

# Measuring Return on Investment for Dual Credit Courses



# Cost of Dual Credit to New Mexico



## Cost Per Student, Per Course:

PED:	\$ 684
HED:	570
Books:	<u>40</u>
<b>Total</b>	<b>\$1,294</b>

## Students Average 2.25 Courses/Year:

**Total Per Student Per Year \$2,912**

## State Budget Totals Per Year:

PED:	\$ 17.7 million (1.2%)
HED:	14.7 million (1.6%)
PED Inst. Materials:	1.04 million
<b>Total Budget Per Year:</b>	<b>\$33.44 million</b>

# State/Federal Savings of Dual Credit



## Reduction in Need for Remediation:

\$1,600 to \$2,500 per student\*

12% less at community college

5.8% less at university level

**Remediation savings: \$1.4 to \$3 million**

## Potential Funding Formula Savings:

Savings range from:

**\$2 million** (AA degree) to

**\$4.5 million** (BA degree)

## Potential Lifetime Public Assistance Savings:

**\$ 3 billion**

Remediation Cost Per Student reported in *Remedial and Developmental Education Policy at a Crossroads*, Aug 2010.

\$1,600 to \$2,000 at community college/\$2,000 to \$2,500 at university.

*Total NM DC Students X Reduced Need for Remediation X Average Cost for Remediation Per Student.*

*Total NM DC Students X Formula Funding Savings*

*The High Cost of High School Dropouts*, Alliance for Excellent Education, Oct. 2007.

\$260,000 X Total NM DC Students



# Annual Economic Impact of Dual Credit



Potential Increase in Incomes:  
**\$20 million to \$64 million**

Potential Increase in Disposable Income:  
**\$18 million to \$58 million**

Potential Increase in Federal Revenues:  
**\$2.2 million to \$7 million**

Potential Increase in State Revenues:  
**\$1.3 million to \$4.1 million**

US Census Data for New Mexico

Projected Annual Income Disparity between High School Dropout and High School Graduate and between High School Dropout and Bachelor's Degree (*The College Payoff*, Georgetown University, Center on Education and the Workforce) X Total NM DC Students

Calculations Based on Formulas Used in *Dropout Impact Statistics for Dona Ana County, NM*, Arrowhead Center, November 2010.

