here it is arranged by highest earnings first. Notice the highests are all medical schools. We will fix this later on. For the plot below, we see that there are many colleges with average salary of 250k+ per year but theses are all for medical schools.

Median Earnings after 10 Years by Type of School

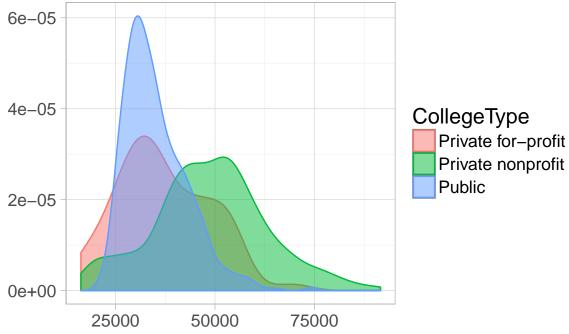


Here we gotten rid of the medical schools by making sure the college has at least 3000 students.

```
##
                                    College
                                                  CollegeType md_earn_wne_p10
## 1 Massachusetts Institute of Technology Private nonprofit
                                                                        91600
                        Harvard University Private nonprofit
                                                                        87200
## 3
                     Georgetown University Private nonprofit
                                                                        83300
          Rensselaer Polytechnic Institute Private nonprofit
## 4
                                                                        81700
## 5
                       Stanford University Private nonprofit
                                                                        80900
## 6
                University of Pennsylvania Private nonprofit
                                                                        78200
##
      UGDS
## 1
      4363
## 2 7245
## 3 7232
## 4 5240
## 5 6927
## 6 10720
```

The head here is more of what is expected. Top famous colleges have the highest student earnings.

Median Earnings after 10 Years by Type of School with Undergrad pop. >3000



dian Earnings 10 Years after Not including Medical Schools

How we see a more expected earnings. From the graph, we see that private nonprofit has the best earnings. While private for-profit and public colleges have similar earnings, this peak is around 30,000\$ per year.

ROI by SAT total score

First let's import the data from the data base with UGDS (The number of students) greater than 3000. And clean data with columns where any SAT score is NULL. This year we looked at is 2011 because the medium earnings data is the lastest.

```
AND SATURMID IS NOT NULL
AND SATURMID IS NOT NULL
ORDER BY md_earn_wne_p10 DESC")
```

See head to make sure everything is expected and create new column for total SAT score.

head(sat_salary)

```
##
                                                  CollegeType md_earn_wne_p10
                                    College
## 1 Massachusetts Institute of Technology Private nonprofit
## 2
                        Harvard University Private nonprofit
                                                                         87200
## 3
          Rensselaer Polytechnic Institute Private nonprofit
                                                                         81700
## 4
                       Stanford University Private nonprofit
                                                                         80900
## 5
                University of Pennsylvania Private nonprofit
                                                                         78200
                           Duke University Private nonprofit
## 6
                                                                         76700
      UGDS SATMTMID SATVRMID SATWRMID
##
                         720
## 1
     4363
                770
                                   725
## 2 7245
                750
                         740
                                   740
## 3 5240
                715
                         660
                                   645
## 4 6927
                735
                         720
                                   730
                         705
                                   720
## 5 10720
                735
## 6 6534
                735
                         705
                                   720
```

sat_salary\$total_sat <- sat_salary\$SATMTMID + sat_salary\$SATVRMID + sat_salary\$SATWRMID
head(sat_salary)</pre>

```
College
##
                                                  CollegeType md_earn_wne_p10
## 1 Massachusetts Institute of Technology Private nonprofit
                                                                         91600
## 2
                        Harvard University Private nonprofit
                                                                         87200
## 3
          Rensselaer Polytechnic Institute Private nonprofit
                                                                         81700
                       Stanford University Private nonprofit
## 4
                                                                         80900
                University of Pennsylvania Private nonprofit
## 5
                                                                         78200
## 6
                           Duke University Private nonprofit
                                                                         76700
      UGDS SATMINID SATVRMID SATWRMID total sat
##
## 1 4363
                770
                         720
                                   725
                                            2215
## 2
     7245
                750
                         740
                                   740
                                            2230
                715
## 3 5240
                         660
                                   645
                                            2020
## 4 6927
                735
                         720
                                   730
                                            2185
## 5 10720
                         705
                                   720
                735
                                            2160
## 6 6534
                735
                         705
                                   720
                                            2160
```

As expected, famous Ivy league schools in the US have the highest SAT scores in all areas including total sat score.

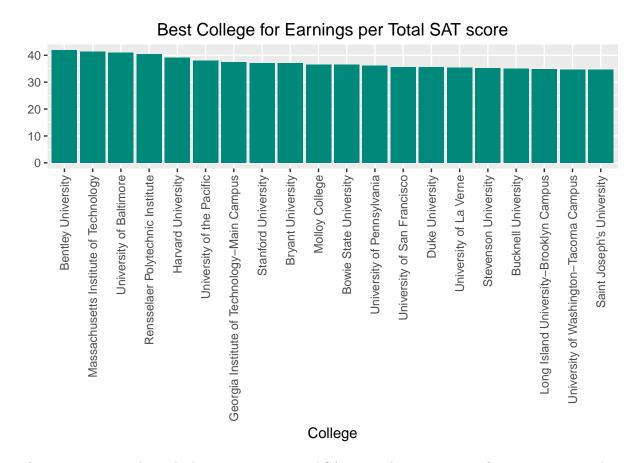
Create column for best return, best earnings per sat score.

```
sat_salary$salary_to_sat <- sat_salary$md_earn_wne_p10 / sat_salary$total_sat
```

Rearrange dataframe by salary_to_sat with highest first.

```
top_sat_salary = sat_salary[order(sat_salary$salary_to_sat, decreasing = T),]
See top twenty.
top_20_sat_salary <- top_sat_salary[1:20,]</pre>
head(top_20_sat_salary)
##
                                                   CollegeType md earn wne p10
                                     College
                                                                          74900
## 8
                         Bentley University Private nonprofit
                                                                          91600
     Massachusetts Institute of Technology Private nonprofit
                                                                          58000
## 44
                    University of Baltimore
                                                        Public
## 3
           Rensselaer Polytechnic Institute Private nonprofit
                                                                          81700
## 2
                         Harvard University Private nonprofit
                                                                          87200
                  University of the Pacific Private nonprofit
## 18
                                                                          66400
      UGDS SATMTMID SATVRMID SATWRMID total_sat salary_to_sat
##
## 8
      4161
                600
                         588
                                   600
                                            1788
                                                      41.89038
                770
                         720
                                   725
                                            2215
                                                      41.35440
## 1 4363
## 44 3230
                465
                         485
                                   465
                                            1415
                                                      40.98940
                715
## 3 5240
                         660
                                   645
                                            2020
                                                      40.44554
## 2 7245
                750
                         740
                                   740
                                            2230
                                                      39.10314
                                                      37.96455
## 18 3872
                                   565
                                            1749
                614
                         570
#Makes College into an ordered factor already so gaplot doesn't reorder it for me.
top_20_sat_salary$College <- factor(top_20_sat_salary$College, levels = top_20_sat_salary$College)
ggplot(data=top_20_sat_salary, aes(x=top_20_sat_salary$College, y=top_20_sat_salary$salary_to_sat)) +
    geom_bar(stat="identity", fill="#00897B") +
  theme(axis.text.x=element_text(angle=90,hjust=1,vjust=0.5)) +
  xlab("College") + ylab('') +
```

ggtitle("Best College for Earnings per Total SAT score")



Top famous universities have the best earnings per total SAT score, but some not as famous universities done well as well. There aren't any community colleges that have reached the top 20 list.

Best Salary for Education Cost

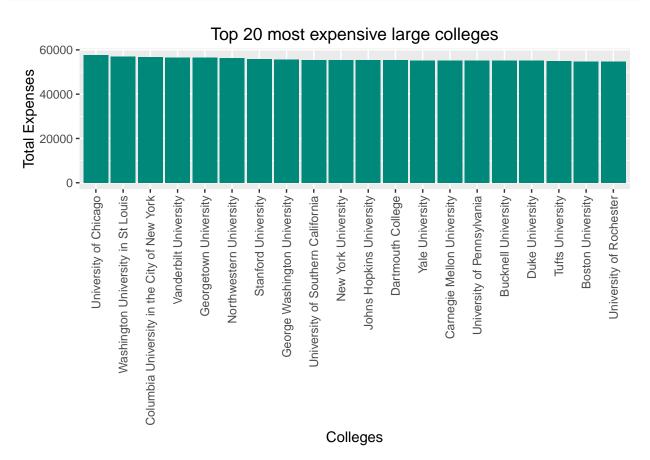
20 most expensive large Colleges:

Let's take a look at the 20 most expensive large colleges before seeing which is best bang for you buck.

```
top_edu_cost = edu_cost[order(edu_cost$COSTT4_A, decreasing = T),]
top_20_edu_cost = edu_cost[order(edu_cost$COSTT4_A, decreasing = T),][1:20,]
top_20_edu_cost
```

```
College
                                                         CollegeType
## 37
                             University of Chicago Private nonprofit
## 39
                Washington University in St Louis Private nonprofit
      Columbia University in the City of New York Private nonprofit
## 48
                             Vanderbilt University Private nonprofit
## 3
                             Georgetown University Private nonprofit
## 35
                          Northwestern University Private nonprofit
## 5
                               Stanford University Private nonprofit
## 34
                     George Washington University Private nonprofit
## 30
                University of Southern California Private nonprofit
## 62
                               New York University Private nonprofit
## 21
                         Johns Hopkins University Private nonprofit
## 26
                                 Dartmouth College Private nonprofit
## 31
                                   Yale University Private nonprofit
## 17
                       Carnegie Mellon University Private nonprofit
## 6
                       University of Pennsylvania Private nonprofit
## 23
                               Bucknell University Private nonprofit
## 9
                                   Duke University Private nonprofit
                                  Tufts University Private nonprofit
## 24
## 51
                                 Boston University Private nonprofit
## 89
                          University of Rochester Private nonprofit
      md_earn_wne_p10 UGDS COSTT4_A
##
## 37
                62800
                       5377
                                57590
## 39
                62300 6658
                                56930
## 16
                72900 8127
                                56681
## 48
                60900 6754
                                56634
## 3
                83300 7232
                                56485
                64100 8991
## 35
                                56406
                80900 6927
                                55918
## 5
## 34
                64500 10184
                                55625
## 30
                66100 17090
                                55493
## 62
                58800 21820
                                55412
                69200 5817
                                55390
## 21
## 26
                67100 4106
                                55386
## 31
                66000 5333
                                55300
## 17
                72000 5848
                                55286
## 6
                78200 10720
                                55250
## 23
                68800 3535
                                55180
## 9
                76700 6534
                                55150
## 24
                67800 5136
                                55000
## 51
                60600 16575
                                54836
## 89
                55500 5457
                                54730
```

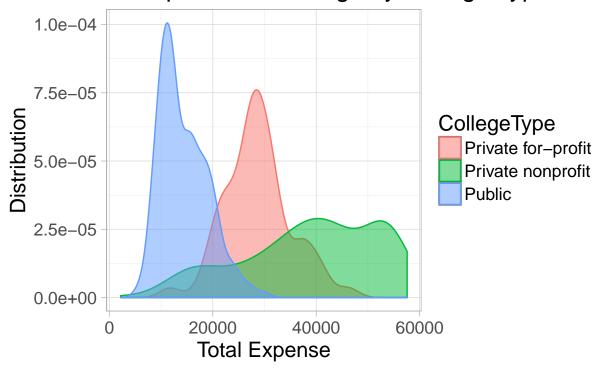




Here we see the top 20 most expensive colleges. Maybe of these colleges are in large cities or expensive areas.

Warning: Removed 15 rows containing non-finite values (stat_density).

Distribution of Total Expense for College by College Type



We see that private non-profit ranges from not very expense to very expense, of almost 60k a year. While public colleges are mostly less than 20k per year. Private for-profit is more expensive than public but in most cases less than non profit.

Get the best ratio of earnings to cost

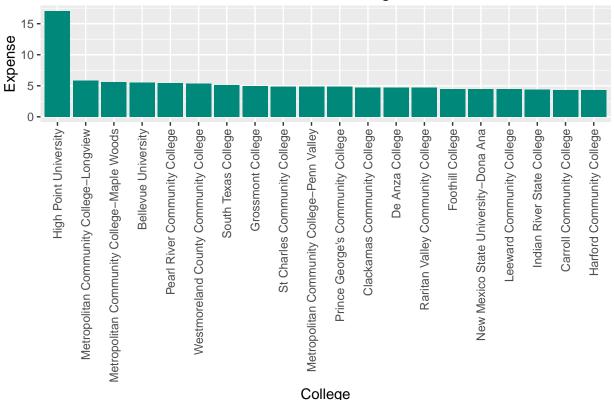
```
edu_cost$salary_to_cost <- edu_cost$md_earn_wne_p10 / edu_cost$COSTT4_A
head(edu_cost)</pre>
```

```
##
                                    College
                                                   CollegeType md_earn_wne_p10
## 1 Massachusetts Institute of Technology Private nonprofit
                                                                          91600
## 2
                         Harvard University Private nonprofit
                                                                          87200
## 3
                      Georgetown University Private nonprofit
                                                                          83300
## 4
          Rensselaer Polytechnic Institute Private nonprofit
                                                                          81700
                        Stanford University Private nonprofit
                                                                          80900
## 5
## 6
                University of Pennsylvania Private nonprofit
                                                                          78200
##
      UGDS COSTT4_A salary_to_cost
      4363
              53210
                           1.721481
## 1
## 2
      7245
              53950
                           1.616311
## 3
      7232
              56485
                           1.474728
      5240
              54035
                           1.511983
## 5
      6927
              55918
                           1.446761
## 6 10720
              55250
                           1.415385
```

```
best_deal <- edu_cost[order(edu_cost$salary_to_cost, decreasing = T),]
head(best_deal)</pre>
```

```
##
                                             College
                                                            CollegeType
## 556
                              High Point University Private nonprofit
  1041
           Metropolitan Community College-Longview
                                                                 Public
  1042 Metropolitan Community College-Maple Woods
                                                                 Public
##
  138
                                Bellevue University Private nonprofit
## 1135
                      Pearl River Community College
## 1054
                                                                 Public
             Westmoreland County Community College
        md_earn_wne_p10 UGDS COSTT4_A salary_to_cost
##
## 556
                   37500 3960
                                  2200
                                             17.045455
##
  1041
                  29400 5066
                                  5006
                                              5.872952
## 1042
                   29400 4135
                                  5279
                                              5.569237
                   52200 6312
                                  9495
                                              5.497630
## 138
## 1135
                   28100 5390
                                  5143
                                              5.463737
                   29300 6249
                                              5.336976
## 1054
                                  5490
best_deal_top20 <- best_deal[1:20,]</pre>
best_deal_top20$College <- factor(best_deal_top20$College, levels = best_deal_top20$College)</pre>
ggplot(data=best_deal_top20, aes(x=best_deal_top20$College, y=best_deal_top20$salary_to_cost)) +
    geom_bar(stat="identity", fill="#00897B") +
  theme(axis.text.x=element_text(angle=90,hjust=1,vjust=0.5)) +
  xlab("College") + ylab("Expense") +
  ggtitle("Best ROI for Colleges")
```





We see that a lot of community colleges have the best of ROI but the investment isn't just cost of education,

there is also the time it cost to complete the education. However, this shows that community colleges still are a good idea due to its high ROI.

6. Graduation Rates

Graduation Rate and Graduation Rate to SAT ratio

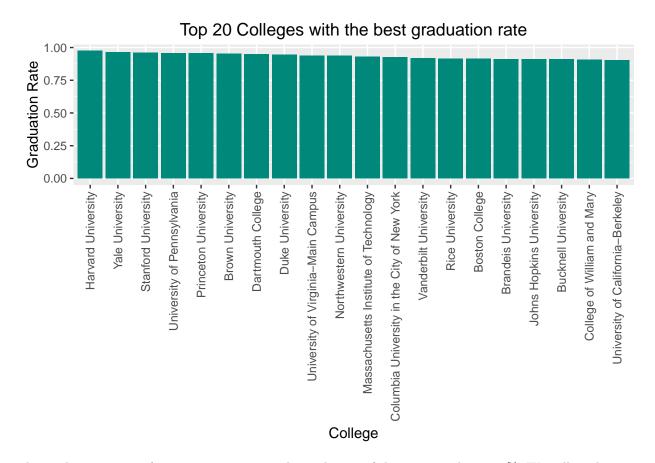
```
grad_rate <- dbGetQuery(db, "SELECT INSTNM College,</pre>
       CONTROL CollegeType,
       md_earn_wne_p10,
       UGDS,
       SATMTMID,
       SATVRMID,
       SATWRMID,
       C150_4
FROM Scorecard
WHERE Year=2011
AND md_earn_wne_p10 IS NOT NULL
AND md_earn_wne_p10 != 'PrivacySuppressed'
AND UGDS IS NOT NULL
AND UGDS > 3000
AND SATMINID IS NOT NULL
AND SATVRMID IS NOT NULL
AND SATWRMID IS NOT NULL
AND C150_4 IS NOT NULL
ORDER BY C150_4 DESC")
```

Top 20 schools with the best Graduation Rate:

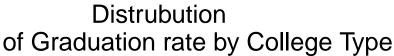
```
top_grad_rate = grad_rate[order(grad_rate$C150_4, decreasing = T),]
top_20_grad_rate = top_grad_rate[1:20,]
top_20_grad_rate
```

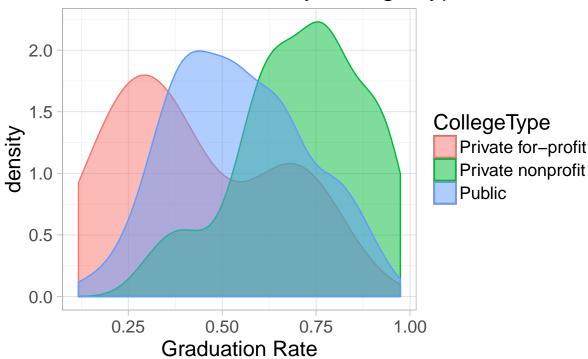
```
##
                                           College
                                                         CollegeType
## 1
                               Harvard University Private nonprofit
## 2
                                  Yale University Private nonprofit
## 3
                              Stanford University Private nonprofit
## 4
                       University of Pennsylvania Private nonprofit
## 5
                             Princeton University Private nonprofit
## 6
                                 Brown University Private nonprofit
## 7
                                Dartmouth College Private nonprofit
## 8
                                  Duke University Private nonprofit
## 9
               University of Virginia-Main Campus
                                                              Public
## 10
                          Northwestern University Private nonprofit
            Massachusetts Institute of Technology Private nonprofit
## 11
## 12 Columbia University in the City of New York Private nonprofit
```

```
## 13
                             Vanderbilt University Private nonprofit
## 14
                                   Rice University Private nonprofit
## 15
                                    Boston College Private nonprofit
## 16
                               Brandeis University Private nonprofit
## 17
                          Johns Hopkins University Private nonprofit
## 18
                               Bucknell University Private nonprofit
## 19
                      College of William and Mary
## 20
                University of California-Berkeley
                                                               Public
##
      md_earn_wne_p10 UGDS SATMTMID SATVRMID SATWRMID C150_4
## 1
                87200 7245
                                  750
                                           740
                                                    740 0.9743
## 2
                66000 5333
                                  750
                                           750
                                                     755 0.9659
## 3
                80900 6927
                                  735
                                           720
                                                     730 0.9614
## 4
                78200 10720
                                  735
                                           705
                                                     720 0.9580
## 5
                75100 5160
                                  755
                                           745
                                                     745 0.9551
## 6
                59700 6118
                                  705
                                           685
                                                     695 0.9521
## 7
                67100 4106
                                  740
                                           725
                                                     740 0.9497
## 8
                76700 6534
                                  735
                                           705
                                                    720 0.9437
## 9
                58600 14568
                                                     670 0.9390
                                  685
                                           665
## 10
                64100 8991
                                  740
                                           715
                                                    725 0.9360
                91600 4363
                                                     725 0.9286
## 11
                                  770
                                           720
## 12
                72900 8127
                                  745
                                           735
                                                    735 0.9280
## 13
                60900 6754
                                  740
                                           725
                                                     715 0.9185
## 14
                59900 3708
                                           700
                                                     705 0.9155
                                  730
## 15
                67000 9464
                                  685
                                           665
                                                     680 0.9153
## 16
                58800 3493
                                  685
                                           655
                                                     675 0.9118
## 17
                69200 5817
                                  720
                                           680
                                                     700 0.9112
## 18
                68800 3535
                                  675
                                           635
                                                     650 0.9098
## 19
                56400 6020
                                  670
                                           675
                                                     670 0.9074
## 20
                62700 25885
                                  695
                                           665
                                                     675 0.9049
top_20_grad_rate$College <- factor(top_20_grad_rate$College, levels = top_20_grad_rate$College)
ggplot(data=top_20_grad_rate, aes(x=top_20_grad_rate$College, y=top_20_grad_rate$C150_4)) +
    geom_bar(stat="identity", fill="#00897B") +
  theme(axis.text.x=element_text(angle=90,hjust=1,vjust=0.5)) +
    xlab("College") + ylab("Graduation Rate") +
  ggtitle("Top 20 Colleges with the best graduation rate")
```



The graduation rates of top university are similar and most of them approaching 100%. We will see later on that there is a significant influence of graduation rate from SAT scores.



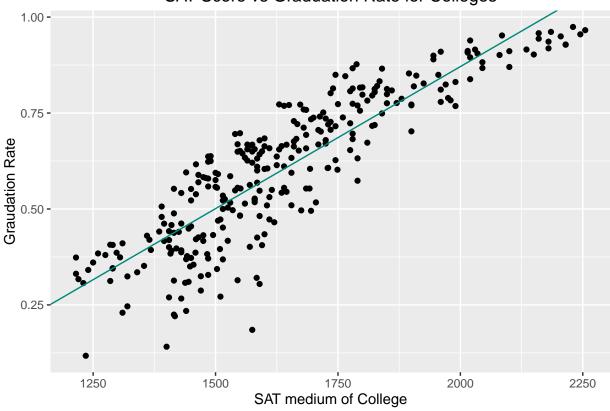


We see that private non-profit has the highest gradation rate while private for-profit has the worse graduation rate. There is a dual distribution for private for-profit colleges, one distribution has poor results and one distribution has results similar to non-profit private colleges. This dual distribution for private for-profit is seen in later results as well.

Does having higher SAT score improve graduation rate?

ggtitle("SAT Score vs Graduation Rate for Colleges")





summary(fit)

```
##
## lm(formula = grad_rate$C150_4 ~ grad_rate$total_sat)
##
## Residuals:
       Min
                 1Q
                      Median
                                           Max
## -0.37139 -0.05649 0.01177 0.06695 0.17540
##
## Coefficients:
                        Estimate Std. Error t value Pr(>|t|)
##
## (Intercept)
                      -6.097e-01 3.941e-02
                                             -15.47
                                                      <2e-16 ***
## grad_rate$total_sat 7.404e-04 2.382e-05
                                              31.08
                                                      <2e-16 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 0.09304 on 292 degrees of freedom
## Multiple R-squared: 0.7679, Adjusted R-squared: 0.7671
## F-statistic: 965.8 on 1 and 292 DF, p-value: < 2.2e-16
```

There is a clear positive relationship between SAT and graduation rate at least for colleges.

```
predictions <- predict(fit, grad_rate)

rmse <- mean((grad_rate$C150_4 - predictions)^2)

print(rmse)</pre>
```

[1] 0.008597173

Therefore, the Root mean square error is 0.008597 which is acceptable for this fit.

7. Conclusions

This was an in-depth exploratory data analysis. The idea is to understand and get familiar with this extremely large and rich dataset. Most of the understanding was conceived from plots of the data set in various ways, it is the graphs that can tell a very interesting story. This is a data set that is 1.1 GB in size with 1731 columns and 124699 rows. From 1996 to 2013, there is a trend of number of colleges is increasing. From our analysis, it is observed that SAT scores resemble a normal distribution.

Private non-profit colleges have the best earnings while public colleges have lower earnings for students. Private for-profit schools are made from two distribution, one distribution that is similar to private non-profit colleges while one distribution creates poor results. Students that are looking at Private for-profit colleges should pay extra attention.

Most expensive colleges are within large cities and have a relatively famous reputation. Private nonprofit colleges are sometimes the most expensive as well. The best ROI in terms of cost are community colleges while the best ROI in terms of SAT score are famous colleges. This shows that high school students should work harder to get into high SAT score colleges as the reward is not linear. Finally, it was observed that the graduation rate is highest in famous colleges and graduation rate of a college is positively linked with SAT scores of that college.

The success rate in private nonprofit colleges is very high but can be more expensive, this might be worth it for students that like to invest in their education. Public college for the most part creates good results and most students can be very successful. Private for-profit colleges are a hit or miss, be very careful when selecting for-profit colleges.

There are many variables within this dataset that are not investigated as there are hundreds of variables. However, the most important variables and the variables that students are most interested in are discussed here. From the conclusions here, students should have a bigger understand of the general landscape of higher education and have a good comparison when a specific school is looked at.